Upper Gunnison River Water Conservancy District

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BOARD OF DIRECTORS MEETING AGENDA

Monday, February 24, 2025
5:30 PM
Zoom registration link:
https://us02web.zoom.us/meeting/register/tZEvcOuqqDwvE9wdWyaZD1ZQo67BJEn0qSu6

MISSION STATEMENT
To be an active leader in all issues affecting the water resources of the Upper Gunnison River Basin.

REGULAR BOARD MEETING

5:00	p.m.	1.	Dinner is served (from Mario's)
5:30	p.m.	2.	Call to Order
5:31	p.m.	3.	Agenda Approval
5:32	p.m.	4.	**Consent Agenda Items:** Any of the following items may be removed for discussion from the consent agenda at the request of any Board member or citizen.

- Approval of January 27, 2025 Minutes
- Monthly Budget Summary for January 2025
- Consideration of Expenses for January 2025
- Bank and Investment Balances

5:35	p.m.	5.	Treasurer's Report
5:40	p.m.	6.	General Counsel Update

- Legislative Update

6:00	p.m.	7.	General Manager's Report
6:15	p.m.	8.	Basin Water Supply Update
6:20	p.m.	9.	***Presentation – Upper Gunnison Basin Irrigation Return Flow Study Update*** Rachel Gidley, Carleton Bern and Cory Williams, USGS

7:00	p.m.	10.	**Presentation and Discussion – "*Progress on Meridian Lake Reservoir Project"*** Mike Fabbre, Manager of Mt. Crested Butte Water and Sanitation District
7:30	p.m.	11.	Miscellaneous Matters
7:32	p.m.	12.	Citizen Comments
7:35	p.m.	13.	Future Meetings
7.36	p.m.	14.	Summary of Meeting Action Items
7:40	p.m.	15.	Adjournment of Regular Meeting

Note: This agenda is subject to change, including the addition of items or the deletion of items at any time. All times are approximate. Regular meetings, public hearings, and special meetings are recorded, and action can be taken on any item. The Board may address individual agenda items at any time or in any order to accommodate the needs of the Board and the audience. Persons with special needs due to a disability are requested to call the District at (970)641-6065 at least 24 hours prior to the meeting.

AGENDA ITEM 4
Consent Agenda Items

Upper Gunnison River Water Conservancy District
Regular Meeting Minutes of the Board of Directors
January 27, 2025 at 5:30 p.m.

The Board of Directors of the Upper Gunnison River Water Conservancy District (UGRWCD) conducted a regular meeting on Monday, January 27, 2025 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: Rosemary Carroll, Joellen Fonken (via Zoom), Rebie Hazard (Via Zoom), Stacy McPhail, Julie Nania, John Perusek, Camille Richard, Don Sabrowski, Andy Spann and Brooke Zanetell.

Others present:

Amanda Aulenbach, Wet Meadows Project Manager
Clark Burton, Barrick Gold Corporation (formerly Pitch Mine)
Sonja Chavez, UGRWCD General Manager (via Zoom)
Mitch Dahlke, US Forest Service
Bailey Friedman, UGRWCD Water Projects Manager
Jesse Kruthaupt, Trout Unlimited
Ned Lundvall, Arcadis (via Zoom)
John McClow, UGRWCD General Counsel (via Zoom)
Luke Mecklenburg, Colorado Attorney General's Office (via Zoom)
Beverly Richards, Senior Program Manager/Office Manager
Bob Robbins, Robbins Ranch (via Zoom)
Sue Uerling, UGRWCD Admin. Asst/Communications Support Specialist
David Wykoff, Barrick Gold Corporation (formerly Pitch Mine)
Ari Yamaguchi, UGRWCD Water Resources Technician (via Zoom)

1. Call to Order

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

2. Agenda Approval

Director John Perusek moved and Director Julie Nania seconded approval of the agenda. The motion carried.

3. Oath of Office Administration

Judge Kellie Starritt administered the oath of office to Camille Richard, who will fill Michelle Pierce's remaining term for Division 1, Hinsdale County.

4. Consent Agenda Items

President McPhail asked if anything needed to be removed for further discussion from the Consent Agenda Items. None were brought forth.

Director Rosemary Carroll moved and Director Julie Nania seconded approval of the Consent Agenda. The motion carried.

5. Presentation by David Wykoff and Clark Burton, Pitch Mine Reclamation Project, Barrick Gold Corporation

Dave Wykoff, Pitch Mine Closure Manager, and Clark Burton, Director of Closure Operations, for Barrick Gold updated the UGRWCD Board regarding their closure operations for the uranium mine located 6.5 miles east/northeast of Sargents. It was noted that the site is above 10,000 feet in elevation with no access to any power grid. They reported that Pinnacle Partners operated a uranium mine at the site from 1959 to 1972 and the Homestake Mining operated an open pit mine from 1979 to 1984. Barrick Gold acquired Homestake Mining in 2001. The Colorado Department of Public Health and Environment (CDPHE) and the Colorado Division of Reclamation, Mining and Safety have provided oversight of the reclamation and closure process.

Barrick has instituted the following engineering solutions towards reclamation: regrading waste rock to prevent ponding/infiltration; capping of residual low-grade ore stockpiles; plugging underground Pinnacle Portal to address radium and reduce mobilization of uranium; uranium passivation through phosphate injection; diversions implemented to minimize infiltration into mineralized fault zone. The underground mine portal has been plugged. A limestone quarry at the site has been reclaimed and revegetated and the north pit tension crack has been regraded and revegetated. They said that concentration discharge from the site has consistently met the aquatic life standard of 2,000 ug/L for uranium in their discharge permit. In 2015, there was a change in Marshall Creek's use taking their permit limit from 2,000 ug/L to the 30 ug/L drinking water supply uranium standard. The temporary modification standard is set to expire in 2025 and Barrick has updated their "Alternatives Analysis" and resubmitted it to CDPHE in October 2024. The Water Quality Control Commission rulemaking hearing for Pitch's request for a Discharge Specific Variance is scheduled for June 2026.

They noted also that the Saguache County Commissioners adopted ordinances restricting drilling of alluvial wells within 200 feet of Marshall Creek and a conservation easement was established on the Irby Ranch to ensure that no future development and no new municipal wells could be drilled within 200 feet of Marshall Creek in the future. In addition, shallow domestic alluvial wells in the town of Sargents generally have poor water quality with evidence of E.coli. At this time, 32 of those shallow wells have been identified by Pitch for replacement (i.e, drilling deeper into the bedrock aquifer). In 2024, 17 wells were drilled and 15 more will be drilled in 2025. Pump installation and tie-in will follow and the existing alluvial wells, some of which were hand-dug back in the early 1900's will be plugged. Saguache County Commissioners have considered the feasibility of building a community water and waste-water treatment

systems and have great concerns about who would construct it and oversee the ongoing operations of these systems. Ongoing in-stream water quality sampling continues in Marshall Creek, Indian Creek and Tomichi Creek.

Mr. Wykoff shared a table that compared pre-mining concentrations of uranium with current concentrations on Indian Creek which showed that concentrations have been steadily declining since 2018.

Director Julie Nania indicated her understanding was that there was mining activity up there prior to 1959 and Mr. Wykoff answered that it was just exploratory excavation and very minor mining. Director Nania surmised that their table included data only from prior to Homestake Mining, but not prior to all mining. Director Rosemary Carroll asked for further details about the dots represented on the time table graph and asked if uranium concentrations peak in the spring. Mr. Wykoff responded that concentrations peak at low flow (less dilution) but the overall mass load of uranium peaks at high flow. Mr. Burton noted that they had done significant research to help them understand the source of the uranium and have concluded that there are three main sources; one being the underground workings of the mine at the Chester Fault and the other two being two different waste rock facilities.

Barrick is now going through the Discharger Specific Variance (DSV) process to secure a regulatory pathway if the underlying water quality standards cannot be met. This process would be to determine an alternate effluent limit (AEL) and define discharge permit limits.

Director Brooke Zanetell asked about the likelihood of moving forward with a water and sewage treatment system and Mr. Wykoff said they are really not moving forward with that option but instead are focusing on drilling the deeper wells through the bedrock due to Saguache County's concerning over cost of long-term operation and maintenance costs. He noted that any septic systems close to the new wells have been encased so that there is no transference between the septic systems and wells. He said that it is a huge improvement but is also a huge project that they are about halfway through at this time.

Director Julie Nania commented that it seems to her they should continue with their mitigation efforts since the uranium levels are coming down slowly. She said it seems extreme to take away a drinking water basin when their efforts appear to be gradually improving the water quality in recent years. She asked why they would not continue down that path. My Wykoff responded that it becomes an effort of diminishing returns and that they predict in time the graph will flatten out as there is natural uranium found in the watershed. Mr. Burton said that regardless of what they do, he does not feel they will be able to meet the CDHPE drinking water standards but that thanks to their efforts, the water quality is better than it was previously. In response to Director Nania's question about their timeframe for how long they will continue their current efforts, Mr. Burton replied that they look at a window of 20 years for data comparison and the DSV is typically reviewed and/or renewed at regular intervals about every five to 10 years.

Director John Perusek reported that he worked at that mine in the past and said then it was essentially a

CynD mine on a limestone bed and he wondered if an effort had been made to seal off that area. Mr. Wykoff replied that they did plug the portal to the underground workings of the mine, which caused the underground pit to fill with water. Mr. Burton said that the Chester Fault is actually a fault zone over 400 feet wide with several outlets, so it is pretty much impossible to seal that off. He said that uranium and other ores that exist naturally are still leaking into the system from the underground workings but that most of them are leaking to the north.

Mr. Burton said that as they have proceeded through the DSV process, they got two main comments in feedback from the CDPHE. One, that Barrick's list of alternatives was not a comprehensive list and two, that they were not following the DSV guidance to the letter. Mr. Burton explained that when they initially submitted their list of alternatives for meeting the standards, they had purposely omitted alternatives that they felt were either similar or inferior to the ones they did submit. So, in October, they went back and submitted all of the alternatives that were initially on the drawing board. He said that they are also now following the DSV guidance more closely. They will continue to proceed through the DSV technology test, economic test and other considerations test. With the economics test, they look at substantial impacts to the profit, liquidity, and solvency of Barrick Gold as well as any adverse impacts on the community, surrounding area, or economic impacts at the State level, such as employment opportunities in an area that already has limited opportunities. He noted that the costs of many of the alternatives may be disproportionate to the environmental and human health benefits.

With the "other considerations" test they looked at the risks associated with treatment byproducts, including transporting concentrated radiological waste, especially since Colorado does not have a certified waste disposal site for such waste. They also considered resource consumption, greenhouse gas and other air emissions for the alternatives. Finally, they reviewed possible safety risks associated with implementing alternatives.

General Manager Sonja Chavez asked if they had ever done testing at the CDOT well. Mr. Wykoff responded that he did not believe they had ever done testing at that well but that they could do so if that was of interest to the District. Sonja responded that it was her understanding from the Irby's or Paul Mowry that if they don't intentionally irrigate a certain parcel it has negative consequences on the CDOT house well near the CDOT barn.

Director Joellen Fonken explained that there was a capped uranium disposal structure about four miles east of her residence at Hartman Rocks and she wondered how water quality levels at that disposal area would compare to the data they are collecting for Indian or Marshall creeks. Mr. Wykoff said he does not have that data immediately available and Mr. Burton offered that Barrick could do a comparison if they had the data from the Gunnison mining site. Director Fonken asked Director Perusek if he had any insight on this and Director Perusek replied that he felt the levels would be lower at Indian and Marshall Creeks than at the former Gunnison mining site.

They concluded their presentation by saying they encourage comments in preparation for the WQCC

hearing in June 2026 and they invited the District to come tour the mine site in the spring. They also said they would like to come back to the Board with another update in the fourth quarter of 2025 and they provided their emails as follows for further questions or comments: Dave Wykoff at mailto:dwykoff@barrick.com and Clark Burton at cburton@barrick.com

Director Julie Nania commented that she feels Barrick's pursuit of a DSV is a little preemptive since they are making progress towards meeting the standard and that she would like to see them continue with their current efforts. General Manager Chavez commented that the WQCC does not like to see temporary modifications "hanging out there" for too long and that a DSV doesn't remove the requirement that Barrick continue to work on improving water quality. Mr. Burton reported that the commission required that Barrick move forward with filing a DSV as part of the approval for the temporary modification that they are currently under. Director Nania pointed out that they are actually meeting the standard for part of the year at Marshall Creek and that given more time, perhaps they would be able to meet the standard year-round. Mr. Burton responded that on Indian Creek, though, they will not be able to reach the standard for a very long time – maybe 400-500 years. Director Nania asked if the two creeks could be segmented out separately so that they could still be working on Marshall Creek. Mr. Burton said that this was a good question that he could check on further.

All parties agreed that it would be helpful for the District Board to visit the site in the spring.

6. Basin Water Supply Report

Senior Program Manager Beverly Richards reported that thanks to the cold temperatures, the snowpack in the basin has remained pretty steady and above average since the end of November but that conditions are starting to get warmer and dryer. She noted that for the first time this season, the SNOTEL average snowpack for the basin fell to under 100 percent this week. She did attend a webinar, however, where they reported that the Upper Gunnison Basin receives the most snowfall when there are atmospheric river systems moving in from the west and the National Weather Service is predicting some weaker atmospheric rivers in February, so hopefully, precipitation will improve then. Right now, the soil moisture content is still good and the area reservoirs are at their normal averages for this time of year.

7. General Counsel Update

Legislative Review – General Counsel John McClow reported that so far only one water bill of interest to the District has been brought forward, SB 25-040, which proposes a task force to study the future of severance tax and water funding. He anticipates that there will be a number of other water bills proposed in the next few weeks so it is likely that he will commence Legislative Committee meetings on Friday, February 7th at 8 a.m. It was explained for the new members that this committee typically meets on Friday mornings at 8 a.m. during the Legislative Session and that staff will send out a Zoom registration link that can be used for all of the meetings. Director Stacy McPhail offered to serve on this committee.

Policy Update – Counselor McClow has been working to assemble a current and relevant collection of Board policies to include in a manual for all directors. In doing so, he has found a number of policies that either need to be updated to current practices or eliminated altogether as they no longer pertain to District operations.

First, he presented the current Mission and Values statement and said that the Directors may want to take time to consider these. General Manager Chavez suggested that these be taken up during a Strategic Planning retreat planned for 2025.

The second policy he addressed was the "Electronic Participation" policy. He explained that this policy was instituted during the Covid pandemic when the Board could not meet in person and certain conditions were included that the Board is no longer following, including requiring that the Board President approve any electronic participation. The consensus of the Directors was that the conditions should be stricken from the policy but the language that Board members are encouraged to participate in person should be left in the policy.

Director Julie Nania moved and Director Camille Richard seconded adoption of the "Electronic Participation" policy with the updated language provided in Counselor McClow's email. The motion carried.

The next Policy addressed by Counselor McClow was the "Decision-Making Between Board and Attorney." Mr. McClow noted that the policy was adopted in 2001 when the District did not have a full-time attorney on staff, so the policy is no longer relevant and he recommended rescinding the policy. President McPhail responded that the rescission was "long overdue."

Director John Perusek moved and Director Rebie Hazard seconded rescinding the "Decision-Making Between Board and Attorney" policy. The motion carried.

The next Policy addressed by Counselor McClow was the "Reserve Policy" which currently states that the District shall set aside three percent annually for the reserve. Since this has not been pursued exactly, Mr. McClow said the Board can ignore the limit; re-adopt the policy and then stick to the three percent limit each year; or modify the policy in terms of the limit or language. In response to questions about how the reserve has varied, Treasurer John Perusek said it had grown on average approximately 6.5 percent annually, except for 2023 when reserve funds were used to purchase the other half of the Spencer Building complex.

Counselor McClow explained that when the reserve was initially created, it was anticipated that the reserve would be used to resist transbasin diversions and to set aside funds for a large project that might be of interest to the District. President McPhail wondered if the policy "takes care of itself" and therefore, the District does not need a reserve policy. Director Brooke Zanetell noted that although presently there is no threat of a transbasin diversion, she said she would be in favor of

keeping the spirit of the original language with it now reading the reserve is important to support eliminating any new threats to the basin as she feels there are more nuanced threats to water coming now and in the future. Director Camille Richard asked if in the financial policies there were any specific instructions on how the reserve fund is invested or managed. General Manager Chavez replied that while there is no specific language, the reserve fund is managed with the goal of keeping it stable and growing it whenever possible. Ms. Chavez also explained that items that may impact the reserve include the District's commitment to support the $2.2M USGS irrigation return flow study. She is committed to continuing to fundraise to reduce impacts to our reserve fund balance over the next few years. Counselor McClow also explained that when the policy was initially passed, there were Board members who felt that the mill levy should be raised to support a healthy reserve and others who felt the mill levy should be maintained or reduced as long as the reserve was meeting the three percent goal. After further discussion about a possible cap or language changes with respect to threats or large District projects, the consensus of the Board was that this policy should be tabled for further discussion at the next Board meeting with staff providing some options for consideration.

Next, Counselor McClow referred to a paragraph supported by the Board in the past regarding "Travel Reimbursement." He reported that senior management has now included rules in the revised Employee Handbook for staff travel, and therefore, a policy is recommended that applies to the Board of Directors. General Manager Chavez listed several travel conditions being considered for the policy including that the District has been paying for one alcoholic beverage for Board members and one special guest when the staff and the board meet as a group for dinner. Otherwise, she said she recommends that the policy state that the District will not pay for alcoholic beverages purchased by individual Board members. She also referenced the US General Service Administration (GSA) link as a reference for per diem rates considered reasonable for meals and accommodations across Colorado. She reported that Board members should be using the District's Reimbursement Request form and offered that staff will send out the 2025 version of the form since the IRS mileage reimbursement rate changed this year. As a government entity, Board members will need to submit Reimbursement Request forms within 45 days of their travel. She also said that Board members traveling should try to use the most cost-efficient means and direct routes as possible. She said that Google maps will provide Board members with the exact mileage for the direct route from their door to the business meeting and that this is the figure that should be used for mileage reimbursement. Staff will provide a draft of this policy at the next Board meeting.

8. <u>Treasurer's Report</u>

Treasurer John Perusek referred to the treasurer's report memo included in the packet and specifically pointed out the two graphs showing what the reserve has done over the past five years for both the general fund and the Water Activity Enterprise. He noted that both had grown steadily. by about 6.5 percent and that the funds were safely invested to earn interest. General Manager Chavez said that in the past, there were often invoices or disbursement requests that came in at the

end of the year that then ended up being accounted for in the next fiscal year. She and Beverly Richards have implemented a practice of billing partners (e.g., cloudseeding, water quality/quantity monitoring, etc.) at the beginning of the year rather than at the end of the year which was the District's previous practice. The District is also more closely following outstanding invoices and disbursements to do a better job of trying to get funds accounted for in the year they were budgeted. Finally, General Manager Chavez noted that the District's grant programs projects are taking longer than anticipated to implement due to delays in engineering or availability of contractors for implementation (likely associated with significant IRA and BIL funding driving demand for water resource projects). This has meant that grant expenses are being pushed into subsequent years and that it may appear as though the District is taking money out of the reserve on a regular basis when it is really just expending unspent funds from a previous fiscal year. Director Andy Spann requested a report on grant funds that were not paid in the budgeted year to see if the reserve line might end up being flatter. Staff will try to come up with such a report.

9. General Manager and Committee Reports

PROJECTS & FUNDRAISING

B2E Grant: The Gunnison Conservation District was awarded a grant from the U.S. Bureau of Reclamation Bucket 2 Environmental (B2E). The District is the primary subcontractor and will be providing technical expertise, grant administration and training on government grant administration for the Conservation District. General Manager Chavez reported that the exact timing and payment for this grant is currently unknown since the Trump administration has frozen federal grant funding, so stay tuned.

NRCS: The District took part in a Water Management Webinar Entity (WME) by NRCS. Ms. Chavez said the District doesn't qualify as a WME but wanted Board members and the public to be aware of it in case they came across someone who does qualify.

TLUG: The two-year terms were up for three of the Taylor Local Users Group representatives as follows: Roark Kiklevich representing wade fishing interests; David Fisher representing property owner interests; and Andy Spann representing irrigation interests. All three of these representatives submitted emails or letters saying they were interested in continuing to serve and renewing their terms. The District also received a letter from Patrick Plumley who expressed interest in serving as the wade fishing representative. Mr. Plumley's letter was read aloud for the Board and several Board members noted that he had good experience with fishing interests, but also as a former Registered Geologist and Certified Engineering geologist who conducted hydrogeologic and groundwater investigations and analysis of potential impacts to water resources for a series of major hard rock, open pit and underground mines. He also has experience performing engineering geologic and geotechnical investigations for the design and construction of large civil engineering projects, such as dams, pipelines, mines and power plants. Directors Spann and Sabrowski both noted that Roark Kiklevich has served for many years as a TLUG

representative and knows a lot about the operations of Taylor Reservoir and understands the challenges in managing streamflows for all users. Director Sabrowski pointed out that it's easy to consider all users interests when there is good snowpack and runoff but that it becomes much more difficult during dry years. During dry years, it is particularly helpful to have someone with a lot of experience in dealing with the whole group. After some discussion, the consensus was that Mr. Plumley should be encouraged to attend the TLUG meetings, since they are open to all, and Director Fonken offered that perhaps Mr. Plumley might consider joining the Gunnison River Festival Board of Directors. Since he was also at the initial Drought Contingency Planning meeting, he should also be encouraged to stay involved there.

Director Julie Nania moved and Director Rosemary Carroll seconded the appointment of Andy Spann to represent irrigation interests on the Taylor Local Users Group. Director Spann abstained from the vote. The motion carried.

Director Brooke Zanetell moved and Director Camille Richard seconded the appointment of Roark Kiklevich to represent wade fishing interests on the Taylor Local Users Group. The motion carried.

Director Rosemary Carroll moved and Director Camille Richard seconded the appointment of David Fisher to represent property owners interests on the Taylor Local Users Group. The motion carried.

Director John Perusek asked if Mr. Plumley could be considered for the City of Gunnison opening on the Board of Directors. Division 8 requires that the representatives live inside the city limits and Mr. Plumley lives and owns property just outside the limits.

President Stacy McPhail said she wanted to recognize the great service that former Director Mike Rogers provided to the Board of Directors and wished him well with his move. She also asked that Board members be thinking of someone to replace Director Rogers and that she would like to see someone that has experience with the City of Gunnison's water and wastewater treatment plant. Director Julie Nania also expressed an interest in finding someone with land-use regulations experience.

Watershed Management Planning Report – Water Projects Manager Bailey Friedman reported that she met today with GEI to discuss their final scope of work with respect to the machine learning process. Ms. Friedman said she distributed the WMP Phase II draft report in December to the committee and was awaiting comments from the committee on the report, which is due next Monday.

Funding Workshop – Ms. Friedman reported she is in the planning stages of putting together the "Upper Gunnison Basin Water Funding Opportunities Workshop" to educate the community on funding opportunities at the District, federal, state and local levels. This has been tentatively set for Tuesday, March 25, 2025 at the Gunnison Public Library from 11 a.m. to 4 p.m. Ms. Friedman has

set up a Google registration QR Code to get more information about what attendees hope to learn. Director Julie Nania asked if it would be possible to record the workshop for those who cannot be in attendance that day.

Grant Committee Report – Senior Program Manager Beverly Richards reported on grant activities.

For the **2023 Grant Program**, 18 grants were awarded totaling $288,487. Five awards were declined primarily due to the fact that they were not ready**.** As of January 27, 2025 the District has 10 completed projects under the 2023 Grant Program with three projects still ongoing with approved extensions to 2025. The amount carried forward into the 2025 budget from the 2023 Grant Program was approximately $46,670.

For the **2024 Grant Program,** 17 grants were awarded for a total of $260,606 and two were declined totaling $14,750. As of today, the District has three completed projects under the 2024 Grant Program. There is one completed project requiring some additional information for the reimbursement, and 11 ongoing projects that will continue into 2025. The amount carried forward into the 2025 budget from the 2024 cycle was approximately $208,330. Ms. Richards noted that 2025 grant applications are due by 5 p.m. on February 14, 2025.

Education and Outreach Report – Administrative Assistant/Communications Specialist Sue Uerling referred to her memo in the packet and said there have been a couple of items that have come up since she prepared the memo. She reported that the District is sponsoring the "Ice Masters" ice fishing tournament at Taylor Reservoir on Saturday, February 22, 2025. Staff and Board were each given one of the winter stocking caps produced for the tournament that include the District's logo. Ms. Uerling reported that the fishing tournament is full with just over 100 registrants and that Rory Birdsey is giving participants the stocking caps, rack cards and water bottles and displaying banners all with the District's logo. In addition, he is highlighting the District's mission on their social media platforms.

Ms. Uerling also reported that she has had some preliminary contact with the organizers of the CB Public Policy Forum to be held this summer. An early news report noted that the forum will include a speaker covering Colorado River issues. Director Julie Nania said they are hoping to secure Rebecca Mitchell of the Upper Colorado River Commission to be the speaker for this session. The Education Committee did set aside funding to support this project.

Director Camille Richard said that an ice fishing tournament is also planned for Lake San Cristobal and she wondered if there might be any District funding available to support it. Ms. Uerling said that the Mini-Grant Program could provide up to $500 towards the tournament if approved by the committee. And, if the tournament will be held annually, it may be something the committee wants to include in sponsorship funding for the next fiscal year.

Colorado River Water Conservation District - General Manager Chavez said in the interest of time, she would prepare a report on the CRWCD's Board meeting to present at the next UGRWCD Board meeting.

UGRWCD Draft Comments – Dredge and Fill – General Manager Chavez reported that the District did submit comments on the proposed regulation that basically mimicked the input provided by the Colorado Water Congress. Ms. Chavez said there were three additional comments made by the District primarily dealing with specific use of Regional General Permit Number 5 for ditch construction and maintenance activities. In addition, she wanted to remind CDPHE of the commitment made to locate staff on the western slope and to conduct outreach/stakeholder engagement across the western slope. WQCD had made a commitment to make in person presentations, but she was disappointed that although these individuals were lined up well in advance to be present both at the GBRT meeting and the CRWCD meeting, the presentations ended up having to be virtual.

Adoption of Employee Handbook – General Manager Chavez said senior staff had been working on "cleaning up" the employee handbook and had included the following changes as presented in the packet:

- On the Colorado Retirement Association plan, it notes that in addition to the 457B plan, a Roth-IRA plan option was added.
- With respect to expense reimbursements, staff also must submit their request and receipts within 45 days.
- Cell phones purchased by the District will remain the property of the District upon the staff member's termination or resignation .
- As part of the CARES Act, employees can choose to put a large lump sum of money towards their student loan debt and then have the monthly cost of the lump sum withheld directly from their paychecks. This up-front payment saves the employee interest costs thereby paying down the loan quicker. The CARES Act expires in December 2025.
- A Paid Time Off (PTO) cash-out policy was added which allows staff to cash in a portion of their accumulated PTO hours to use for example on medical expenses, a vacation, or putting additional money into their retirement plan (pre-tax). Staff will still be required to take sufficient PTO hours for their own well-being and this will be a requirement for approval of PTO cash out.
- The compensatory time off policy was amended to only apply to full-time Wet Meadows field staff who at times are required to work significant hours doing physical labor in the field. The reason for providing compensatory time is to minimize potential for accidents or injury. Other salaried staff will not be provided compensatory time off.
- Office hours and work breaks were clarified.
- The remote working policy was also clarified and will be given in limited exceptions.
- The District Vehicle usage policy was clarified and staff are required to use District vehicles when conducting District business and limit personal vehicle use when possible.
- A bereavement leave policy was added to allow staff members to take up to five days paid leave .

- A policy was added stating that the District is a pet friendly workplace and a separate memo will be given to staff who choose to bring their pet to work outlining the guidelines and requiring them to sign a pet agreement.
- Once approved, each staff member will sign and date a form noting their understanding of the Employee Handbook.

Director Camille Richard moved and Director Julie Nania seconded adoption of the amended Employee Handbook dated 2025. The motion carried.

Ag Return Flow Update – General Manager Chavez reported that representatives from the USGS will be present at the next Board meeting to review their study findings and next steps. In the meantime, staff and Board members found the USGS graph of the gain and loss periods of water interesting and felt there were unanswered questions about the timing, since it didn't match up with the 10-12 year drought cycle. It was noted that there was a large amount of irrigated land up on the East River during the graphed period that was converted to other uses so perhaps this would explain some of the data. Director Carroll said she felt this was important information to convey to the USGS. She also said an invitation would be made to the Stockgrowers Association to come to the February District Board meeting if they would like to hear more about the study results thus far.

Gunnison Basin Roundtable Report - General Manager Chavez noted that the majority of the Roundtable meeting was taken up by the Water Quality Control Commission reviewing the Dredge and Fill draft language. She said no funding requests were presented this time.

Gunnison River Festival (GRF) Update – General Manager Chavez said the GRF has hired Hayden Daiber as the new Director of the River Festival. Ms. Chavez said she is very enthusiastic about the festival, and has been a river guide and has website design and social media experience.

On a different note, Ms. Chavez reported that the GRF bank account at Gunnison Savings and Loan (GSL) was compromised and a couple of attempts were made to electronically withdraw funds from the account to pay credit card bills. Two payment attempts were successful and were caught by Beverly Richards. Those charges are being investigated by GSL and the funds from that were withdrawn will be returned to the account. In the meantime, GSL recommended closing the existing account and opening a new one with a different account number and they were able to update the new account so that approved staff will have the ability to check the account online for any suspicious activity.

Wet Meadows Program Report – Wet Meadows Program Manager Amanda Aulenbach reported that last week, the District hosted the 2025 season planning session and that 24 people from 10 agencies attended. They will be advertising to hire two Restoration Technicians in February 2025, and have candidates selected by April 2025. Staff will purchase the UTV and trailer before May 2025 in order that the new technicians can be trained on the UTV. Water Resources Technician Ari Yamaguchi did interject that he heard from his contact who is helping with the government discount that Kubota is on a brief hold

right now, so the exact purchase date of the UTV is up in the air, but that he hopes it will be completed in time for the new technicians to be trained by May to be ready for the field season.

Ms. Aulenbach reported that there has been a five-part documentary series filmed called "Thinking Like Water", which includes Bill Zeedyk and some of the other Wet Meadows restoration crew to be released in April or May 2025. She said the second episode is about the Wet Meadows Program and will premiere at the WCU theatre in mid-April, along with raffle prizes and several volunteer opportunities. Director Brooke Zanetell asked if these would be full-time positions and if the job announcement had gone out yet. Ms. Aulenbach replied that she is awaiting approval of the job description that she has written and that she hopes to have it out to the public by mid-February.

Scientific Endeavors - Director Rosemary Carroll said that she and her group are busy planning for the NEON campaign this summer, which stands for National Ecological Observatory Network, which is a group of scientists funded by the National Science Foundation spearheading Hyperspectral Analysis Flights over the Slate, Coal Creek, and Upper East Rivers. This was last done in 2018. New this year, there are also plans to include the Upper Taylor in these flights. These flights are to study vegetation health. Scientists in the area are also planning for Principal Investigator Conferences scheduled to begin next week.

10. Miscellaneous Matters – Water Project Manager Bailey Friedman noted that the WMP Committee is down to just two Board members with Director Mike Rogers' resignation, so she asked what the process was for soliciting new members. President Stacy McPhail encouraged Director Camille Richard to consider which committees she might be interested in joining and noted that the WMP Committee will wrap up by the end of this year. It was also noted that the Education and Outreach Committee is now without a chair. Staff will send Director Richard a list of the committees and current members for her to consider.

Counselor John McClow reminded the Board to start thinking about the Mission and Values Statement for any updates. It was recommended by Manager Chavez that the board work on the mission and values statement as part of our strategic planning effort.

11. Citizen Comments – Luke Mecklenburg said he hopes to see several of the Board and staff at the Colorado Water Congress convention this week.

12. Future Meetings – A summary of upcoming meetings were listed in the packet. It was noted that the New Member Onboarding meeting on February 10th will be postponed until Director Rogers' replacement is appointed. Director Camille Richard asked if it was acceptable to attend committee meetings by Zoom, and the response was "yes."

13. Summary of Meeting Action Items

- As requested by Director Andy Spann, staff will prepare a summary of unexpended grant funds moved into subsequent budget years.
- Board members will review the Mission and Values Statements as part of the 2025 strategic planning.
- Staff will come up with some options for a Strategic Planning Retreat later in 2025 and present dates to the Board for consideration.
- Staff will prepare some policy language for options on managing reserve funds for the Board to consider.
- A tour of the Pitch Mine for Board and staff will be planned for some time after the first of June 2025.

General Manager Sonja Chavez reported that she will not be attending the Colorado Water Congress Convention starting on Wednesday due to being ill, so she offered that if there were anyone else willing to go in her place, the District has taken care of the registration fee and room and would cover travel expenses.

14. <u>Adjournment of Regular Meeting</u>

Board President Stacy McPhail adjourned the regular Board meeting on January 27, 2025 at 8:42 p.m.

Respectfully submitted,

_____

Don Sabrowski, Secretary

_____

Stacy McPhail, President

Upper Gunnison River Water Conservancy District
Monthly Budget Summary 2025

	Jan 25	YTD 2025	2025 Budget	% of Budget
Ordinary Income/Expense				
Income				
Asp Water Sales	0.00	0.00	25,000.00	0.0%
Rent Income	3,275.00	3,275.00	43,500.00	7.53%
Cloud Seeding Income	0.00	0.00	124,500.00	0.0%
Interest Income	18,091.43	18,091.43	50,000.00	36.18%
Property Tax Income	9,396.92	9,396.92	2,204,862.00	0.43%
Reimbursed Exp Income	11,384.49	11,384.49	42,000.00	27.11%
Watershed Mgmt Income				
CWCB PEOP 2025-0557	0.00	0.00	25,000.00	0.0%
WMP CWCB PO 2023-3317 Income	0.00	0.00	94,401.00	0.0%
CWCB 2022-2085 (Restoration)Inc	0.00	0.00	52,837.00	0.0%
HAB Phase 2 - CFP 2024-82	0.00	0.00	35,004.00	0.0%
USBR Drought Contingency Income	0.00	0.00	84,049.00	0.0%
Total Watershed Mgmt Income	0.00	0.00	291,291.00	0.0%
Wet Meadows Income				
TNC-UTV	0.00	0.00	25,064.00	0.0%
BLM GNA 140L1724	0.00	0.00	88,746.00	0.0%
US BLM Grant #L254AC00687-00	2,047.14	2,047.14	122,712.00	1.67%
ATBC Grant Income	26,000.87	26,000.87	24,895.00	104.44%
FWS Sage Brush Ecosystem Income	68,948.56	68,948.56	106,060.00	65.01%
USFS PA 2022 Income	0.00	0.00	17,945.00	0.0%
USFS SPA 2018 Grant	4,358.66	4,358.66		
Total Wet Meadows Income	101,355.23	101,355.23	385,422.00	26.3%
WQ Monitoring Inc	35,328.00	35,328.00	46,319.00	76.27%
Vehicle Income	0.00	0.00	10,000.00	0.0%
Additional Contribution Reserve	0.00	0.00	457,435.00	0.0%
Total Income	178,831.07	178,831.07	3,680,329.00	4.86%
Cost of Goods Sold				
BOR DCP 2023-24 COST	10,680.76	10,680.76		
CWCB WMP 2023-3317	9,005.00	9,005.00		
Total COGS	19,685.76	19,685.76		
Gross Profit	159,145.31	159,145.31	3,680,329.00	4.32%
Expense				
Operating				
Admin.Travel & Exp.	210.57	210.57	35,000.00	0.6%
Audit Expense	0.00	0.00	10,000.00	0.0%
Accounting & Professional Fees	5,123.91	5,123.91	45,000.00	11.39%
BOD Expenses	-1,450.00	-1,450.00	15,000.00	-9.67%
BOD Mileage	191.10	191.10	5,500.00	3.48%
BOD Mtg Fees	800.00	800.00	13,360.00	5.99%
Bonding and Insurance	1,998.00	1,998.00	15,500.00	12.89%
Building Rep/Maint	698.15	698.15	10,000.00	6.98%
CAM	811.15	811.15	7,500.00	10.82%
Computer Exp	7,857.95	7,857.95	32,200.00	24.4%
Copier Expenses	416.05	416.05	7,000.00	5.94%
County Treasurers' Fees	9.03	9.03	75,000.00	0.01%
Spencer Bldg Reserve Contrib	0.00	0.00	10,000.00	0.0%
Dues, Memberships&Subscriptions	3,190.87	3,190.87	17,260.00	18.49%
Legal Publication	932.16	932.16	5,000.00	18.64%
Manager's Discretionary	1,063.38	1,063.38	25,000.00	4.25%
Meeting Expenses	0.00	0.00	5,000.00	0.0%
Office Cleaning	630.00	630.00	6,200.00	10.16%

Upper Gunnison River Water Conservancy District
Monthly Budget Summary 2025

Office Supplies & Misc Expenses	1,241.14	1,241.14	10,000.00	12.41%
Payroll Exp	94,671.58	94,671.58	1,005,511.00	9.42%
Postage	219.00	219.00	1,500.00	14.6%
Telephone	772.14	772.14	9,000.00	8.58%
Utilities	440.41	440.41	6,000.00	7.34%
Vehicle Expense	0.00	0.00	3,500.00	0.0%
Total Operating	119,826.59	119,826.59	1,375,031.00	8.71%
Non-Operating				
Aquatice Nuisance Species	0.00	0.00	20,000.00	0.0%
Asp Subordination Report	0.00	0.00	6,000.00	0.0%
Aspinall Contract Costs	0.00	0.00	21,000.00	0.0%
City of Gunnison Cleanup	0.00	0.00	2,000.00	0.0%
Consulting/Engineering	540.00	540.00	50,000.00	1.08%
Coal Creek Watershed Coalition	0.00	0.00	17,000.00	0.0%
Donation Dust on Snowpack	3,500.00	3,500.00	3,500.00	100.0%
Drought Contingency Cont	0.00	0.00	30,000.00	0.0%
Grant Program	25,593.50	25,593.50	555,000.00	4.61%
Gunnison River Festival	12,000.00	12,000.00	12,000.00	100.0%
Endanger Fish Recovery Program	3,750.00	3,750.00	3,750.00	100.0%
Lake Fork Conservancy	0.00	0.00	10,000.00	0.0%
LSC Expenses	0.00	0.00	13,464.00	0.0%
Public Outreach	4,874.88	4,874.88	41,270.00	11.81%
Regional Water Supply Imp. Exp.				
Airborne Snow Observatory Fligh	0.00	0.00	55,000.00	0.0%
Taylor River Modeling Exp	0.00	0.00	27,500.00	0.0%
H20 Budget & Return Flow Study	0.00	0.00	254,000.00	0.0%
Cloud Seeding	16,669.46	16,669.46	151,875.00	10.98%
Total Regional Water Supply Imp. Exp.	16,669.46	16,669.46	488,375.00	3.41%
Strategic Planning	0.00	0.00	30,000.00	0.0%
Taylor Park Projects Exp	0.00	0.00	7,500.00	0.0%
Watershed Mgmt				
CWCB Pepo 2025-0557	2,662.80	2,662.80	25,000.00	10.65%
CWCB 2023-3317 (WMP Phase 3)	0.00	0.00	105,000.00	0.0%
HAB Phase 2 Expense	0.00	0.00	35,000.00	0.0%
CWCB 2022-2085 (Restoration)	0.00	0.00	52,837.00	0.0%
USBR Drought Contingency	0.00	0.00	94,696.00	0.0%
Watershed Mgmt - Other	63.09	63.09		
Total Watershed Mgmt	2,725.89	2,725.89	312,533.00	0.87%
Wet Meadow				
TNC-UTV	0.00	0.00	25,064.00	0.0%
BLM L24AC00687	0.00	0.00	122,712.00	0.0%
BLM GNA 140L1724	0.00	0.00	88,746.00	0.0%
AtBC #2024-3842	0.00	0.00	24,895.00	0.0%
FWS Sage Brush Ecosystem Exp	3,333.33	3,333.33	106,060.00	3.14%
USFS PA 2022 Expense	0.00	0.00	17,945.00	0.0%
Wet Meadows Miscellaneous	0.00	0.00	10,000.00	0.0%
Wet Meadow - Other	342.95	342.95		
Total Wet Meadow	3,676.28	3,676.28	395,422.00	0.93%
WQ Monitoring	0.00	0.00	207,484.00	0.0%
Total Non-Operating	73,330.01	73,330.01	2,226,298.00	3.29%
Capital Outlay Expense	7,154.81	7,154.81	55,000.00	13.01%
Contingency	0.00	0.00	24,000.00	0.0%
Total Expense	200,311.41	200,311.41	3,680,329.00	5.44%
Net Ordinary Income	-41,166.10	-41,166.10	0.00	100.0%
Net Income	-41,166.10	-41,166.10	0.00	100.0%

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
January 2025

Date	Name	Account	Amount
5B's BBQ			
01/31/2025	5B's BBQ	Wet Meadow X	323.82
Total 5B's BBQ			323.82
AARP Medicare Rx			
01/01/2025	AARP Medicare Rx	74166 · Medical Insurance	104.70
01/31/2025	AARP Medicare Rx	74166 · Medical Insurance	104.70
Total AARP Medicare Rx			209.40
Alan Wartes Media LLC			
01/31/2025	Alan Wartes Media LLC	Grant Program	93.50
01/31/2025	Alan Wartes Media LLC	91739 · Legal Publication	491.00
Total Alan Wartes Media LLC			584.50
Amanda Aulenbach			
01/31/2025	Amanda Aulenbach	91730 · Admin.Travel & Exp.	40.47
Total Amanda Aulenbach			40.47
Andy Spann BOD			
01/31/2025	Andy Spann BOD	BOD Mtg Fees	100.00
01/31/2025	Andy Spann BOD	91751 · BOD Mileage	4.90
Total Andy Spann BOD			104.90
Anthem			
01/01/2025	Anthem	74166 · Medical Insurance	389.14

Date	Name	Account	Amount
Total Anthem			389.14
Atmos Energy			
01/31/2025	Atmos Energy	Utilities - Unit A	121.75
Total Atmos Energy			121.75
Beverly Richards			
01/01/2025	Beverly Richards	74166 · Medical Insurance	185.00
Total Beverly Richards			185.00
Brooke Zanatell BOD			
01/31/2025	Brooke Zanatell BOD	BOD Mtg Fees	100.00
Total Brooke Zanatell BOD			100.00
Business Solutions Leasing			
01/17/2025	Business Solutions Leasing	Copier Expenses	242.89
Total Business Solutions Leasing			242.89
Camille Richard BOD			
01/31/2025	Camille Richard BOD	BOD Mtg Fees	100.00
01/31/2025	Camille Richard BOD	91751 · BOD Mileage	78.40
Total Camille Richard BOD			178.40
CEBT			
01/01/2025	CEBT	74166 · Medical Insurance	5,221.10
Total CEBT			5,221.10

Date	Name	Account	Amount
Center for Snow and Avalanche Studies			
01/01/2025	Center for Snow and Avalanche Studies	Donation Dust on Snowpack	3,500.00
Total Center for Snow and Avalanche Studies			3,500.00
Chase - United Credit Card			
01/27/2025	Chase - United Credit Card	91737 · Postage	219.00
01/27/2025	Chase - United Credit Card	Public Ed./Advertising	1,227.48
01/27/2025	Chase - United Credit Card	Watershed Mgmt X	63.09
01/27/2025	Chase - United Credit Card	Computer Software	231.99
01/27/2025	Chase - United Credit Card	91735 · Office Supplies & Misc Expen...	839.63
01/27/2025	Chase - United Credit Card	Dues, Memberships&Subscriptions	1,287.49
01/27/2025	Chase - United Credit Card	Manager's Discretionary	63.38
01/27/2025	Chase - United Credit Card	Wet Meadow X	19.13
01/27/2025	Chase - United Credit Card	GRF Receivable	346.30
Total Chase - United Credit Card			4,297.49
Christoper Klein Construction			
01/31/2025	Christoper Klein Construction	Spencer Unit C Reno	4,763.67
Total Christoper Klein Construction			4,763.67
City of Gunnison			
01/31/2025	City of Gunnison	Utilities - Unit A	41.79
01/31/2025	City of Gunnison	Utilities - Unit A	276.87
Total City of Gunnison			318.66
Colorado Water Congress			
01/01/2025	Colorado Water Congress	Endanger Fish Recovery Program	3,750.00

Date	Name	Account	Amount
Total Colorado Water Congress			3,750.00
Community Foundation of the Gunn. Valley			
01/31/2025	Community Foundation of the Gunn. V...	Manager's Discretionary	500.00
Total Community Foundation of the Gunn. Valley			500.00
Crested Butte News			
01/31/2025	Crested Butte News	91739 · Legal Publication	12.42
01/31/2025	Crested Butte News	91739 · Legal Publication	15.64
01/31/2025	Crested Butte News	91739 · Legal Publication	291.60
01/31/2025	Crested Butte News	91739 · Legal Publication	121.50
Total Crested Butte News			441.16
Deldorita Ranches			
01/31/2025	Deldorita Ranches	Grant Program	19,500.00
Total Deldorita Ranches			19,500.00
Dick & Donna Bratton Scholarship Fund			
01/31/2025	Dick & Donna Bratton Scholarship Fund	Manager's Discretionary	500.00
Total Dick & Donna Bratton Scholarship Fund			500.00
Don Sabrowski BOD			
01/31/2025	Don Sabrowski BOD	91745 · BOD Expenses	100.00
01/31/2025	Don Sabrowski BOD	91751 · BOD Mileage	22.40
Total Don Sabrowski BOD			122.40
ESRI			

Date	Name	Account	Amount
01/01/2025	ESRI	Computer Software	4,400.00
Total ESRI			4,400.00
Fullmer's Ace Hardware			
01/31/2025	Fullmer's Ace Hardware	91735 · Office Supplies & Misc Expen...	212.08
Total Fullmer's Ace Hardware			212.08
GL Computer Service, Inc.			
01/01/2025	GL Computer Service, Inc.	Computer Repair/IT Support	1,000.00
01/31/2025	GL Computer Service, Inc.	Computer Repair/IT Support	1,000.00
01/31/2025	GL Computer Service, Inc.	Computer Repair/IT Support	1,099.00
Total GL Computer Service, Inc.			3,099.00
Glatfelter Public Entities			
01/31/2025	Glatfelter Public Entities	91270 · Bonding and Insurance	1,998.00
Total Glatfelter Public Entities			1,998.00
Gobins's, Inc.			
01/01/2025	Gobins's, Inc.	Copier Expenses	86.58
01/31/2025	Gobins's, Inc.	Copier Expenses	86.58
Total Gobins's, Inc.			173.16
Golden Eagle Trash Service			
01/31/2025	Golden Eagle Trash Service	84550 · CAM	81.15
Total Golden Eagle Trash Service			81.15

Date	Name	Account	Amount
Great Escape Landscape			
01/31/2025	Great Escape Landscape	84550 · CAM	730.00
Total Great Escape Landscape			730.00
Gunnison Bank and Trust			
01/10/2025	Gunnison Bank and Trust	80517 · Accounting & Professional F...	5.00
Total Gunnison Bank and Trust			5.00
Gunnison Country Chamber of Commerce			
01/31/2025	Gunnison Country Chamber of Comm...	Public Ed./Advertising	100.00
Total Gunnison Country Chamber of Commerce			100.00
Gunnison River Festival			
01/14/2025	Gunnison River Festival	Gunnison River Festival	12,000.00
Total Gunnison River Festival			12,000.00
Hartman Brothers, Inc.			
01/31/2025	Hartman Brothers, Inc.	Cloud Seeding	24.01
Total Hartman Brothers, Inc.			24.01
Humana			
01/01/2025	Humana	74166 · Medical Insurance	91.00
Total Humana			91.00
Joellen Fonken BOD			
01/31/2025	Joellen Fonken BOD	BOD Mtg Fees	100.00

Date	Name	Account	Amount
Total Joellen Fonken BOD			100.00
John McClow			
01/01/2025	John McClow	74166 · Medical Insurance	185.00
Total John McClow			185.00
Julie Nania BOD			
01/31/2025	Julie Nania BOD	BOD Mtg Fees	100.00
01/31/2025	Julie Nania BOD	91751 · BOD Mileage	42.00
Total Julie Nania BOD			142.00
KBUT			
01/31/2025	KBUT	Public Ed./Advertising	2,160.00
Total KBUT			2,160.00
KEJJ Radio			
01/31/2025	KEJJ Radio	Advertising Radio & Newspapers	125.00
Total KEJJ Radio			125.00
Kowal Construction			
01/31/2025	Kowal Construction	Spencer Unit C Reno	2,391.14
Total Kowal Construction			2,391.14
KVLE FM			
01/31/2025	KVLE FM	Advertising Radio & Newspapers	125.00
Total KVLE FM			125.00

Date	Name	Account	Amount
LexisNexis			
01/31/2025	LexisNexis	Dues, Memberships&Subscriptions	686.38
Total LexisNexis			686.38
Lightspeed Voice			
01/01/2025	Lightspeed Voice	91275 · Telephone	310.10
01/31/2025	Lightspeed Voice	91275 · Telephone	1.66
Total Lightspeed Voice			311.76
Magan Friedman			
01/31/2025	Magan Friedman	91730 · Admin.Travel & Exp.	170.10
Total Magan Friedman			170.10
Melinda McCawmedia			
01/01/2025	Melinda McCawmedia	CWCB Pepo 2025-0557	79.40
01/31/2025	Melinda McCawmedia	CWCB Pepo 2025-0557	79.40
Total Melinda McCawmedia			158.80
New Morning Improvement, LLC			
01/31/2025	New Morning Improvement, LLC	Office Cleaning	630.00
Total New Morning Improvement, LLC			630.00
North American Weather Consultants, Inc.			
01/31/2025	North American Weather Consultants, I...	Cloud Seeding	16,607.00
Total North American Weather Consultants, Inc.			16,607.00

Date	Name	Account	Amount
Northwest Colorado Council of Governments			
01/01/2025	Northwest Colorado Council of Govern...	Dues, Memberships&Subscriptions	633.00
Total Northwest Colorado Council of Governments			633.00
Pinnacol Assurance			
01/01/2025	Pinnacol Assurance	74200 · Work Comp Ins	560.00
Total Pinnacol Assurance			560.00
QuickBooks			
01/03/2025	QuickBooks	Dues, Memberships&Subscriptions	84.00
Total QuickBooks			84.00
Rebie Hazard-BOD			
01/31/2025	Rebie Hazard-BOD	BOD Mtg Fees	100.00
Total Rebie Hazard-BOD			100.00
RigNet Inc			
01/31/2025	RigNet Inc	Cloud Seeding	38.45
Total RigNet Inc			38.45
Rosemary Carroll - BOD			
01/31/2025	Rosemary Carroll - BOD	BOD Mtg Fees	100.00
01/31/2025	Rosemary Carroll - BOD	91751 · BOD Mileage	42.00
Total Rosemary Carroll - BOD			142.00
Silver World Publishing			

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
January 2025

Date	Name	Account	Amount
01/31/2025	Silver World Publishing	Public Ed./Advertising	137.40
Total Silver World Publishing			137.40
Snipps Heat & Air			
01/31/2025	Snipps Heat & Air	Building Rep/Maint - Unit A	698.15
Total Snipps Heat & Air			698.15
Stacy McPhail BOD			
01/31/2025	Stacy McPhail BOD	BOD Mtg Fees	100.00
01/31/2025	Stacy McPhail BOD	91751 · BOD Mileage	1.40
Total Stacy McPhail BOD			101.40
Strategic by Nature			
01/31/2025	Strategic by Nature	73107 · BOR DCP 2023-24 COST	7,875.00
01/31/2025	Strategic by Nature	73107 · BOR DCP 2023-24 COST	1,758.26
Total Strategic by Nature			9,633.26
Sunshine Creatives			
01/01/2025	Sunshine Creatives	CWCB Pepo 2025-0557	1,252.00
01/31/2025	Sunshine Creatives	CWCB Pepo 2025-0557	1,252.00
Total Sunshine Creatives			2,504.00
Taylor Park Marina, Ltd.			
01/13/2025	Taylor Park Marina, Ltd.	General Public Outreach	1,000.00
Total Taylor Park Marina, Ltd.			1,000.00

Date	Name	Account	Amount
The Paper Clip			
01/31/2025	The Paper Clip	91735 · Office Supplies & Misc Expen...	189.43
Total The Paper Clip			189.43
Thomas N Stoeber, CPA			
01/31/2025	Thomas N Stoeber, CPA	80517 · Accounting & Professional F...	5,118.91
Total Thomas N Stoeber, CPA			5,118.91
Thornton Meadows HOA			
01/31/2025	Thornton Meadows HOA	Grant Program	6,000.00
Total Thornton Meadows HOA			6,000.00
Verizon Wireless			
01/31/2025	Verizon Wireless	91275 · Telephone	460.38
Total Verizon Wireless			460.38
Visionary Broadband			
01/01/2025	Visionary Broadband	Internet	126.96
Total Visionary Broadband			126.96
Weather Modification Association			
01/01/2025	Weather Modification Association	Dues, Memberships&Subscriptions	500.00
Total Weather Modification Association			500.00
Western Colorado University Foundation			
01/14/2025	Western Colorado University Foundation	FWS Sage Brush Ecosystem Exp	3,333.33

Date	Name	Account	Amount
Total Western Colorado University Foundation			3,333.33
Wilson Water Group			
01/31/2025	Wilson Water Group	Consulting/Engineering	540.00
01/31/2025	Wilson Water Group	73108 · CWCB WMP 2023-3317	9,005.00
01/31/2025	Wilson Water Group	73107 · BOR DCP 2023-24 COST	1,047.50
Total Wilson Water Group			10,592.50
TOTAL			134,053.50

UGRWCD	Instrument	Balance	Cost	Interest	Maturity	Date
Account Name: LPL Bonds	**Type**	**1/31/2025**	**Basis**	**Rate**	**Date**	**Callable**
LPL Bond 28 Freddie Mac CUSIP 3134GXQP2	BOND	199,408.60	200,000.00	3.040%	4/28/2025	7/28/2024
LPL Bond 20 (FHLB) CUSIP 3130AJLA5	BOND	544,346.55	550,000.00	0.760%	5/19/2025	
LPL Bond 21 (Fed Farm) CUSIP 3133EL3P7	BOND	338,217.30	345,000.00	0.540%	8/12/2025	12/6/2024
LPL Bond 29 (Fedl Farm Credit Bank) CUSIP 3133ERJP7	BOND	280,876.68	280,000.00	5.110%	7/1/2026	7/1/2025
LPL Bond 23 (FEDL) CUSIP 3130ALLD4	BOND	240,797.00	250,000.00	0.910%	3/17/2026	9/17/2024
LPL Bond 24 (FHLB) CUSIP 3130AMDY5	BOND	479,554.50	500,000.00	1.040%	5/20/2026	8/20/2024
LPL Bond 26 (FHLB) CUSIP 3130APBE4	BOND	151,664.16	160,000.00	1.050%	9/30/2026	9/30/2024
LPL Bond 30 (FHLB) CUSIP 3130B4BX8	BOND	354,426.67	355,000.00	4.880%	12/27/2028	6/27/2025
LPL Bond 31(FHLMC) CUSIP 3134HAV34	BOND	249,809.00	250,000.00	5.000%	12/24/2029	6/24/2025
LPL BOND SUBTOTAL:		**$ 2,839,100.46**	**$ 2,890,000.00**	**2.481%**		
Account Name: LPL Certificates of Deposit						
LPL 30 Synchrony Bank CD CUSIP 87165EXB8	CD	244,114.08	245,000.00	3.410%	7/29/2025	
LPL CD SUBTOTAL:		**$ 244,114.08**	**$ 245,000.00**	**3.410%**		
Account Name: LPL Money Markets Savings						
LPL Money Market Savings Account	M.M. SAVINGS	14,904.61	-	1.000%	N/A	
LPL MM SUBTOTAL:		**$ 14,904.61**				

	INSTRUMENT	Balance	Cost	Interest	Maturity	
Account Name	**TYPE**	**1/31/2025**	**Basis**	**Rate**	**Date**	**Notes**
Community Banks of Colo. Lake City CD 7668	CD	109,228.30		4.01%	11/20/2026	*Updated on an Annual Basis
10520 Gunnison Bank & Trust CD 6637	CD	219,894.70		2.00%	2/26/2025	*Updated on an Annual Basis
10540 Gunnison Bank & Trust MM - Spencer Building Acct. 3589	CHKG	91,930.42		0.50%		
Gunnison Bank & Trust 8756	CHKG	162,772.67				
				Average Mo. Yield		
COLOTRUST PLUS+ 8001	COLO.	1,240,026.20		4.52%	N/A	
COLOTRUST UGRWCD EHOP 8003	COLO.	106,561.81		4.52%	N/A	
COLOTRUST PRIME 4001	COLO.	6,343.40		4.26%	N/A	
10200 Petty Cash	PETTY	239.91		N/A	N/A	
MISCELLANEOUS BANK & COLOTRUST SUBTOTAL:		**$ 1,936,997.41**				
TOTAL UGRWCD		**$ 5,035,116.56**				

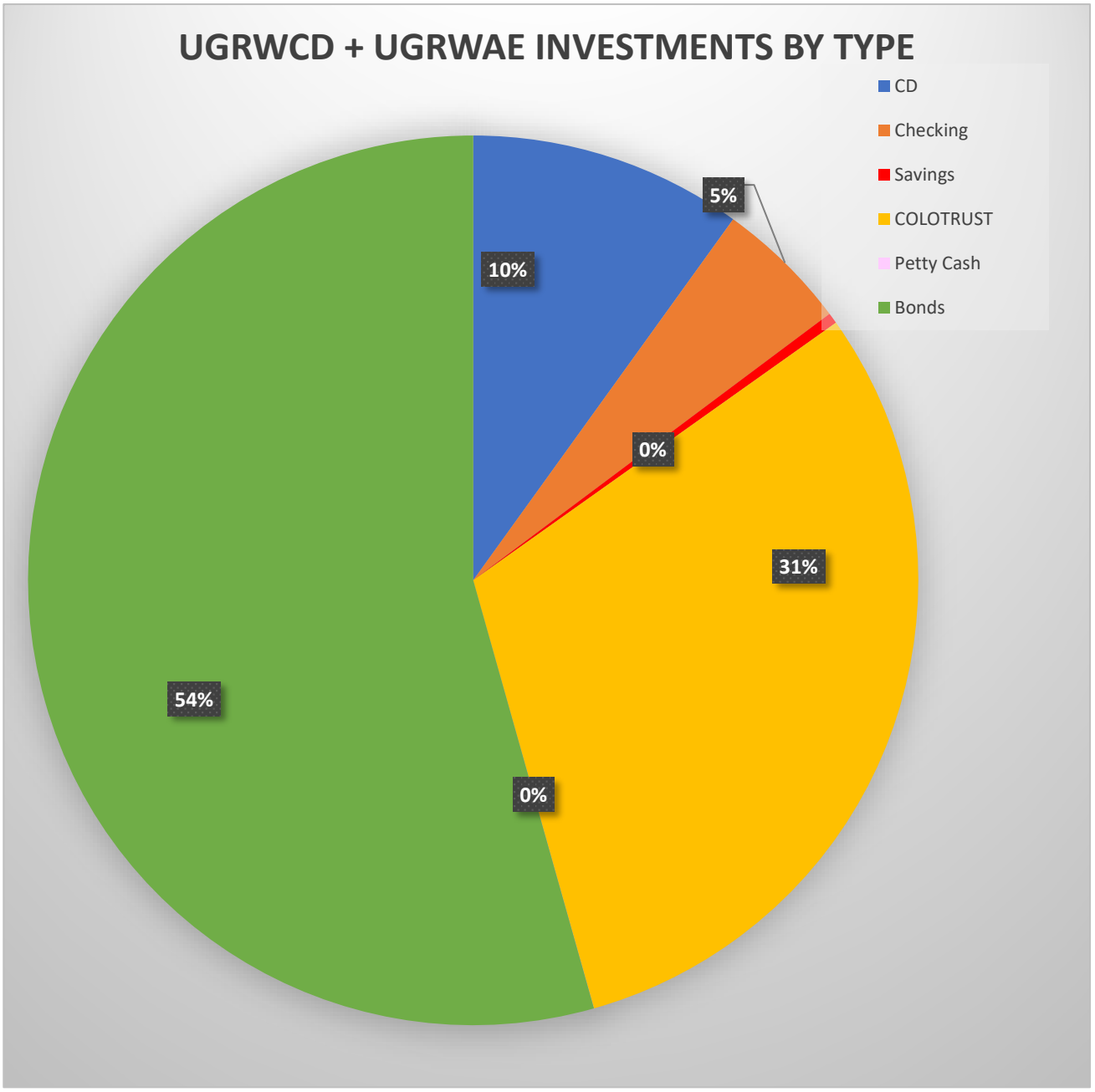
UGRWAE	INSTRUMENT	Balance	Cost	Interest	Maturity	Date
Account Name	**TYPE**	**1/31/2025**	**Basis**	**Rate**	**Date**	**Callable**
LPL Bond CUSIP 3134H1RM7 Fedl Home Loan Mtg Corp	Bond	300,020.70	300,000.00	5.15%	2/7/2029	8/7/2024
Gunnison Bank & Trust 8764	CHKG	25,107.68				
COLOTRUST PLUS+ 8002	COLO.	405,290.05		4.52%	N/A	
MISCELLANEOUS BANK & COLOTRUST SUBTOTAL:		**$ 730,418.43**				
Account Name: LPL Money Markets Savings						
LPL Money Market Savings Account	M.M. SAVINGS	7,736.82	-	0.250%	N/A	
LPL MM SUBTOTAL:		**$ 7,736.82**				
TOTAL UGRWAE		**$ 738,155.25**				

TOTAL UGRWCD + UGRWAE	**$ 5,773,271.81**

Total UGRWCD and UGRWAE by Bank			Total UGRWCD & UGRWAE by Investment Type		
			CD	10%	573,237.08
LPL Financial	$ 3,405,876.67	59%	Checking	5%	279,810.77
Community Banks of Colo.	109,228.30	2%	Savings	0%	22,641.43
Gunnison Bank & Trust	499,705.47	9%	COLOTRUST	30%	1,758,221.46
COLOTRUST	1,758,221.46	30%	Petty Cash	0%	239.91
Petty Cash	239.91	0%	Bonds	54%	$ 3,139,121.16
TOTAL ALL SOURCES	**$ 5,773,271.81**	**100%**	**Total**	**100%**	**$ 5,773,271.81**

UGRWCD & UGRWAE INVESTMENTS BY TYPE

CD	10%	$	573,237.08
Checking	5%	$	279,810.77
Savings	0%	$	22,641.43
COLOTRUST	30%	$	1,758,221.46
Petty Cash	0%	$	239.91
Bonds	54%	$	3,139,121.16
Total	**100%**	**$**	**5,773,271.81**



AGENDA ITEM 5

Treasurer's Report

AGENDA ITEM 6

General Counsel Update

ÓRRANGE
POLITICAL STRATEGIES

One third down and in full swing.

With President's Day behind us we are just past the one-third mark in the 120 day legislative session. Entering the session, we noted that this year's General Assembly would be dominated by budget constraints – a prediction that has proven all too accurate. The Joint Budget Committee continues to struggle with difficult decision on cutting programs and reducing funding, while legislators maneuver through various obstacles to accomplish promised objectives. Following the December 2024 economic forecast showing a nearly one billion dollar shortfall in General Fund spending authority, the JBC has cautioned that any bill containing a fiscal note indicating required state expenditures will not survive. Departments are cautioned that the usual rush to close out budget with current year-end spending should be curtailed.

The Governor's recommended budget for FY 2025-26 used a number of transfers and balancing measures to even out expenditures, but caseload-driven needs in Medicaid, education, and correction appear to overwhelm those attempted savings.

Transfers, reductions, and restructuring

Adding to the concern surrounding the State's budget constraints is the uncertainty over which federal funds previously allocated through state funding may no longer be relied upon. Federal spending freezes for programs including various grants makes state and local planning precarious at best. Colorado officials have identified approximately $570 million due to the state that is currently held up pending release.

Colorado's own budget quagmire is the result of a structural deficit, requiring General Fund expenditures to set aside specified reserve funds and allow for TABOR refunds as long as revenues exceed the TABOR cap set under a constitutional formula which factors include inflation. The JBC has suggested that absent meaningful reductions in spending requests from state agencies, it may resort to across-the-board reductions for all departments and programs.

Short or long term pain? JBC staff analysis of the budget situation raises the alarm, cautioning that in a five-year projection under the current spending levels the General Fund reserve (the state's "rainy day fund") would be entirely exhausted.

Aside from questions as to whether cuts to recently approved increases for state employees (a cost of $60 million) under a union contract would be necessary as well as forcing changes to the new school

finance formula, a big question for water interests revolves around the impact of the fund transfers in the Department of Natural Resources and restructuring of the severance tax. Among the proposals included in the Governor's budget are:

- Transferring interest income from statewide cash funds, including the CWCB Construction Fund and the Species Conservation Trust Fund into the General Fund for two years (excluding interest earned from loan repayments)
- Capping interest revenue going into some, but not all, cash funds going forward
- Spillover from operational programs currently directed to the Perpetual Base Fund would go to the General Fund through FY 26-27
- The annual appropriation for the CWCB will be moved to the CWCB Construction Fund

Of particular interest to the water community is funding for aquatic nuisance species. The anticipated revenue from Proposition DD (increased funding from sports betting) will help to support the Water Plan.

The JBC has begun figure setting for state agencies and the next few weeks will determine how much of the shortfall must succumb to cuts once the March Economic Forecast is calculated.

Capitol discusses water legislation.

Turf war. Once again, the legislature is addressing the issue of restrictions on installation and replacement of non-functional turf. Last session saw the passage of a prohibition on government properties using non-functional turf for medians and roadway corridors. Legislation currently under consideration extends that prohibition to residential real estate in two phases, the first directed to multi-family developments and condominiums in 2026, the second phase requiring local governments to adopt measures applicable to all residential real property (including single family). Although some urban municipalities have already embraced the idea, other local governments are reluctant to impose restrictions on their citizens. Those communities face opposition similar to that experienced when presented with mandates related to density and building codes.

Expanding rain barrels? Not this year. A proposal to remove the 100 gallon limit on collection of rooftop precipitation and allow its indoor use was killed by its sponsor in the face of opposition concerned about impacts on water rights and human health.

Tap fee discussions return. Upon the heels of last session's HB 24-1463, which required water providers to publish a schedule of rates and justification for how those rates were developed, a new bill has been introduced calling for a board, in determining the amount of the fee:

- ensure the amount of the tap fee is reasonably related to the cost of providing water service, including the cost to obtain water rights;
- consider expected long-term use, square footage of the unit, the presence of low water use appliances, the number of bedrooms and bathrooms, and the presence of graywater treatment works as supporting a reduced or proportional tap fee.

Limiting legacy pollution. Legislation recommended by the Water Resources and Agriculture Review Committee during the interim is well on its way to becoming law. SB 25-054 creates a streamlined permit for removing waste rock piles from legacy (pre-law) mining sites and mitigate the likelihood of precipitation leaching minerals through nonpoint pollution.

A new infrastructure authority? An ambitious proposal from the Treasurer's Office would create the Building Urgent Infrastructure Authority overseen by a board to seek public financing for wide range of potential infrastructure projects which could include water. Because the Authority would operate as a TABOR-exempt Enterprise, it would not need to rely on the State for funding. SB 25-081 will be in front of the Senate Finance Committee February 18.

Outside the Water world

Labor and Employment issues are drawing interest as activists attempt to amend or overturn the decades-old Labor Peace Act in order to eliminate a second vote to negotiate a union security agreement clause in collective bargaining process As amended in committee, the bill states that it is not an unfair labor practice for an employer engaged primarily in the building and construction industry to enter into an all-union agreement. Senate Bill 25-005 is heading for a final vote in the Senate. The bill will face an easier path in the House

Other labor and employment issues are also front and center this year with a draft bill on workplace protections in extreme temperatures under discussion, as well as a proposal to reduce the wages of tipped employees when those tips exceed minimum wage.

Guns are once again at the top of the list as legislators grapple with how to stem the tide of gun-related violence, even as stabbings in public places are also on the increase. Bills to lower the age for purchasing ammunition and limit the purchase of some firearms with detachable magazines have drawn extended Senate debate into early morning hours. Floor debate on the bill had been delayed on multiple occasions as sponsors and supporters negotiated with the Governor's office.

Housing. Affordability and growth restrictions remain a concern, even as new apartments are opening and rents are dropping in the metropolitan area. Twenty separate bills dealing with housing issues such as landlord-tenant relationships, procedures for removal, screening of tenants, allowance of pets, investments by the State Treasurer to provide affordable housing, and affordable housing on lands owned by faith and educational organizations.

And, as always, air quality and climate remain an issue, even as state agencies consider the disappearance of federal dollars and support from Washington to achieve some of their most ambitious goals of recent years, such as the push for widespread adoption of EVs and electrification to replace fossil fuels for hearing and cooling. All issues circle back to the state budget, as the JBC gets underway with figure setting for each state agency.

LEGISLATIVE ACTIVITY REPORT

COLORADO GENERAL ASSEMBLY

2025 REGULAR SESSION

February 20, 2025

This report summarizes bills of interest to the District introduced in the General Assembly in this session and reviewed by the Legislative Committee. The links connect to the full text of the bills as introduced.

SENATE BILLS

SENATE BILL 25-040 CONCERNING THE CREATION OF THE FUTURE OF SEVERANCE TAXES AND WATER FUNDING TASK FORCE.

Senate Sponsors: ***Roberts and Simpson,*** *Bridges, Marchman, Pelton, B.*

House Sponsors: ***McCormick and Martinez***

Water Resources and Agriculture Review Committee. The bill creates the future of severance taxes and water funding task force (task force).

The department of natural resources is required to contract with a third party to conduct a study on severance taxes and water funding and develop recommendations for ways to continue funding water needs in the face of decreasing severance tax revenue (study). The purpose of the task force is to work with the third party to conduct the study and develop recommendations.

No later than January 15, 2026, the third party must submit a draft report, detailing the results of the study and any recommendations, to the department of natural resources and the task force for review. The task force is required to provide input on the draft report. No later than July 15, 2026, the third party must submit a final report, which incorporates the input of the task force, to the water resources and agriculture review committee (committee). The task force must present the final report to the committee during the 2026 legislative interim.

UGRWCD Legislative Committee position: Support

CWC State Affairs Committee position: Support

01/29/2025 Senate Committee on Agriculture & Natural Resources Refer Amended to Appropriations.

01/08/2025 Introduced In Senate - Assigned to Agriculture & Natural Resources

HOUSE BILLS

HOUSE BILL 25-1014 CONCERNING MEASURES TO INCREASE EFFICIENCY IN DIVISION OF WATER RESOURCES PROCESSES.

House Sponsors: ***Johnson and Lukens***

Senate Sponsors: ***Roberts and Simpson***

The division of water resources in the department of natural resources (division) is responsible for administering water rights and issuing water well permits, among other duties.

Under current law, after having received a permit to appropriate designated groundwater or construct a well outside the boundaries of a designated groundwater basin, a permit holder is required to construct the well within one year after the date of issuance of the permit. If the well is not constructed within one year, the permit expires; except that the ground water commission (commission) in the division or the state engineer, as applicable, may grant a single one-year extension.

The bill extends the time frame for construction of a well to 2 years, eliminating the need for the commission or the state engineer to approve a one-year extension to the initial one-year construction time frame, except for permits issued for federally authorized water projects. The bill also removes the requirement that the commission or state engineer must mail a certified letter to the permit holder before a permit can be formally expired. The bill allows the commission or state engineer to reinstate an expired permit if the applicant for reinstatement of the permit can show that the well was completed in a timely manner and submits a $30 fee.

Under current law, the division engineer of each water division is required to decennially present to the water court a list of water rights that meet the criteria for abandonment. The bill splits this decennial abandonment process into 2 batches, grouped by water division and spaced 5 years apart, beginning with 2030 and 2035. The bill maintains the requirement that the abandonment process be performed every 10 years in each water division.

The bill extends certain time frames relating to the well permitting process. Lastly, the bill eliminates final permitting requirements for non-Denver Basin bedrock aquifer wells in the designated basins.

UGRWCD Legislative Committee position: Support

CWC State Affairs Committee position: Support

01/27/2025 House Committee on Agriculture, Water & Natural Resources Refer Amended to Appropriations

01/08/2025 Introduced In House - Assigned to Agriculture, Water & Natural Resources.

HOUSE BILL 25-1099 **CONCERNING STANDARDS FOR THE DETERMINATION OF A TOTAL MAXIMUM DAILY LOAD FOR STATE WATERS.**

House Sponsors: ***Mauro and Taggart***

Senate Sponsor: ***Hinrichsen***

The bill requires the water quality control commission, on or before January 1, 2027, to issue written guidance specific to the development of the daily maximum amount of a pollutant from all sources that is allowed to enter state waters so that an applicable water quality standard is met (total maximum daily load). The bill also requires the division of administration in the department of public health and environment, on and after January 1, 2028, to determine a total maximum daily load for state waters using credible data.

UGRWCD Legislative Committee position: Support

CWC State Affairs Committee position: No position

01/27/2025 Introduced In House - Assigned to Energy & Environment

HOUSE BILL 25-1106 **CONCERNING REMOVING LIMITATIONS ON RESIDENTIAL ROOFTOP PRECIPITATION COLLECTION.**

House Sponsor: ***Suckla***

Senate Sponsor: ***None***

Current law authorizes the collection of rooftop precipitation from a single-family residence or a multifamily residence with 4 or fewer units (small residence). The bill removes the 100-gallon limitation on the amount of rooftop precipitation that may be collected from a small residence and removes all limitations on how the collected precipitation may be used. The bill allows for collection of any amount of precipitation for any use on the property of a small residence.

UGRWCD Legislative Committee position: Oppose

CWC State Affairs Committee position: Oppose

02/13/2025 House Committee on Energy & Environment ***Postpone Indefinitely***

01/27/2025 Introduced In House - Assigned to Energy & Environment

HOUSE BILL 25-1113 **CONCERNING LIMITING THE USE OF CERTAIN LANDSCAPING PRACTICES IN NEW RESIDENTIAL DEVELOPMENT.**

House Sponsors: ***Smith and McCormick***

Senate Sponsor: ***Roberts***

In the 2024 regular legislative session, the general assembly enacted Senate Bill 24-005, which:

- Prohibits a local entity, on and after January 1, 2026, from installing, planting, or placing, or allowing any person to install, plant, or place, any nonfunctional turf, artificial turf, or invasive plant species, as part of a new development project or redevelopment project, on any portion of applicable property within the local entity's jurisdiction; and
- Requires a local entity, on or before January 1, 2026, to enact or amend ordinances, resolutions, regulations, or other laws regulating new development projects and redevelopment projects on applicable property in accordance with the new requirements.

For the purposes of Senate Bill 24-005, the bill expands the definition of "applicable property" to include residential real property that is used for apartment or condominium housing (applicable residential real property).

The bill also requires each local entity to enact or amend, on or before January 1, 2028, ordinances, resolutions, regulations, or other laws regulating new development projects and redevelopment projects within the local entity's jurisdiction to limit the installation of turf for all residential real property that is not applicable residential real property. Local entities must also impose limits on the installation of turf when enacting or amending ordinances, resolutions, regulations, or other laws on and after January 1, 2028.

UGRWCD Legislative Committee position: Oppose

CWC State Affairs Committee position: Amend

01/27/2025 Introduced In House - Assigned to Agriculture, Water & Natural Resources.

HOUSE BILL 25-1115 **CONCERNING THE COLORADO WATER CONSERVATION BOARD'S ADMINISTRATION OF A WATER SUPPLY MEASUREMENT PROGRAM.**

House Sponsors: ***McCluskie and Soper***

Senate Sponsors: ***Roberts and Catlin***

The bill authorizes the Colorado water conservation board (board) to administer a water supply measurement and forecasting program to collect and disseminate data on snowpack levels, investigate technological advances in snowpack measurement and water supply forecasting, and collect other data that the board determines will assist in those efforts.

UGRWCD Legislative Committee position: Support

CWC State Affairs Committee position: Support

02/20/2025 House Committee on Agriculture, Water & Natural Resources Refer Unamended to Appropriations

01/27/2025 Introduced In House - Assigned to Agriculture, Water & Natural Resources.

HOUSE BILL 25-1120 **CONCERNING THE CREATION OF AN ENTERPRISE TO IMPLEMENT A LOAN PROGRAM IN ORDER TO REPLACE FAILING SEPTIC SYSTEMS.**

House Sponsor: ***Smith***

Senate Sponsor: ***Roberts***

The bill creates the septic-system replacement enterprise (enterprise), which operates as a government-owned business imposing and collecting a fee charged on septic-system permits and using the fee revenue to provide loans to replace failing septic systems (loan program).

The enterprise is governed by a board that consists of 7 members appointed by the governor as follows:

- One member who is a county commissioner in a county that has rural areas; One member who is a member of a county board of health in a county that has rural areas; One member who is a member of a governing body of a municipality that has septic systems;
- One member who represents the department of public health and environment (department);
- One member who represents the department of local affairs;
- One member who represents an association of counties within Colorado and who lives in a rural area; and
- One member who is a rural homeowner with a septic system.
-

Each member of the board serves at the pleasure of the governor. The term of appointment is 4 years, with some members having staggered terms. Members of the board serve without compensation but are entitled to receive reimbursement for actual and necessary expenses incurred in the performance of the members' duties on the board. The board will meet as necessary.

The enterprise will impose a fee on septic-system permits and administer the collection of the fee, and the enterprise may issue revenue bonds, buy and sell property, enter into contracts, sue or be sued, hire employees, set up an office, place liens on property, adopt rules, and take any action necessary to implement the bill.

Starting January 15, 2027, and by January 15 each year through 2029, the enterprise will submit a written report to the governor, the joint budget committee, the house of representatives transportation, housing, and local government committee, and the senate local government and housing committee. The report must include:

- An accounting of the number of loans made under the loan program, the total amount of the loans, the average amount of a loan, and the number of septic systems replaced as a result of the loan program;
- An evaluation of the loan program; and
- Any legislative recommendations for the loan program.

The enterprise will impose a septic-system enterprise fee on each permit to install or replace a septic system. The fee is:

- $10 if the fee for the septic-system permit is less than $500;
- $50 if the fee for the septic-system permit is $500 or more but less than $1,000;

- $100 if the fee for the septic-system permit is $1,000 or more but less than $1,400; and
- $200 if the fee for the septic-system permit is $1,400 or-2HB25-1120more.

The enterprise must consult with and coordinate with the water quality control commission (commission) and local boards of health that issue septic-system permits. The division of administration within the department and the local government that issues the permit may retain up to 5% of the fee to cover administrative costs. When the fee revenue is projected to exceed the amount reasonably necessary to implement the loan program and administer the bill, the enterprise shall adjust the amount of the fee so that the revenue will equal the amount of money needed to reasonably administer the loan program. The commission may adopt rules to implement the division of administration's collection of the fee.

The fee will be used by the enterprise to establish the loan program, which makes interest-free or low-interest loans to low-income or low-credit-score households to replace failing septic systems.

The enterprise will contract with at least 2 community development financial institutions (financial institutions) to administer the loan program. Standards are set for a financial institution to qualify to administer the loan program. The financial institution must enter into a contract with the enterprise. The bill sets contract standards, including authorization for a financial institution to include an administration fee in an amount reasonably calculated to cover the costs to implement the contract.

A financial institution will use the money collected from the fee to make loans to eligible homeowners in low-income or low-credit-score households for the purpose of replacing septic systems. The financial institution may establish reasonable standards and procedures to make loans in compliance with the bill and the contract.

The enterprise or the department may seek, accept, and expend gifts, grants, or donations from private or public sources to fund the bill.

UGRWCD Legislative Committee position: Monitor

CWC State Affairs Committee position: No position.

02/13/2025 House Committee on Energy & Environment Refer Amended to Finance

01/28/2025 Introduced In House - Assigned to Energy & Environment

AGENDA ITEM 7

General Manager's Report

MEMORANDUM

TO: Board of Directors

FROM: Sonja Chavez, General Manager

DATE: February 21, 2025

SUBJECT: General Manager Report (February)

I. Presentation & Discussion: Update from Mt. Crested Butte Water & Sanitation District Regarding Use of UGRWCD Meridian Storage Right

Background: On April 9, 2015, UGRWAE entered into agreement with the Mt. Crested Butte Water and Sanitation District (Water and Sanitation District) to grant them the right to utilize a portion of Meridian Lake's reservoir storage capacity within the reservoir to supplement the Water and Sanitation District's current supply, either by direct supply or augmentation. In exchange for the right to use Meridian's storage capacity, the Water and Sanitation District would make certain improvements to the Reservoir that would benefit the Enterprise. The full agreement has been attached as **Exhibit A**.

Because ten years have passed since the original agreement and we have many new Directors on the Board, staff suggested and the Board agreed that it would be beneficial to receive a presentation and update from the Water and Sanitation District at our February 24, 2025, regular meeting and provide an opportunity for the board to ask questions.

No formal action can be taken by the board at the February 24th meeting.

II. Presentation: Agricultural Irrigation Return Flow Study: Water Budget Results & Next Steps

Background: Following is an excerpt of communication with Gunnison County Stockgrowers on January 27, 2023, outlining the purpose and need of a water budget and irrigation return flow study and model development:

> *On February 27, 2023, the Upper Gunnison River Water Conservancy District (Upper Gunnison District) had a public presentation by the Colorado River Water Conservation District (River District) as part of our Regular Monthly Board Meeting. The River District had asked the Upper Gunnison District to assist in assembling agricultural water right holders and producers in order to discuss their*

interest in participating in a high-elevation ditch-scale pilot demand management project in the Upper Gunnison Basin at the scale of approximately 10,000 acres.

The River District's objective was to obtain hard data in support of our known, lived experience, that conducting demand management in a flood irrigated dominated system with cow calf operations is not feasible. This is due to long-term economic and multi-year impacts to the soils and productivity, impacts to adjacent or downstream water right holders due to absence of return flows, the additional stress it puts on the vegetation and land when the cattle return to the fields in the fall especially in drought years, lack of forage for cattle when they return in the fall, and impacts to genetics when a producer has to cull their herd size.

It was clear from the producers in attendance that they could relate to and understood the River District's concerns. Nevertheless, producers indicated they could not or would not participate because of the very real, long-term economic risks it presented to their land and operations which is the position that the Upper Gunnison District's Board and staff have maintained in their intrastate and interstate advocacy.

So, it begs the question, "What should Upper Gunnison District and water right holders be doing today as an alternative to the River District proposal given the high likelihood that we will have less water and perhaps a situation with Colorado River Compact administration?"

Following the meeting on February 27th meeting, Upper Gunnison District staff met to discuss alternatives. We met with Stockgrowers at their March 6th meeting to propose that the District, over the next 5-10 years, conduct a detailed watershed water budget and irrigation return flow and model development study. It is hypothesized that detailed data on irrigation diversions and return flows during dry, average and wet years will naturally show the effects on return flows, groundwater and the river system at-large when producers have to conduct partial fallow, split season irrigation, or respond to calls on the river. Understanding these effects will allow the Upper Gunnison District to model more extreme scenarios of curtailment without having to ask producers to put their livelihoods and operations at risk. Ultimately, our goal is to use this data to protect our water users and maintain "local control" over how our water right holders and community responds to possible Compact administration.

Stockgrowers all expressed their support for the above alternative and understood that their diversion records are already public information gathered by the Colorado Division of Water Resources (DWR) and that DWR is in the process of developing measurement rules across the state. Stockgrowers also understood that more detailed information about irrigation return flows and groundwater would be necessary components of any study and that they would be asked to participate and

allow access to their property. Stockgrowers asked that Upper Gunnison District work to find a way to maintain confidentiality and privacy issues.

The Upper Gunnison District Board of Directors is supportive of the request of water users regarding privacy, committing funding to the study, and insisted that if this project was undertaken that it has the highest standards of data collection and model development. Upper Gunnison District staff recommended to the Board that we work with the United States Geological Survey (USGS) based upon their standards and our previous experience working with them on detailed water budget studies. The U.S. Geological Survey mission is to "…integrate recent advances in monitoring, research, and modeling to improve assessments of water availability throughout the United States and to take lessons learned about the interactions among climate, human effects, surface water, groundwater, water quality, and water supply and demand will be used to help quantify and forecast water availability in the larger regions and ultimately the Nation".

USGS will be giving a presentation of their preliminary findings from the lower East River baseline water budget study and discussing next steps at our February 24th, 2025, regular board meeting. Attached as **Exhibit B** is a copy of the published USGS Open File Report of the water budget study results.

III. General Manager Report

A. Colorado River District Board Meeting Update (January 21-22, 2025)

Following is a summary of items of importance to Upper Gunnison Basin and Gunnison County constituents as it relates to water resource discussions at the January 21-22, 2025, regular board meeting:

- Kathy Chandler-Henry (Eagle County) finished her two-year term as President of the Colorado River Water Conservation District (CRWCD) Board of Directors and Marc Catlin (Montrose County) was elected President.
- Mike Ritschard (Grand County) was elected Vice-President.
- Committee appointments were made and Sonja Chavez (Gunnison County Representative) was appointed to the Information/Outreach and Water Supply Projects Committees.
- A presentation was given on the State of Colorado's proposed dredge and fill program implementation. If board members or any members of the public are interested in listening to the presentation it can be accessed utilizing the following link: https://www.youtube.com/watch?v=Zz0nVWb1omA. The presentation and discussion start at 35:30 minutes into the meeting. Questions or comments from the Board included:
    - Request for clarification when state waters would require compensatory mitigation: The thresholds are the same as that for the Army Corps 404.

- How will the State distinguished between State Waters and Waters of the U.S. (WOTUS)? Guidance is that if there is a question, first consult with the USACE and ask them for a determination. If it is not WOTUS, then consult with the State.
- What kind of comments are they getting from stakeholders? They have received many comments and are still sifting through and summarizing all those that were given. Comments can also be accessed on the WQCD Dredge and Fill website.
- Does State have financial resources to implement this program given our current $750M funding shortfall? Answer was "yes".
- Given the State's struggles with backlog in issuing permits, are there resources being dedicated to the program? Yes, they feel confident that with the resources the state has provided they will be able to effectively implement the program and issue timely temporary authorizations.
- How will the enforcement of the program take place and what does that look like? The program is enforceable and currently the Division has two people on the team issuing temporary authorizations and also doing compliance oversight on a select amount of projects and going into the field.
- Comments provided by Gunnison County's representative on the Colorado River District Board (Sonja Chavez) included:
    - Language in the draft regulation needs to be cleaned up as does the WQCD messaging as it relates to saying that all agricultural ditch operations and maintenance activities are exempt when in fact activities like piping are not exempt and require a permit due to the recapture provision (Regional General Permit No. 5).
    - There is a memorandum of understanding between the USACE and EPA and the U.S. Bureau of Reclamation and Natural Resources Conservation Service (NRCS) that does not require preconstruction notification for salinity and selenium control piping projects. She is wondering if a similar type of agreement would be beneficial between the State and these agencies to ensure that piping and lining projects in the Gunnison Basin so that salinity and selenium control projects would continue to be streamlined.
    - With any compensatory mitigation we cannot increase consumptive use in basins that are already highly administered or that frequently come on call.
    - Mitigation should be focused as close as possible to the area of impact. This may also increase challenges in finding opportunities but is important to explore.

        - A two-year timeline for individual authorizations is unacceptable. Stakeholders would like to see that timeline reduced.
        - Concern that in a basin that is primarily flood irrigated, what methodology and tests will the State use to determine where they have jurisdiction? It can be incredibly difficult to determine where wetlands have formed as a result of natural processes or or whether they are a result of flood irrigation practices.
    - There were areas of the feedback form that were not completed because there was missing information especially as it relates to stream mitigation requirements. Routt County representative Alden Vandebrink had concerns about this. He is also concerned that the State is going to reject a project if it doesn't meet their "purpose and needs". He also sees this program as direct overreach of State government, and he doesn't feel that this rule is consistent with what the legislature voted on.
    - Stan Whinnery (Hinsdale County) is concerned that we have to now buy mitigation credits for replacement of state waters. He's also concerned about what happens when you disagree with a jurisdictional determination.
    - Coming up with scenarios with real projects and walking through them with WQCD as an exercise would be really helpful both for stakeholders and the State.
    - A comprehensive review of all Regional General Permits would be helpful to both the State and stakeholders.
    - Long standing concern over inconsistency in how program implementation occurs within USACE and concern that this is going to happen with the State as well because of the difficulty in carrying out these programs, lack of training, lack of local water knowledge.

- **Community Funding Partnership (CFP) Projects Awarded Grant Funds**
    - Terror Ditch Piping Project (Delta County)
    - HABs Water Quality Model Development for Stagecoach Reservoir
    - CMU Water Center Partnership

B. UGRWCD Engagement in Dredge & Fill Stakeholder Process

UGRWCD staff continue to closely track and engage in stakeholder input meetings being held by the Water Quality Control Division. Attached as **Exhibit C** is a memorandum from Bailey Friedman, Water Resources Project Manager, which include her meeting summary overview with active links that will allow Upper Gunnison basin stakeholders to provide input and engage in Dredge & Fill homework assignments.

C. Federal Funding Freeze & Impact on UGRWCD Programs

Executive Management is still working to get answers from federal funding partners on the impacts of the new Trump Administration freeze on federal program funding. A verbal update will be given by the General Manager at the February 24, 2025, regular meeting.

MEMORANDUM

TO: UGRWCD Board or Directors

FROM: Bailey Friedman, Water Resources Project Manager

DATE: February 20, 2025

SUBJECT: Reg. 87 – Dredge and Fill Stakeholder Meeting on 02/20/2024 Overview

The following is a summary of UGRWCD Draft Summary Notes from the February 20, 2025, WQCD Reg. 87 – Dredge and Fill Stakeholder Meeting as we understood it. For complete information, interested parties can utilize the following link for meeting materials:

Regulation 87 Google Drive Folder HERE

Submit the Google Form on Section(s) 87.3 but Thursday March 6, 2025 with comments

The Homework Assignment can be found HERE

Meeting Updates:

- Two additional meetings added to the schedule
  - Wednesday May 7, 2025| 9:30 – 11:30 AM
  - Tuesday June 3, 2025| 9:30 – 11:30 Am
  - Registration link for these is the same as other meetings
  - More time for discussion on Section 87.6 and 87.10
- April 16, 2025, meeting extended 1 hour | 9:30 AM – 12:30 PM
- Temporary Authorization Training March 6, 2025 | 10:00 – 11:30 AM. Register HERE
  - Temporary Authorization Application Form can be found HERE

Homework

The team is asking that stakeholder review Section 87.3 Scope and Applicability Next. Subsections include:

Subsection	Description	Source
87.3(A)	Applicability to activities conducted by Indians and Indian Tribes and on Indian Reservations	§ 25-8-205.1(8)(a)
87.3(B)	General prohibition and requirement for authorization to discharge	§ 25-8-205.1 (8)(a)
87.3(C)	Lists the 14 exempted activities, including "voluntary stream restoration efforts:	§§ 25-8-205.1(8)(b) and 25-8-205.1(4)(a)(II)(E)
87.4(D)	Recapture provision	§ 25-8-205.1(8)(C)
87.3(E)	Lists the 11 excluded types of waters	§ 25-8-205.1(8)(d)

Section 87.3 comes directly from HB2401379, as codified in the 25-8-205.1 of the WQCA

Things to consider when doing the homework include:

- Exemptions and Exclusions: HB24-1379 limits what the commissions can do through rulemaking
- Voluntary stream restoration efforts: HB24-1379 authorizes the commission to adopt (and further define) "an exemption for voluntary stream restoration efforts in ephemeral streams that do not require compensatory mitigation and are designed solely to provide ecological lift where the activity is taking place." (The provision also includes a definition for "ephemeral streams"
- Recapture provision: HB24-1379 authorizes the commission to "further clarify the effect of [the recapture provision] through rulemaking"

WMPC Minutes

To: Watershed Management Planning Committee

From: Bailey Friedman, Water Resources Project Manager

Date: February 2025

Subject: Watershed Management Plan (WMP) Committee Meeting

A meeting for the WMP Committee was held on February 12, 2025. The meeting began at 1:30 PM and adjourned at 3:30 PM.

Board Members present were Stacy McPhail (via zoom), Julie Nania, and Camille Richard (via Zoom). Staff present were Amanda Aulenbach, Bailey Friedman, and Beverly Richards. Jesse Kruthaupt from Trout Unlimited was also present.

Agenda topics included:

- Discussion of comments from the Committee of the first draft for the Phase 3 Report.
- Reviewing updates/additions to the WMP since the first draft was sent to the Committee in December 2024.
- Other topics such as finalizing a consultant PPT and creating an action plan for the WMP were included on the agenda but were not covered due to time constraints.

As a result of the discussion, the following tasks were identified:

- Removal of sections that were not deemed necessary for the purpose of the WMP
- Refining and condensing sections that were determined to be too extensive for the purposes of the WMP
- Reorganization of the 303(d) table from the Appendices into each sub-basin
- Request from the Committee to have John McClow refine and condense the Legal and Regulatory Framework Section

Actions to be taking prior to the March 2025 Committee meeting include:

- Bailey will work with staff on refining assigned sections of the WMP.
- Bailey is asking the Committee to review the sections for sub-basins Taylor River, Mainstem of the Gunnison River, and Tomichi Creek prior to the March 2025 meeting and have comments back by March 7, 2025.

Next meeting: March 12, 2025, at 1:30 PM in the UGRWCD Board Room. A zoom link will also be sent out prior to the meeting.

MEMORANDUM

TO: UGRWCD Board Members

FROM: Beverly Richards, Office Manager/Senior Program Manager

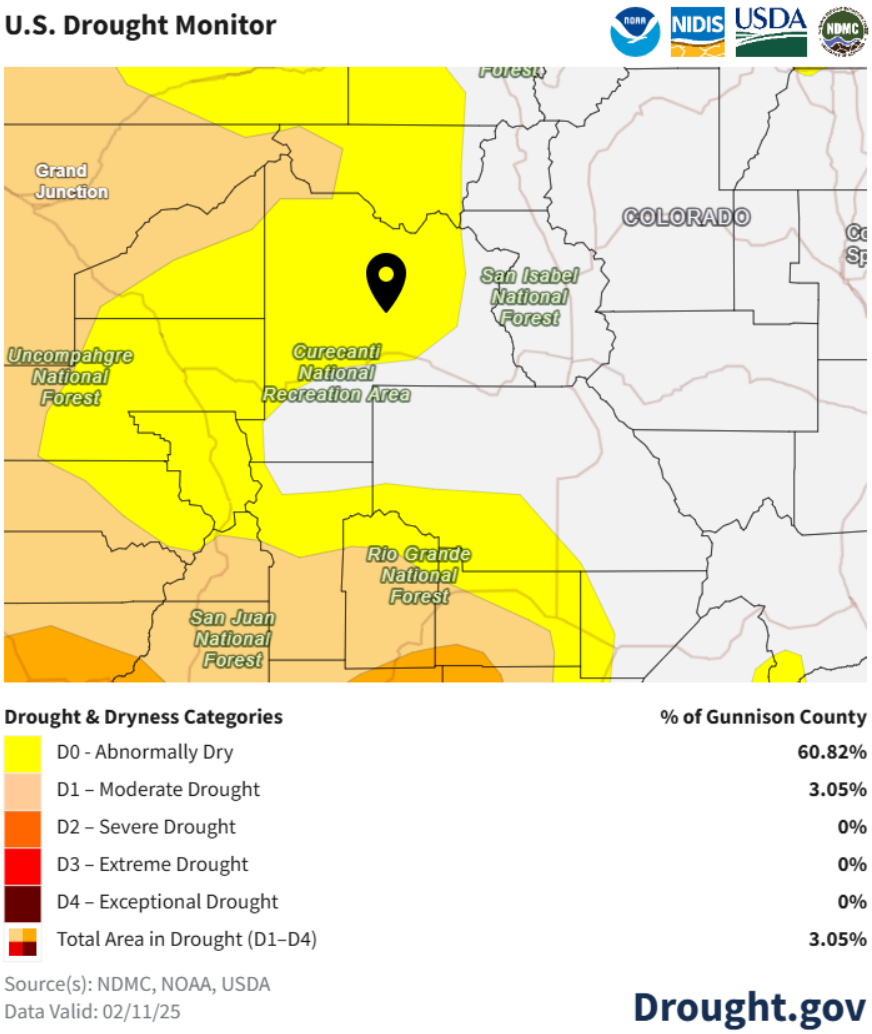
DATE: February 24, 2025

SUBJECT: Basin Water Supply Information

The information supplied as part of this memorandum is a monthly feature and includes information about drought, precipitation, snowpack, and reservoir storage.

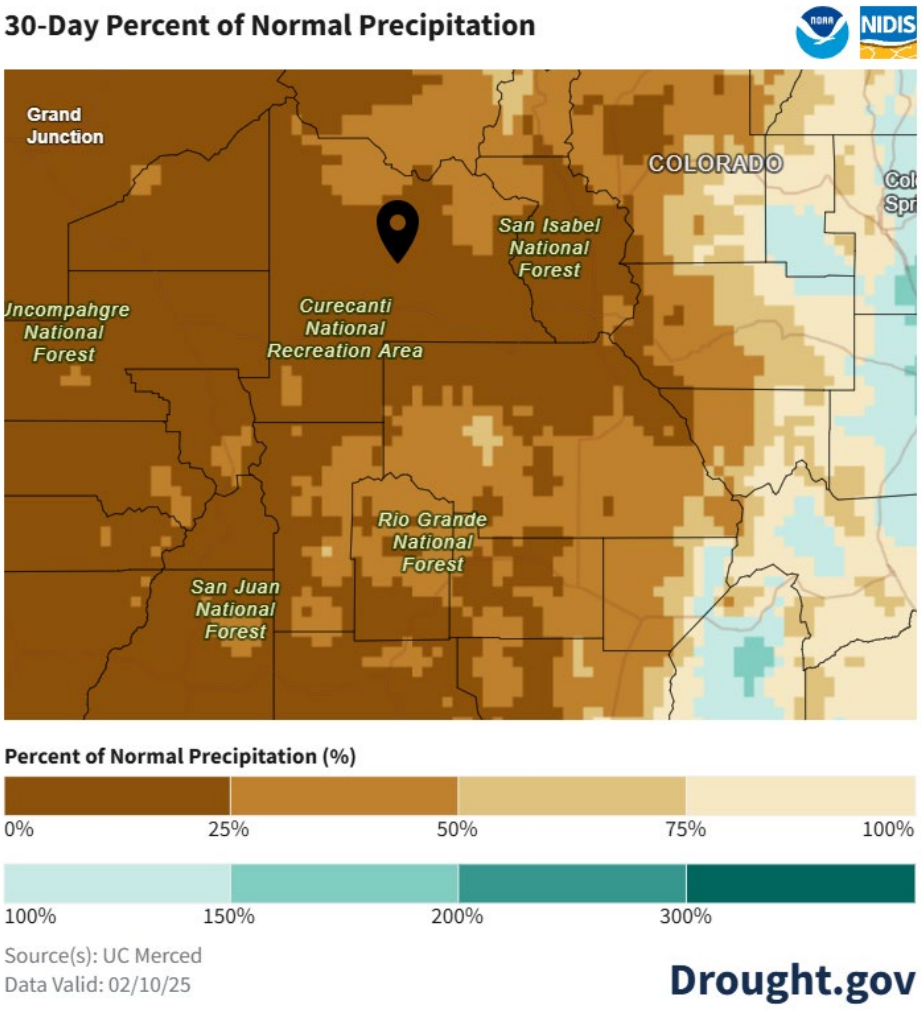
Current Conditions – Drought

According to the *Drought Monitor* dated February 11, 2025, 53% of the entire state is experiencing no drought conditions, which is a decrease of 18% from the January report. The counties in the Upper Gunnison basin have all seen degradation in drought conditions since January. According to the Drought Monitor, Gunnison County has moved from 100% no drought conditions on January 14 to 36% in that category, 61% in the abnormally dry category (D0), and 3% in the moderate drought category (D1). Saguache County has seen some degradation in the southern part of the county with 22% now in the abnormally dry category. Hinsdale County has also seen degradation in drought conditions with nearly half (47%) of the county currently experiencing moderate drought conditions. The drought monitor uses precipitation, temperature, and soil moisture to make their determinations for drought conditions.

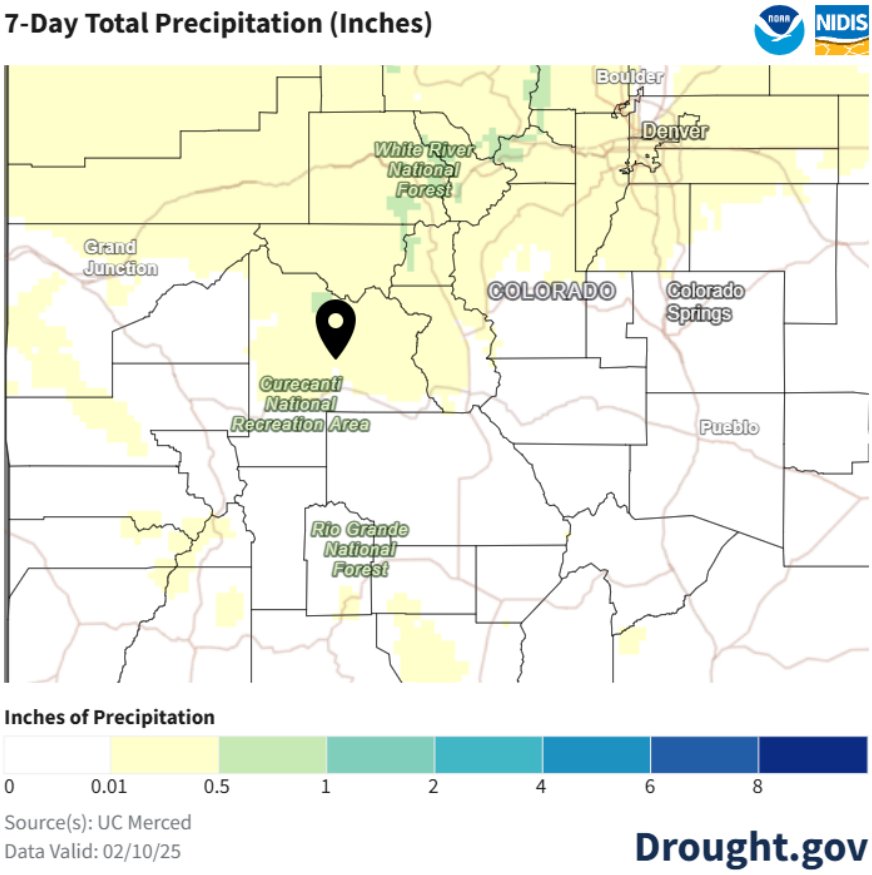


Precipitation

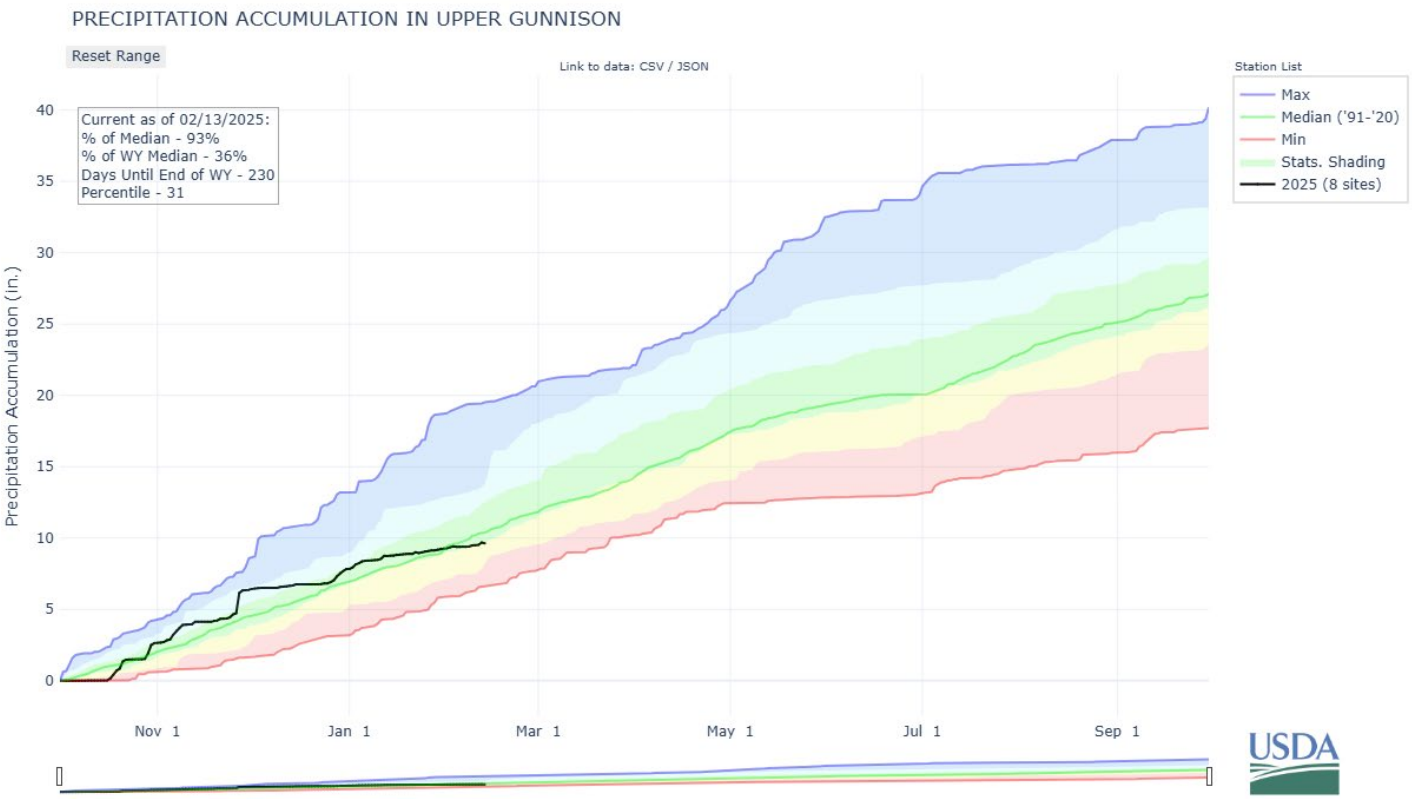
Precipitation in the basin over the past 30 days (January 11-February 10) has been almost non-existent with precipitation amounts ranging from 100% in very small areas in Saguache and Hinsdale Counties to 0 to 25% in larger portions of the basin. As shown in the figure below, much of the western and southwestern parts of the state have had little to no precipitation over the past 30 days and this is a contributing factor to the deterioration of drought conditions. (*Drought.gov, February 10, 2025)*



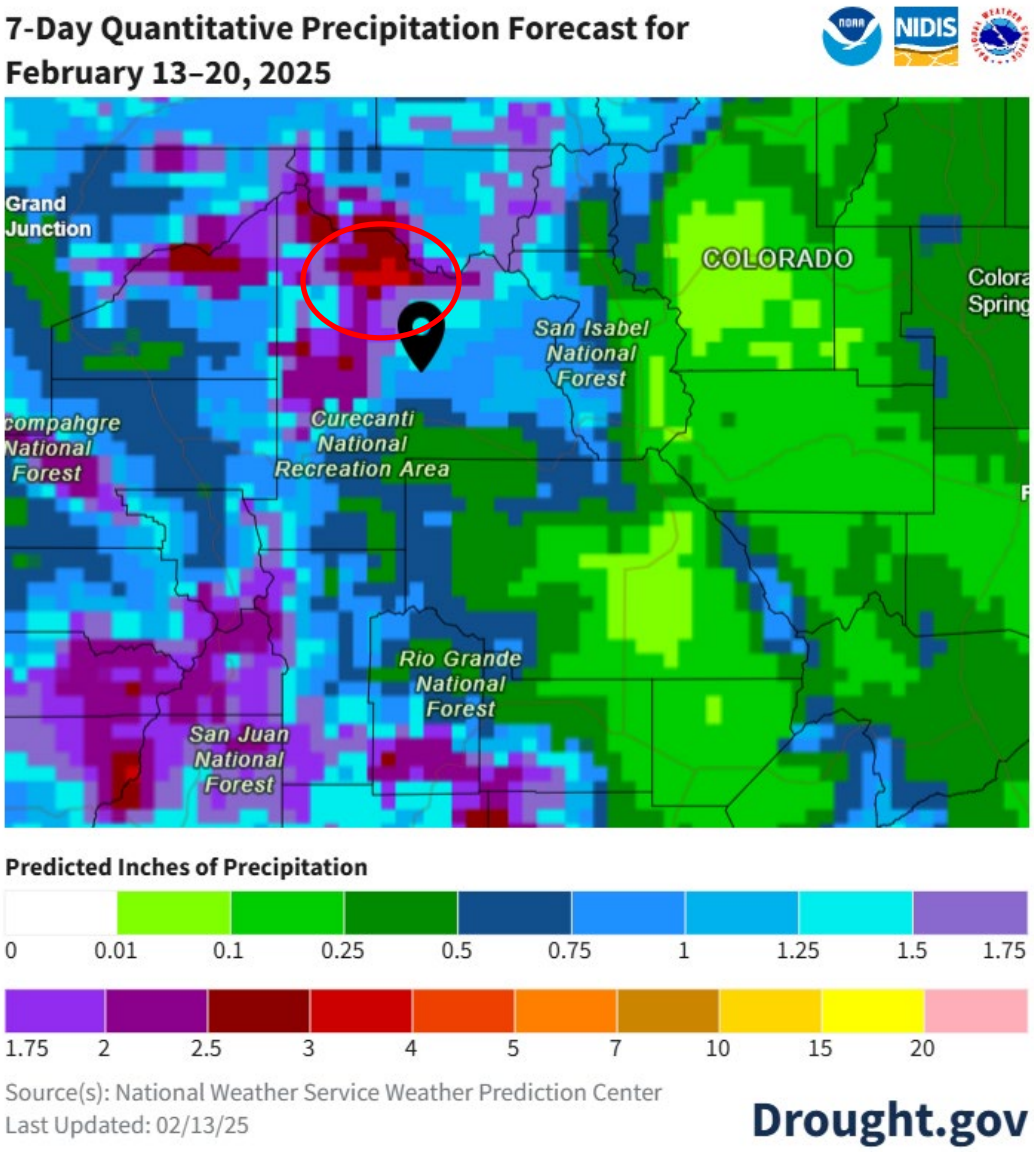
The figure below breaks down precipitation amounts for the past 7 days (February 3 through February 10) and highlights very low precipitation amounts, no precipitation to 0.5" throughout all three counties in the basin. The is a very small area in northern Gunnison County that received up to 1.0" in that timeframe which is reflected in the light green color on the map. (*Drought.gov, February 10, 2025).*



The precipitation trend graph for the Upper Gunnison Basin for the entire water year to date (*NRCS, February 13, 2025*) shows that precipitation in the basin has decreased dramatically, going from 111% of the median in January to 93% in February. The total precipitation amount for the water year to date for the Upper Gunnison Basin is 9.6" of accumulation and the median amount is 10.4". This information is provided from a compilation of data from eight SNOTEL sites located in the basin where precipitation is measured.



However, the 7-day quantitative forecast (February 13-20) for the Upper Gunnison Basin (*Drought.gov, February 13, 2025)* indicates that precipitation amounts are forecasted to range from 0.5” all the way up to 5” in the northern part of the basin which is shown by the purple and red colors on the map.

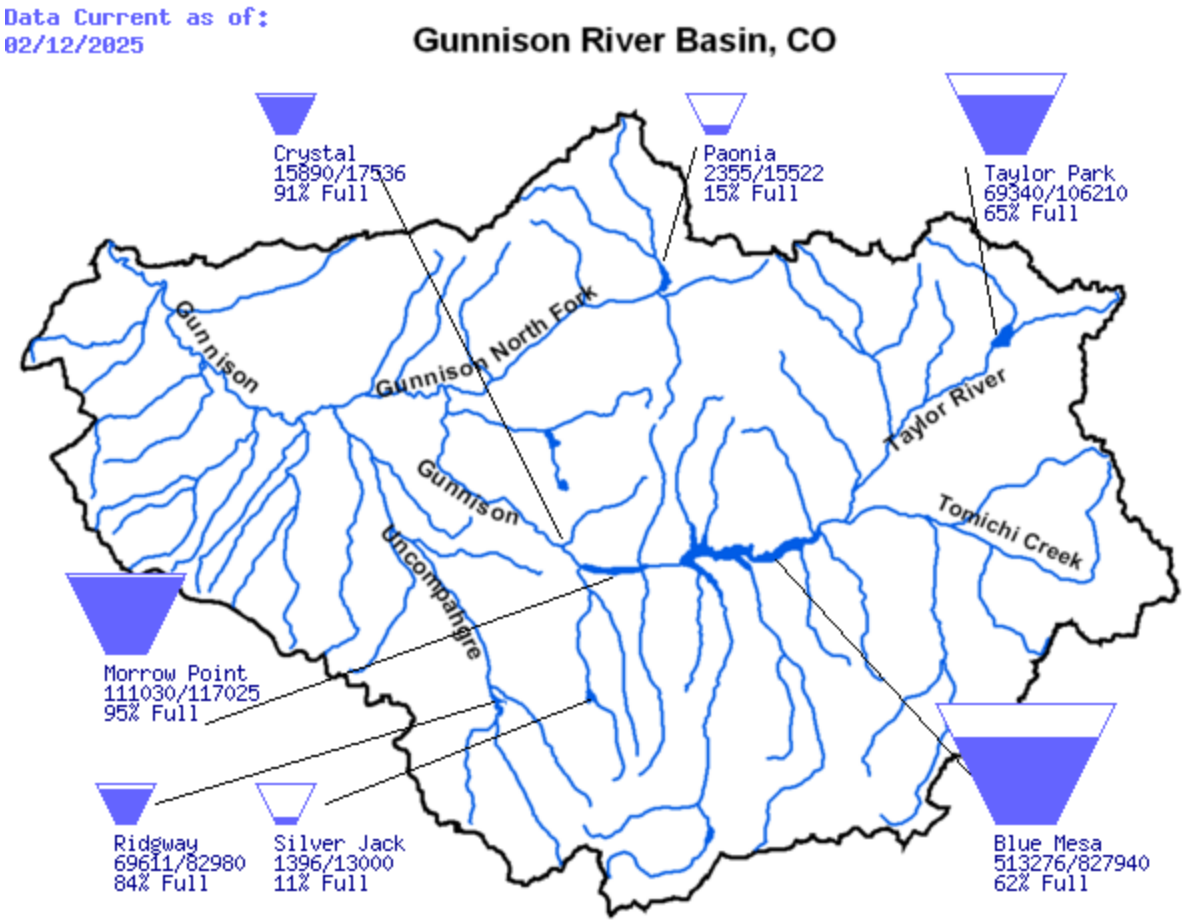


Soil Moisture

The NRCS website no longer has a soil moisture plot available. However, the Butte SNOTEL site shows that soil moisture in the top 8" of soil is at 28% saturation which is a decrease of 3% from last months report. The median amount of saturation is 59.1% according to the record (*NRCS, February 13, 2025*). Lower soil saturation conditions moving into the annual runoff period can impact streamflow amounts.

Reservoir Storage and Operations

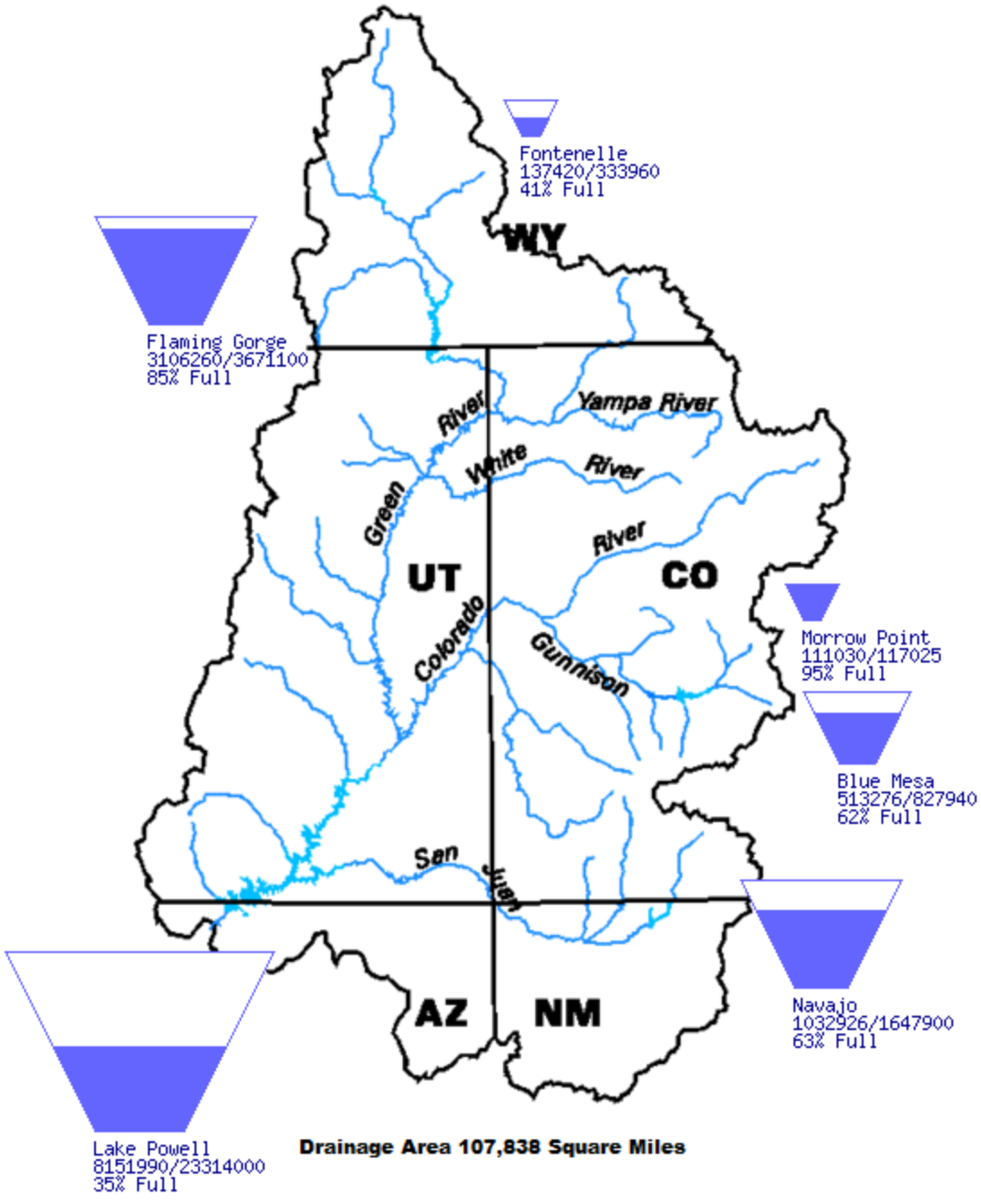
Reservoir storage in the entire Gunnison Basin is at 60%. Reservoirs in the Upper Gunnison Basin include Taylor Park and Blue Mesa which are at 65% and 62% full, respectively. The total reservoir storage amount in the Upper Gunnison basin is 63% of full. These amounts are reflected in the tea-cup diagram below dated February 12, 2025 (*USBR, River Basin Tea-cup Diagrams)*.



Reservoir storage in the Upper Colorado River Basin is also at 63% full, which is a decrease of 2% from the January report. This is reflected in the tea-cup diagram below dated February 12, 2025.

Data Current as of:
02/12/2025

Upper Colorado River Drainage Basin



Aspinall Unit Operations

The following information is from the Aspinall Unit Operations webpage (*US Bureau of Reclamation dated February 12, 2025).*

The January unregulated inflow volume to Blue Mesa was 25,000 acre-feet, which is 107% of normal. Unregulated inflow volumes forecasted for Blue Mesa for the next three months (February, March, April) are projected to be: 21,000 acre-feet or 94% of average, 26,000 acre-feet or 96% of average, and 63,000 acre-feet or 81% of average, respectively.

The forecasted WY2025 unregulated inflow volume to Blue Mesa is projected to be a total of 779,000 acre-feet which is 86% of average. The water supply period (April-July) for 2025 is currently forecasted to have an unregulated inflow volume of 520,000 acre-feet (80% of average) which is a decrease from the January report of 80,000 acre-feet.

As of February 10, 2025, releases from Crystal Dam are approximately 650 cfs. The flows in the Gunnison River in the Black Canyon are being maintained at about 570 cfs while the Gunnison Tunnel is making intermittent diversions to fill Fairview Reservoir about 1 day every 2 weeks. Flows in the Whitewater Reach of the Gunnison River are at approximately 1,060 cfs.

The next Operations Group meeting will be held April 24, 2025 at 1:00 p.m. and District staff will attend.

Taylor Reservoir

The Taylor Park Reservoir February 1 shows a forecast of 82,000 acre-feet of runoff into the reservoir which is 87% of average. This is a decline of 8,000 acre-feet from the January 15 forecast. This current forecast puts the year type in the Average Year category. This category has a requirement for a spring peak release of 445 cfs for 5 days.

The operations plan provided in this update shows the reservoir filling to a maximum seasonal content of 96,100 acre-feet which is 90% full. Current releases from the Taylor Park Dam remain at the winter rate of 85 cfs with a proposed increase to 100 cfs in April. The end of season content target remains at 70,000 acre-feet. Below is the proposed preliminary operations plan based upon the February forecast (*USBR, February 7, 2025*). The Taylor Local Users Group will begin meeting in March to discuss reservoir operations.

Proposed Operation
Taylor Park Reservoir
Feb forecast = 87% (82,000) af
February 7, 2025

Month	Inflow ac-ft	Average Inflow cfs	Outflow ac-ft	Average Outflow cfs	EOM Content ac-ft	EOM Elevation ft
					70,820	
Nov 1-15	2,820	95	2,630	88	71,014	9310.70
Nov 16-30	2,540	85	2,680	90	70,869	9310.61
Dec 1-15	2,500	84	2,790	94	70,581	9310.43
Dec 16-31	2,560	81	2,740	86	70,405	9310.32
Jan 1-15	2,310	78	2,550	86	70,166	9310.17
Jan 16-31	2,200	69	2,710	85	69,657	9309.85
Feb 1-15	1,950	70	2,430	88	69,181	9309.55
Feb 16-28	2,050	74	2,430	88	68,802	9309.31
Mar 1-15	2,100	71	2,600	87	68,301	9308.99
Mar 16-31	2,400	76	2,780	88	67,922	9308.75
Apr 1-15	3,090	104	2,980	100	68,039	9308.82
Apr 16-30	5,050	170	2,980	100	70,114	9310.14
May 1-15	9,110	306	5,360	180	73,872	9312.46
May 16-31	18,390	579	7,640	241	84,624	9318.72
Jun 1-15	20,000	672	11,600	390	93,389	9323.46
Jun 16-30	13,410	451	10,410	350	96,019	9324.84
Jul 1-15	7,300	245	10,410	350	92,904	9323.21
Jul 16-31	5,650	178	10,910	344	87,641	9320.38
Aug 1-15	4,450	150	8,930	300	83,169	9317.90
Aug 16-31	3,550	112	7,930	250	78,781	9315.38
Sep 1-15	3,390	114	7,440	250	74,737	9312.99
Sep 16-30	3,610	121	7,040	237	71,302	9310.88
Oct 1-15	3,450	116	5,060	170	69,696	9309.88
Oct 16-31	3,550	112	2,700	85	70,546	9310.41

82,000 = April-July inflow
87% of normal
96,091 = Maximum Content

Lake Powell Operations

This information is provided by the *Lake Powell Water Database* webpage (*lakepowell.water-data.com)* and is dated February 12, 2025.

Lake Powell elevation is currently at 3565.07 feet with a content of 8.15 million acre-feet (maf) or 34% full (24,322,000 acre-feet). Total inflows for WY25 to date are 1.59 maf which is 69% of the historical average for February 12. The total releases out of Glen Canyon Dam for WY25 to date have been 2.58 maf which is 34% of the minimum required 7.5 maf for the water year.

During WY25 to date, storage has fallen by 989,704 acre-feet with total outflows exceeding total inflows by 993,118 acre-feet. The thirty-four tracked reservoirs above Lake Powell are currently at 73% of capacity and the rivers feeding into Lake Powell are running at 78% of the February 12 average. Lake Powell is now 134.9 feet below the full pool.

Cloudseeding

This report comes from the January monthly report from *North American Weather Consultants (NAWC)* dated February 3, 2025.

Seeding operations took place in two storm systems in January and this activity is summarized in the table below. Avalanche conditions were carefully monitored before and during each event in January to ensure that all regulations were honored, and no seeding suspensions occurred.

Generator Usage for January 2025

The following table shows generator hours for the month of December.

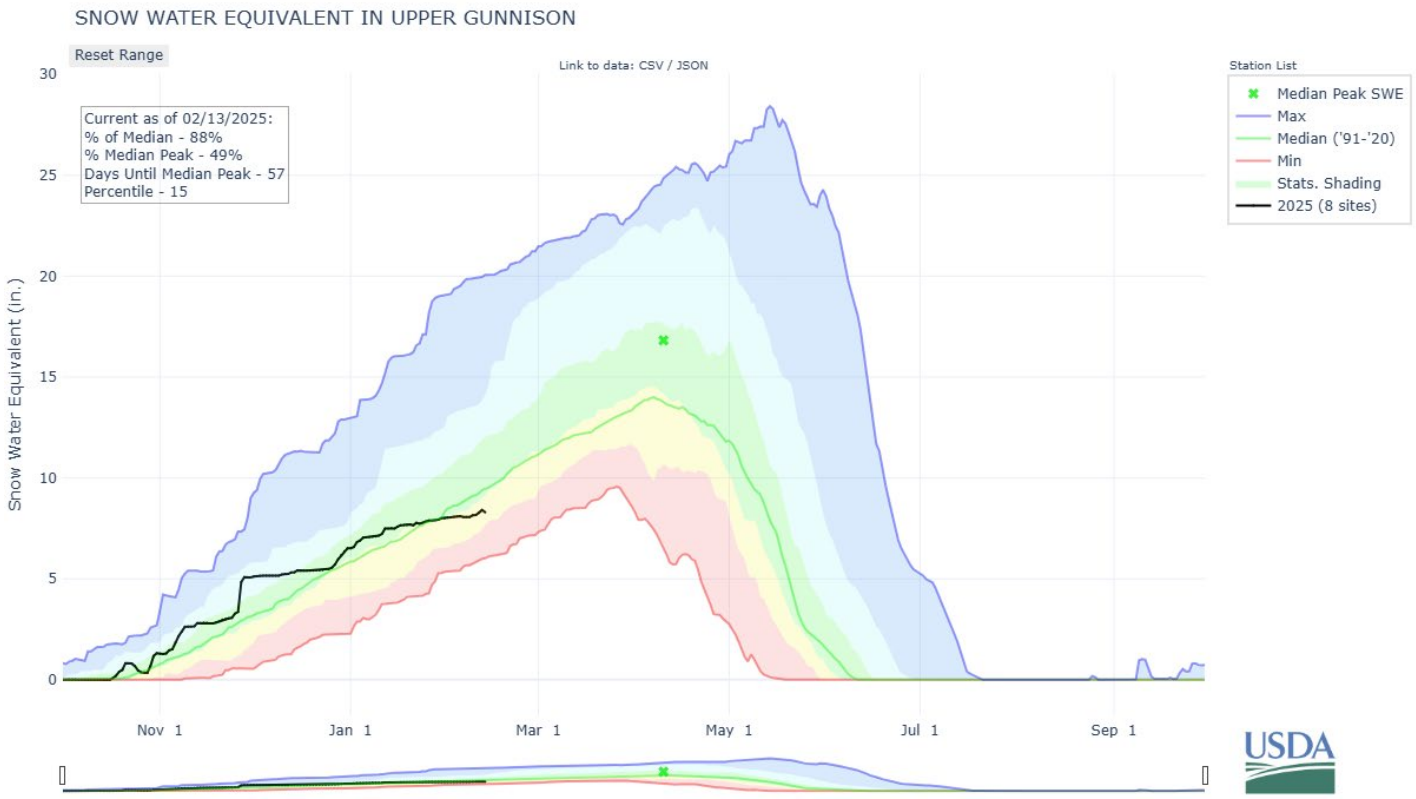
Storm Number	Dates	No. of Manual Generators Used	No. of Manual Hours	Lake Irwin Remote Hours	NAWC Remote (Black Mesa Lodge)
13	January 4	6	33	0	0
14	January 11	3	11	4	0
January Total			44	4	0
Season To Date			**504.50**	**53.75**	**123**

The table below shows the amount of snow water equivalent (SWE) accumulated at select SNOTEL sites during these seeding events.

SNOTEL Snow Water Equivalent Accumulation for Seeded Storm Events

Dates	**SNOTEL Site**			
	Schofield Pass	**Park Cone**	**Porphyry Creek**	**Slumgullion**
January 4	0.5	0	0.2	0.1
January 11	0.4	0.2	0.4	0.1

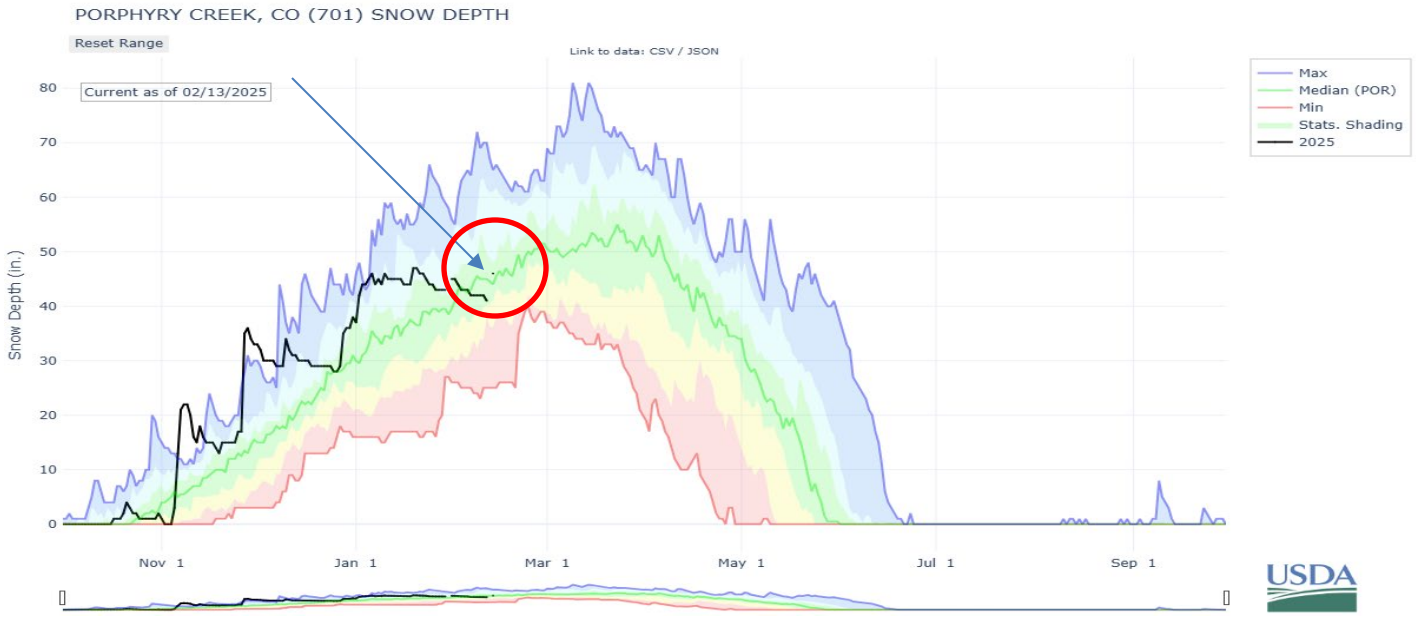
As of February 13, 2025, SWE in the Upper Gunnison basin is below normal, with a basin-wide average of 88% of the median as shown in the SWE plot provided below (*NRCS, February 13, 2025).* This is a 23% decrease in SWE from the January report. The total SWE amount for the water year to date for the Upper Gunnison Basin is 8.3" and the median amount is 9.4".



Also provided below are snow depth plots for specific SNOTEL sites (Porphyry Creek and Slumgullion) which show the actual snow depth at these sites and provides a better representation of snow conditions in those areas of the basin.

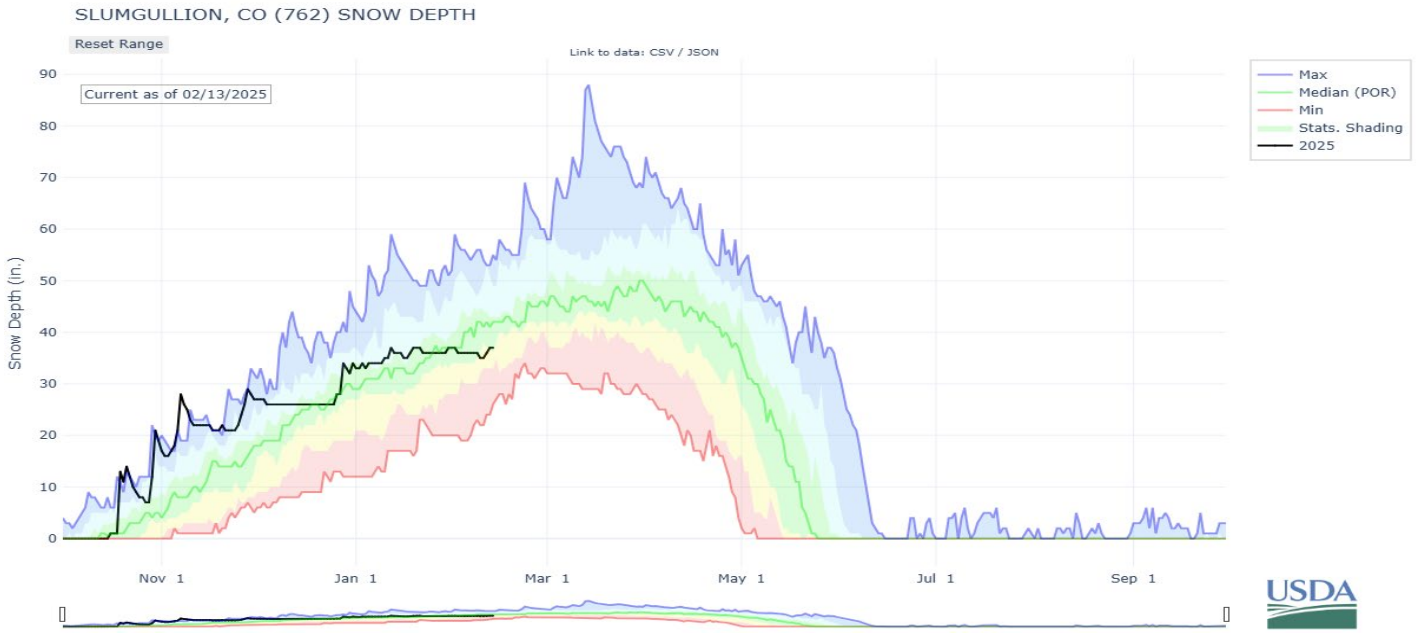
Porphyry Creek

Snow depth at Porphyry is currently at 46" and the median for this site for February 13 is 44". Based on these figures, the snow depth is 104% of the median for the period of record (*NRCS, February 13, 2025).* As shown in the plot, there was a break in recording but there was a reading available for February 13. Per the Water Commissioner, the recording device at this site has had intermittent outages this year but the source is unknown.



Slumgullion

Snow depth at the Slumgullion SNOTEL site is currently 37" and the median for the period of record is 42". Based on these amounts, snow depth at the Slumgullion site is 88% of the median for February 13 (*NRCS, February 13, 2025*).



AGENDA ITEM 9

Presentation – Upper Gunnison Basin Irrigation Return Flow Study Update

Rachel Gidley, Carleton Bern and Cory Williams, USGS

USGS
science for a changing world

Prepared in cooperation with Upper Gunnison River Water Conservancy District

Agricultural Return Flow Dynamics on a Reach of the East River, Colorado, as Assessed by Mass Balance

Open-File Report 2024–1075

U.S. Department of the Interior
U.S. Geological Survey

Agricultural Return Flow Dynamics on a Reach of the East River, Colorado, as Assessed by Mass Balance

By Carleton R. Bern and Rachel G. Gidley

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U.S. Department of the Interior
U.S. Geological Survey

U.S. Geological Survey, Reston, Virginia: 2024

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Suggested citation:
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Associated data for this publication:
U.S. Geological Survey [USGS], 2024, USGS water data for the Nation: U.S. Geological Survey National Water Information System database, accessed June 15, 2024, at http://doi.org/10.5066/F7P55KJN.

ISSN 2331-1258 (online)

Contents

Figures

Conversion Factors

U.S. customary units to International System of Units

Multiply	By	To obtain
	Length	
foot (ft)	0.3048	meter (m)
	Area	
square mile (mi^2)	2.590	square kilometer (km^2)
	Volume	
acre-foot (acre-ft)	1,233	cubic meter (m^3)
acre-foot (acre-ft)	0.001233	cubic hectometer (hm^3)
	Flow rate	
cubic foot per second (ft^3/s)	0.02832	cubic meter per second (m^3/s)

Datums

Vertical coordinate information is referenced to the National Geodetic Vertical Datum of 1929 (NGVD 29).

Horizontal coordinate information is referenced to the North American Datum of 1983 (NAD 83).

Elevation, as used in this report, refers to distance above the vertical datum.

Supplemental Information

A water year is the 12-month period from October 1 through September 30 of the following year and is designated by the calendar year in which it ends.

An irrigation year is the 12-month period from November 1 through October 31 of the following year and is designated by the calendar year in which it ends.

Agricultural Return Flow Dynamics on a Reach of the East River, Colorado, as Assessed by Mass Balance

By Carleton R. Bern and Rachel G. Gidley

Abstract

The U.S. Geological Survey, in cooperation with the Upper Gunnison River Water Conservancy District, studied historical streamflow in a reach of the East River, Colorado, to gain a preliminary understanding of return flow dynamics. Return flow is agricultural irrigation water that is not consumed by evapotranspiration and instead reaches streams by surface and subsurface flow paths. The study reach had a contributing area of 50 square miles and contained 5.23 square miles of pastures irrigated with water diverted from the East River and its tributaries. By comparing upstream inflows to downstream outflows, the net water balance of the study reach from 1994 to 2023 was assessed.

Two general hydrologic conditions for the study reach were identified. One hydrologic condition was characterized by a net loss or consumption of water, termed here as general deficit. This general deficit condition extended about 16 years, from 1997 to 2012. During general deficit years, there was usually a notable net loss of streamflow from April through July, and a small net gain, possibly related to return flows, occurred in August about 75 days after the minimums for losses. The second hydrologic condition was characterized by a net gain of water, termed here as general surplus. This second condition extended about 10 years, from 2014 to 2023. During general surplus years, two separate transitions from net loss to net gain commonly occurred during June through August. Losses during general surplus years were smaller than losses during general deficit years, the respective gains were larger, and times between losses and gains were about 18 and 22 days.

Differences between the two hydrologic conditions could reflect interactions among irrigation water, available capacity to store additional shallow groundwater, and streamflow. However, deciphering the causes for the shifts between the two general hydrologic conditions was beyond the scope of this report.

Introduction

Irrigation can have complex effects on the availability of water in watersheds (McDermid and others, 2023). Water for irrigation can be obtained by diversion from streams by way of ditches or pumping groundwater from wells. Globally, consumptive losses of water through evapotranspiration are increased by irrigation as growing crops transpire the added water and methods of water conveyance and application enhance opportunities for evaporation (Siebert and Döll, 2010). Irrigation water not lost to evapotranspiration can contribute to streamflow, and when it does, it is termed return flow (Gordon and others, 2020).

One type of return flow is called tail water, which is irrigation water that runs off the surface of a field or pasture without infiltrating and reaches streams relatively rapidly compared to subsurface flow paths. A second type of return flow is subsurface return flow, which is irrigation water that percolates below the rooting zone and recharges shallow groundwater aquifers that can eventually discharge to surface streams (Gordon and others, 2020; Ferencz and Tidwell, 2022). The timing and volume of subsurface return flows are generally controlled by crop evapotranspiration, distance from the stream, subsurface hydraulic conductivity, and gradients in hydraulic head (Ferencz and Tidwell, 2022). Generally, some fraction of irrigation water may become streamflow through return flow, and the volumes and timing depend on the factors above. Understanding the volumes, timing, and other dynamics of return flows is crucial for determining overall effects of irrigation on streamflow, including diminishment by consumption and enhancement of late season streamflow by return flow (Gordon and others, 2020; Ketchum and others, 2023).

The U.S. Geological Survey, in cooperation with the Upper Gunnison River Water Conservancy District studied a selected reach of the East River, Colorado. This report is the first of a collection that will compose a broad effort to describe and model the timing, volumes, and other dynamics of agricultural return flows in the Upper Gunnison River Basin. The goal of that effort is to improve understanding of how agriculture affects streamflow and water availability in the region.

Purpose and Scope

The purpose of this report is to describe a preliminary analysis of the hydrologic dynamics related to irrigation diversions and return flow in the Upper Gunnison River Basin, specifically in a selected reach of the East River, Colo. (fig. 1). This report compiles and analyzes published streamflow data from two streamgages and relevant irrigation diversions. The data were analyzed by mass balance to quantify the net gains and losses of water within the study reach on daily and annual time steps. Consumptive loss of water by evapotranspiration was not directly assessed, nor was movement of groundwater into or out of the study reach. The report does not address processes that affect water balance and does not directly assess return flows. The understanding presented here is a step to facilitate additional sophisticated analysis and modeling of local hydrologic dynamics in the basin.

Study Area

The stream reach studied is a part of the East River between U.S. Geological Survey streamgage 09112200 (East River below Cement Creek near Crested Butte, Colo.) and U.S. Geological Survey streamgage 09112500 (East River at Almont, Colo.), which is located downstream from 09112200 (fig. 1). The study reach has a direct contributing area of 50 square miles (mi^2; U.S. Geological Survey, 2024) and a contributing area of 239 mi^2 upstream from the upper bounding streamgage (09112200). The straight-line distance between the streamgages is about 8.2 miles. The upstream contributing area contains a larger amount of higher elevation terrain than the direct contributing area and therefore yields more snow-derived streamflow. Inflows from tributaries within the study reach are relatively small compared to inflow from upstream. Land irrigated by diverting water from the East River and its tributaries accounts for 5.23 mi^2, or roughly 10 percent, of the contributing area between the two streamgages (Colorado Division of Water Resources, 2021).

The hydrographs of rivers in the region are dominated by snowmelt from April through July, have brief pulses of runoff from monsoonal storms from July into the fall, and have lower flows through the rest of the year (U.S. Geological Survey, 2024). Irrigation in the study reach is generally accomplished by diverting water from the East River and its tributaries through ditches. The Slide Ditch (fig. 1) diverts notable quantities of water immediately upstream from the U.S. Geological Survey streamgage (09112200) at the upstream end of the study reach (Colorado Division of Water Resources, 2023). Apart from the Slide Ditch, there are small to negligible effects on streamflow from ditches, pastures, or local geography conducive to substantial shallow aquifer flow that would potentially convey water past the streamgages that constitute the upstream and downstream boundaries of the study reach. However, two other ditches that could complicate the boundaries are specifically considered in the section of this report titled "Flows Excluded from the Analysis." There are 19 irrigation diversions and associated ditches that are entirely internal to the study reach, meaning that their inflow and outflow do not cross the boundaries of the reach (fig. 1). Aside from irrigated pastures, most of the land is undeveloped and forested, with some residential use. Application of irrigation water from ditches in the study reach is generally accomplished by diverting water from primary irrigation ditches and smaller laterals without pipes or infrastructure into pastures that generally have not been furrowed, leveled, or otherwise modified. This irrigation type is colloquially known as "wild flood."

U.S. Geological Survey streamgage 09112200 (East River below Cement Creek near Crested Butte, Colo.), hereafter the "upstream streamgage," is at 8,440 feet above National Geodetic Vertical Datum of 1929 (NGVD 29) and has a contributing area of 239 mi^2 that contains elevations greater than (>) 13,000 feet (U.S. Geological Survey, 2024). About 240 yards upstream from this site is the diversion point for the Slide Ditch (Colorado Division of Water Resources site 5900672), which diverts water from the East River to pastures along the east side of the river (Colorado Division of Water Resources, 2024). The U.S. Geological Survey streamgage 09112500 (East River at Almont, Colo.), hereafter the "downstream streamgage," is at 8,006 feet above NGVD 29 and has a contributing area of 289 mi^2 (U.S. Geological Survey, 2024). The intervening study reach contains elevations greater than 12,000 feet.

Two other ditches were considered for their relevance to main stem inflows to and outflows from the study area because they bypass the streamgages that bound the study reach (Colorado Division of Water Resources, 2024). The Imobersteg Ditch diverts water out of the East River on the west side about 2.4 miles upstream from the upper study area boundary. The Imobersteg Ditch is 3.3 miles and irrigates a pasture approximately 1.0 mile long directly west of the upstream streamgage and does not connect back to the East River. The Marston Ditch diverts water from the East River just upstream from the lower study area boundary, is 0.9 miles, and irrigates a narrow area of 0.6 miles next to the river. Diverted water not used for irrigation is returned to the East River about 50 yards downstream from the downstream streamgage.

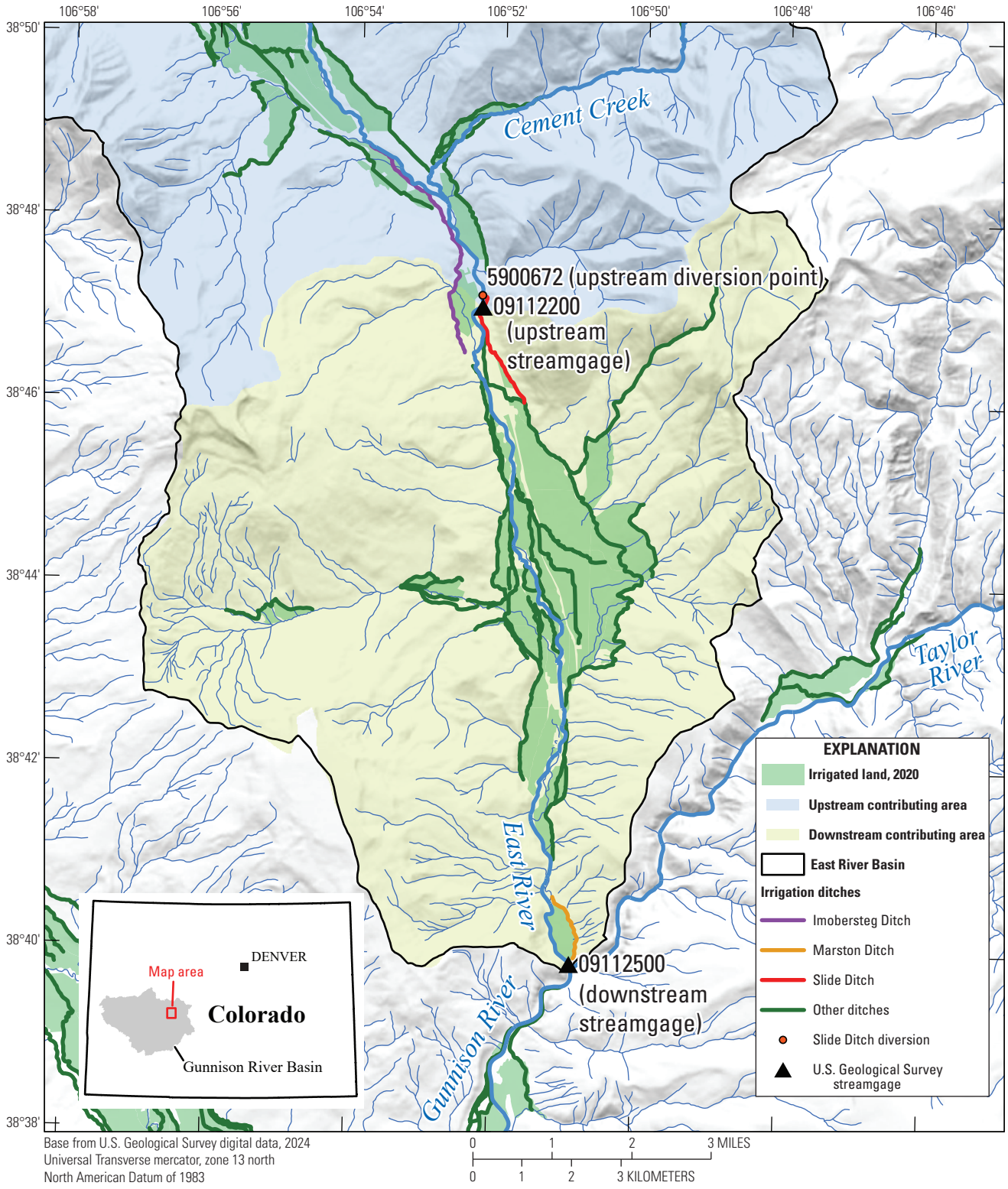

Figure 1. Map of the study reach showing the East River Basin boundary, the contributing area between U.S. Geological Survey streamgages 09112200 (East River below Cement Creek near Crested Butte, Colorado) and 09112500 (East River at Almont, Colo.), land irrigated in 2020 (Colorado Division of Water Resources, 2021), and irrigation ditches (Colorado Division of Water Resources, 2023; U.S. Geological Survey, 2024).

Methods

No new data were collected for the study. Streamgage and diversion data relevant to the study reach were compiled from published sources (Colorado Division of Water Resources, 2024; U.S. Geological Survey, 2024). These data were assessed on annual (irrigation year) and daily time steps. A mass balance analysis was done to determine net gains and losses of water from the study reach.

Data Sources

Data from three monitoring locations, a streamgage and a diversion point bounding the study area upstream end and a streamgage bounding the study area downstream end, constituted the core data used in the study (fig. 1). Daily mean streamflow data from the two U.S. Geological Survey streamgages were used in the analyses; the daily mean streamflow values (hereafter "daily streamflow") were means based upon measurements made at 15-minute intervals from 1994 to 2023 (U.S. Geological Survey, 2024). Annual total streamflow was calculated as the sum of the daily streamflow for each year. Total annual flow for a specified period was calculated as the sum of the annual total streamflows.

Streamflow data for all ditches were available on a daily time step, but the values were based upon manual measurements made during site visits. The manual measurements were recorded as identical values for each subsequent day until the next manual measurement (Colorado Division of Water Resources, 2024). The schedule for site visits varied by site. Typical return intervals were about 30 days but were sometimes more frequent, particularly if there was a substantial change in flow. Data used in this report were the daily values as recorded. All sites had a complete data record spanning water years 1994–2023. A water year is the 12-month period from October 1 through September 30 of the following year and is designated by the calendar year in which it ends.

Within the study reach boundaries were 19 irrigation diversions, with 14 ditches that diverted water from the East River and 5 ditches that diverted water from tributaries (Colorado Division of Water Resources, 2024). As these ditches were internal to the study reach, meaning that they did not cross the study reach boundaries, they were not used in the mass balance analysis but were useful for understanding volumes of water diverted and used for irrigation. Because monitoring was infrequent, there was substantial uncertainty regarding flows in these ditches and the other ditches described in the "Study Area" section of this report.

Mass Balance Analysis

Streamflow data for the upstream and downstream streamgages and Slide Ditch were tabulated and converted to total flows in acre feet (acre-ft) on an annual basis. The same was done for the 19 ditches that do not cross the boundaries of the study reach. Because most diversions continued until October 31, annual total flows were determined for irrigation years from November 1 through October 31. The mass balance analysis compared main stem inflows and outflows for the study reach. Annual total streamflows at the upstream streamgage and the Slide Ditch were combined to determine total annual main stem inflows (hereafter "combined inflows"). The combined inflows were subtracted from outflows at the downstream streamgage to determine annual net gain or loss of water in the study reach. The annual net gains or losses were assessed to determine how the broader hydrologic dynamics have changed through time. With the derived understanding, two general hydrologic conditions for the study reach (general deficit and general surplus, discussed in the section titled "Annualized Mass Balance Analysis") were identified, each spanning multiple years.

Summary statistics (medians and 5th and 95th percentiles) were calculated for daily mean streamflow and net gains and losses within the time periods associated with each hydrologic condition. Using these summary statistics, common patterns in the timing of streamflow gains and losses within the reach could be discerned. Diversions and return flows can have a major, though not the only, affect on gains and losses of streamflow; therefore, the magnitude and timing of peaks in streamflow gains and losses were assessed from the daily summary statistics for the two hydrologic conditions.

Agricultural Return Flow Dynamics

The magnitude of flows in smaller ditches that bypassed the upstream and downstream streamgages was considered. Subsequently, the study reach streamflow net gains and losses were assessed from the two streamgage data records and the Slide Ditch first on annual and then on daily time scales. Annual total flows from irrigation diversions from the 19 ditches internal to the study reach provided additional information.

Flows Excluded from the Analysis

The Imobersteg Ditch, which diverts water from the East River upstream from the upstream streamgage (fig. 1), lay largely outside the study reach. However, return flow from the ditch could have contributed inflows of water to the study reach, and the potential magnitude of those inputs was considered relative to combined inflows from the East River and Slide Ditch. From 1994 to 2023, annual total flows in the Imobersteg Ditch averaged 2,420±999 acre-ft (mean±standard deviation) with a range of 920–4,064 acre-ft (Colorado Division of Water Resources, 2024). As a percentage of the combined inflows per year, annual total flows in the Imobersteg Ditch averaged 1.3±0.8 percent with a range of 0.2–3.4 percent. Evapotranspiration likely

consumed a large but unknown quantity of that diverted water because crop transpiration is the purpose of irrigation. Therefore, the Imobersteg Ditch was excluded from the mass balance analysis.

The Marston Ditch diverts water away from the East River from within the study reach and returns unused water back into the East River at the ditch outlet downstream from the downstream streamgage (fig. 1). Therefore, return flows in the Marston Ditch are not accounted for by the downstream streamgage and need to be considered. From 1994 to 2023, annual total diversions by the Marston Ditch averaged 2,337±819 acre-ft with a range of 247–4,515 acre-ft (Colorado Division of Water Resources, 2024). As a percentage of annual total streamflows at the downstream streamgage, diversions by the Marston Ditch averaged 1.3±0.9 percent with a total range of 0.1–4.6 percent. A large quantity of that diverted water likely evapotranspired, and subsurface return flows from Marston Ditch likely discharged to the stream upstream from the downstream streamgage. Therefore, the Marston Ditch was excluded from the mass balance analysis.

Annualized Mass Balance Analysis

From 1994 to 2023, annual total streamflow measured at the upstream streamgage averaged 219,436 acre-ft (range 100,056–387,686 acre-ft; U.S. Geological Survey, 2024). Annual total flow in the Slide Ditch averaged 4,148 acre-ft (range 1,542–7,050 acre-ft; Colorado Division of Water Resources, 2024). Combined inflows averaged 223,584 acre-ft (range 104,417–393,896 acre-ft; fig. 2*A*). Therefore, the Slide Ditch averaged 1.9 percent of combined inflows (range 0.06–4.5 percent). Outflow at the downstream streamgage averaged 222,863 acre-ft (range 97,334–418,263 acre-ft; fig. 2*A*). Combined inflows and outflow were therefore similar in magnitude. Irrigation diversions within the study reach are a useful point of reference. Total diversions within the study reach averaged 48,667 acre-ft (range 32,194–61,907 acre-ft) and therefore averaged 25 percent (range 8–55 percent) of combined inflows, though it is important to note that some of those diversions occurred on tributaries (fig. 2*B*).

Annual net gains and losses of streamflow within the study reach were computed by subtracting combined inflows from the outflow. Annual streamflow in the study reach showed both net loss (negative values) and net gain (positive values) depending upon the year (fig. 2*C*). Annual net gains were likely from precipitation within the study reach that exceeded actual evapotranspiration to yield net natural runoff. Years with annual net losses could have been caused by consumption of diverted water by evapotranspiration and or movement of that water into storage, particularly in shallow aquifers, in magnitudes that exceeded natural net runoff within the study reach. Annual net gains and losses were generally small and averaged −721 acre-ft, with a range of −24,040–26,218 acre-ft (fig. 2*C*). As a percentage of inflows for the irrigation year, annual net gains and losses averaged −0.8 percent and ranged from −10.2 to 8.9 percent. Annual net gains and losses varied from year to year with an indication of an upward trend from about 1997 through 2024 (fig. 2*C*). By adding the annual net gain or loss for each subsequent year to the total from previous years, the cumulative gain or loss for the study reach was calculated (fig. 2*D*). Using this information, two generalized hydrologic conditions were identified. The first hydrologic condition, hereafter referred to as "general deficit," was generally represented by a net loss or consumption of streamflow within the study reach (fig. 2*D*). This condition lasted for a 16-year period (1997–2012). The second hydrologic condition, hereafter referred to as "general surplus," was generally represented by a net gain of streamflow within the study reach and lasted for a 10-year period (2014–23; fig. 2*D*).

In terms of understanding the two hydrologic conditions, there was no obvious pattern in East River streamflow that could seem to correlate directly with the timing (fig. 2*A*, *D*). Lower flow years were more common during the general deficit but also occurred during the general surplus. Higher flow years were more common during the general surplus but also preceded the general deficit hydrologic condition (1995–96) and were present towards its end (2008 and 2011; fig. 2*D*). Patterns in evapotranspiration also seemed an unlikely explanation for the shift in hydrologic conditions because it would take a downward trend in evapotranspiration to favor gains in streamflow. However, in the broader Upper Colorado River Basin, evapotranspiration has been trending upward (Milly and Dunne, 2020). Additionally, evapotranspiration from irrigated pastures could have been expected to correlate positively with diversions, and there is no indication of a downward trend in diversions (fig. 2*B*).

In contrast, changes in excess storage capacity in the shallow aquifer in the study reach could have produced the pattern observed. Flood irrigation can enhance the recharge of shallow aquifers as water percolates below the rooting zone (Gordon and others, 2020). If annual recharge due to irrigation exceeded the rate at which water could move laterally in the shallow aquifer to discharge to surface water, a rise in the water table could have been the response. If water tables generally rose each year, the difference in hydraulic head between shallow aquifers fed by irrigated pastures and surface water channels could have increased, driving a proportional increase in the lateral velocity of groundwater moving through the subsurface. As the rising water table approached the surface, subsurface flow paths to surface discharge locations could have become shorter, which, coupled with increased groundwater flow velocities, could have increased rates of groundwater discharge into surface water. In locations where higher water tables generally filled aquifer storage capacity, infiltration could not have been possible, and irrigation water could have run over the surface as increased tail water flows.

It is possible that a portion of the net losses during general deficit years reflect the filling of available groundwater storage capacity with infiltrated irrigation water. Some groundwater travel times from the point of infiltration to

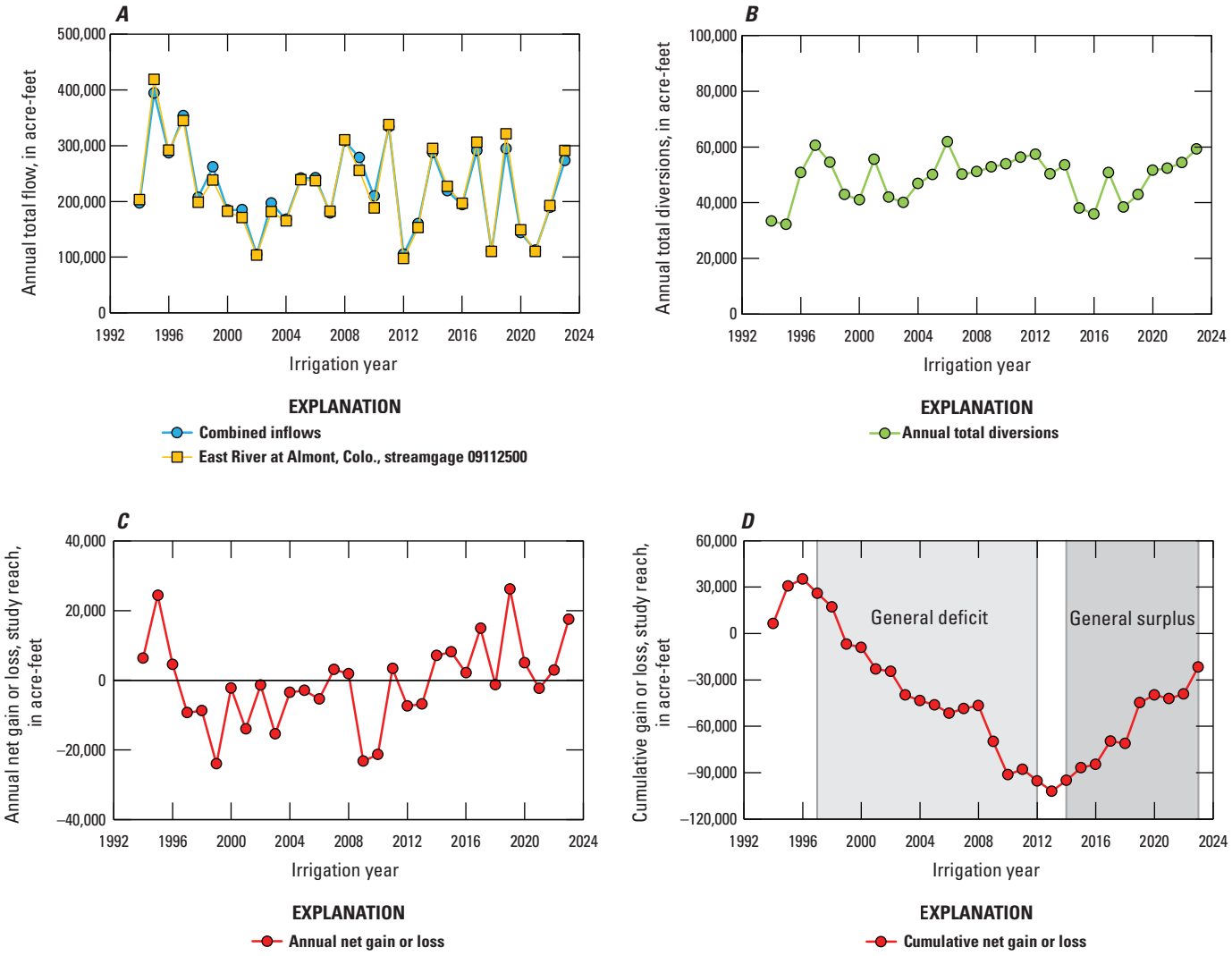

Figure 2. Graphs of components of the annual water balance for the study reach including *A*, combined inflows and annual total streamflow at the downstream U.S. Geological Survey streamgage (East River at Almont, Colorado); *B*, annual total diversions of water by the 19 irrigation diversions within the study reach; *C*, annual net gain or loss of streamflow in the study reach; and *D*, cumulative net gain or loss of streamflow in the study reach, all plotted by irrigation year (November 1 through October 31; Colorado Division of Water Resources, 2024; U.S. Geological Survey, 2024).

discharge to surface water would have had to exceed one year for such filling to occur; otherwise, net losses by way of increased storage would not have been detected annually. A scenario where excess capacity in the shallow aquifer decreased during multiple years, until excess storage capacity was generally eliminated, is a potential explanation for the change in hydrologic condition from a generalized deficit to a generalized surplus and could also relate the changes in hydrologic condition to irrigation and return flows. However, determining the specific causes for the two hydrologic conditions, and what caused the shift from one to another, was beyond the scope of this report.

Daily Mass Balance Analysis

The medians of daily mean streamflow values, along with the daily 5th and 95th percentiles, for net gain or loss of daily mean streamflow within the study reach were compared between the time periods representing the two previously defined hydrologic conditions—general surplus and general deficit (fig. 3*A*, *B*). This analysis revealed when and how much water was typically lost or gained during the irrigation year during the two different hydrologic conditions. It could be assumed that streamflow losses were generally related to diversions and consumption of diverted water by evapotranspiration. It also could be assumed that streamflow gains were generally related to return flows and natural runoff from precipitation and snowmelt. Examination of median daily

gains and losses revealed broad patterns that could have been difficult to discern in individual years. The analysis supported the concept of the hydrologic conditions and revealed how they may have affected return flow dynamics.

Patterns during winter may reflect different groundwater conditions during the two hydrologic conditions (fig. 3*A*, *B*). Variations were generally small from November through March, a time when diversions were not occurring (Colorado Division of Water Resources, 2024) and subfreezing temperatures limited runoff. During general deficit, gains during winter were commonly around 4.6 cubic feet per second (ft^3/s), and during general surplus, they were commonly greater at around 7.6 ft^3/s, a difference of 3 ft^3/s or 65 percent. As winter base flow discharge is understood to be driven by groundwater discharge, the greater gains were consistent with increased shallow groundwater storage during general surplus.

The growing and irrigation season patterns (approximately April through August) were where shorter-term return flow dynamics were assumed to be apparent (fig. 3*A*, *B*). The median statistics provided a representation of flow timing and magnitude that dampened variation that was much more substantial in individual years. In mid-April, streamflow usually began to increase substantially most likely in response to snowmelt, and by early May, irrigation diversions generally began. During general deficit, daily net losses (losses) of streamflow commonly began around this time. Daily net losses commonly reached their extreme for the year around May 27 at −110 ft^3/s (fig. 3*A*). On average, daily net gains (gains) peaked 73 days later, on August 8, at a median gain of 24 ft^3/s, at which time snowmelt runoff had usually faded and median flows in the East River were about 230 ft^3/s (U.S. Geological Survey, 2024). The 5th and 95th percentiles indicate that streamflow losses less than −100 ft^3/s were not unusual, but gains greater than 50 ft^3/s were unusual.

During general surplus, the patterns were more complex (fig. 3*B*). There was commonly a peak in gains before there were substantial losses. The first broad period of gains commonly peaked around May 24 at around 12 ft^3/s, during the ascending limb of snowmelt runoff when East River streamflow was greater than 1,000 ft^3/s (U.S. Geological Survey, 2024). This was followed by two pairs of loss minimums and peaks in gains. The first loss minimum occurred on June 6 at −37 ft^3/s and was followed by a broad peak in gains that commonly occurred around June 24 at 55 ft^3/s. This peak occurred when streamflow in the East River was commonly on the descending limb of the hydrograph relative to snowmelt runoff but still with median daily streamflows greater than 1,000 ft^3/s (U.S. Geological Survey, 2024). Another local minimum for losses occurred around July 20 but was nominal at −3 ft^3/s. A final peak in gains occurred around August 11 at 35 ft^3/s. The second pair of minimum and peak occurred when streamflows were generally less than 400 ft^3/s (U.S. Geological Survey, 2024) and entering the long tail of snowmelt runoff. The times between pairs of local minimums for losses and peaks for gains were 18 and 22 days, respectively.

The patterns in median daily gains and losses likely reflect return flow dynamics during the two hydrologic conditions. During the general deficit, the substantial diversions of water from the East River and its tributaries resulted in notable net loss of streamflow in May and June (fig. 3*A*). The modest peak in gains 75 days later most likely reflected the typical average time it took for excess irrigation water to reach the East River. This length of time suggests water likely moved through longer subsurface flow paths and interacted with excess capacity in the shallow aquifer. During the general surplus, net losses were much smaller, net gains were much larger, and the times between them were much shorter than during the general deficit (fig. 3*B*). Such patterns

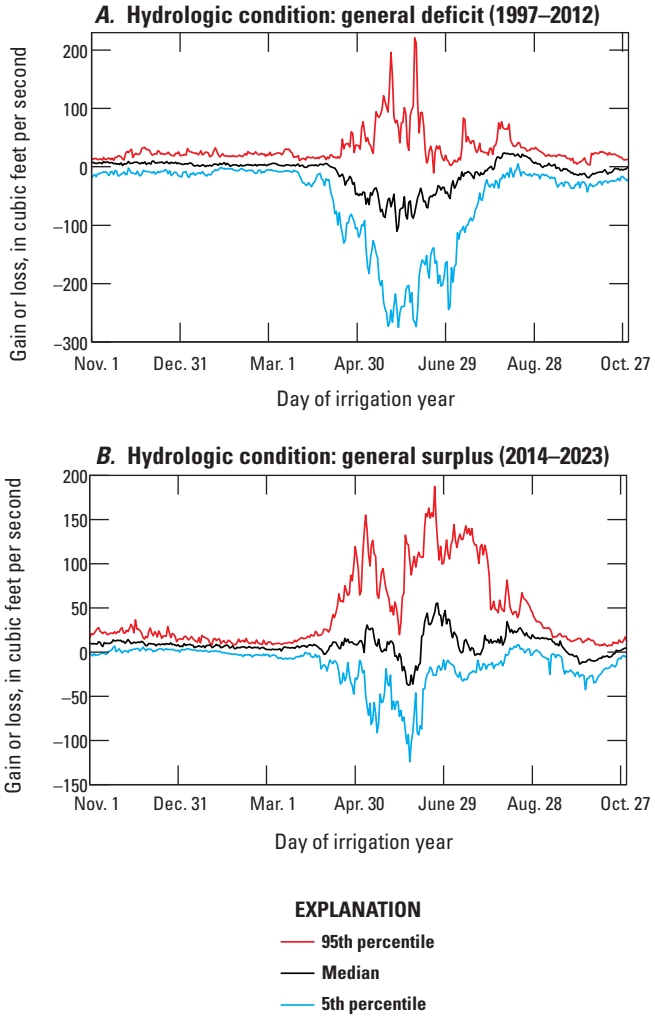

Figure 3. Median of daily mean streamflows and 5th and 95th percentiles of net gains and losses of streamflow in the study reach for *A*, the hydrologic condition of general deficit and *B*, the hydrologic condition of general surplus (Colorado Division of Water Resources, 2024; U.S. Geological Survey, 2024).

most likely indicated little capacity to absorb excess irrigation water in the shallow aquifer and the forcing of excess water into shorter, faster flow paths in the subsurface or over the surface as tail water.

Comparisons of the median daily net gains and losses to streamflow at the downstream end of the study reach offer perspective on how irrigation and return flow dynamics affect the East River. During general deficit, net losses occurred during peak snowmelt runoff, and a net loss of greater than 50 ft^3/s could be considered small compared to concurrent streamflow that exceeded 1,000 ft^3/s (fig. 4*A*, *B*). In the condition of general surplus, the fluctuations in gains and losses were even smaller compared to streamflow (fig. 4*A*, *B*). The percentages of daily net gains and losses relative to streamflow were generally within 10 percent, regardless of the hydrologic condition of the study reach (fig. 4*C*). Thus, effects of irrigation and return flow dynamics on the study reach have only modest effects on volumes of streamflow in the East River. However, similar dynamics may have occurred or be occurring in other areas with irrigated agriculture in the Upper Gunnison River Basin and elsewhere. When such dynamics are scaled to larger areas that involve larger volumes of water, even modest changes in irrigation and return flows could have a substantial cumulative effect on water dynamics and availability in the Gunnison River Basin. The results of this study suggest that the timing and magnitudes of return flow dynamics are likely strongly affected by antecedent conditions in local shallow aquifers. That insight could be useful to subsequent studies that seek to understand the potential effects of irrigated agriculture and return flows in the region.

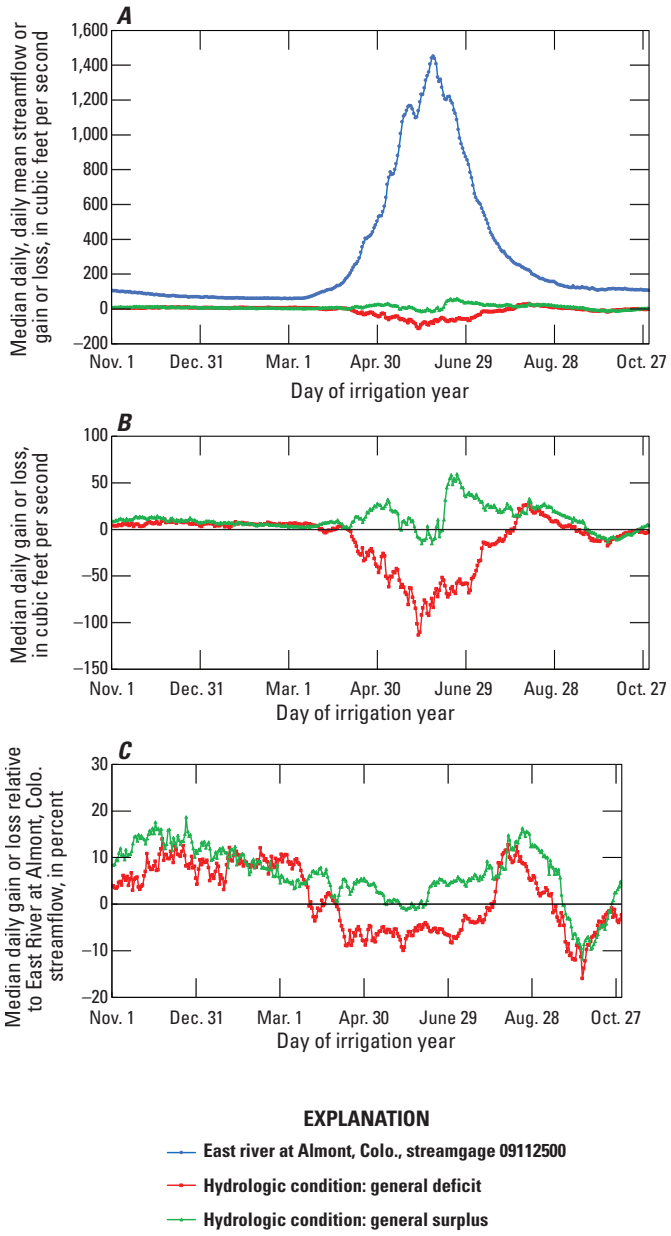

Figure 4. Graphs comparing median daily net gains and losses of daily mean streamflow in the study reach during two hydrologic conditions, general deficit and general surplus, as compared to *A*, median of daily mean streamflow at the East River at Almont, Colorado (streamgage 09112500); *B*, each other in units of cubic feet per second; and *C*, as percentages of median daily mean streamflow by way of the East River at Almont, Colo. (Colorado Division of Water Resources, 2024; U.S. Geological Survey, 2024).

Summary

The U.S. Geological Survey, in cooperation with the Upper Gunnison River Water Conservancy District, studied historical streamflow in a reach of the East River, Colorado, to gain a preliminary understanding of return flow dynamics. Return flow is agricultural irrigation water that is not consumed by evapotranspiration and instead reaches streams by surface and subsurface flow paths. The study examined published streamflow and irrigation diversion data spanning 1994–2023 for a study reach along the East River in Colorado for the purpose of gaining a preliminary understanding of irrigation return flow dynamics. The contributing area for the study reach was about 50 square miles, and irrigated pastures accounted for 5.23 square miles or 10 percent of that area. Net gains and losses of streamflow and total diversions were examined annually to assess changes through time. Median daily and 5th and 95th percentiles of net gains and losses of streamflow were examined during the two hydrologic conditions for the study reach identified from the annual perspective.

Cumulative, annualized net gains and losses indicated two distinct hydrologic conditions for the study reach: general deficit and general surplus. The 16-year period, 1997–2012, showed a broad pattern of net loss or consumption of streamflow within the study reach and therefore a hydrologic condition of general deficit. The 10-year period, 2014–2023, showed a broad pattern of net gain of streamflow within the study reach and therefore a hydrologic condition of general surplus. The transition from one condition to the other did not appear to be directly driven by changes in streamflow in the East River or magnitudes of irrigation diversions. A possible explanation is that a portion of the net losses during general deficit years reflect infiltrated irrigation water being retained in available groundwater storage capacity. The transition to general surplus may have occurred once storage capacity was filled. Determining the specific causes for the two hydrologic conditions and what caused the shift from one to another was beyond the scope of this report. However, the concept of groundwater storage capacity becoming filled fit with and potentially helped explain daily patterns of net gain and loss of streamflow.

Median daily net gains of winter base flow within the study reach were 3 cubic feet per second (ft^3/s) or 65 percent greater in general surplus compared to general deficit, likely reflecting increased shallow groundwater discharge. Patterns of net losses and gains of streamflow during the growing and irrigation season could not be directly attributed to diversions and return flows, respectively, but strong linkages could be assumed. Between the two hydrologic conditions, net losses of streamflow were larger (−110 ft^3/s), net gains were smaller (24 ft^3/s), and the time between losses and gains was longer (73 days) during general deficit. During general surplus, there were two pairs of loss minimums and peak gains. Net losses were smaller (−37 and −3 ft^3/s), net gains were larger (55 and 35 ft^3/s) and the time between losses and gains was shorter (18 and 22 days). Larger losses during general deficit may have reflected infiltrating irrigation water being retained in excess groundwater storage capacity, and the longer lag between losses and gains may have reflected longer, slower flow paths for return flow water through the subsurface. The smaller net losses, larger net gains, and shorter periods during general surplus may have reflected less remaining capacity for shallow groundwater storage and forcing of excess irrigation water into shorter and more rapid flow paths in the subsurface or over the surface as tail water. The work presented here is preliminary but could reflect broader patterns of return flow dynamics in the region and establishes baseline understanding for additional work.

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AGENDA ITEM 10

Discussion of Progress on Meridian Lake Reservoir Project - Mike Fabbre, Mt. Crested Butte Water and Sanitation District

AGREEMENT REGARDING USE OF MERIDIAN LAKE RESERVOIR

This Agreement is entered into between the Upper Gunnison River Water Activity Enterprise, an enterprise established pursuant to § 37-45.1-101, *et seq.*, Colorado Revised Statutes, by the Upper Gunnison River Water Conservancy District ("Enterprise") and the Mt. Crested Butte Water and Sanitation District, a Colorado special district, ("Water and Sanitation District"), collectively referred to in this Agreement as the Parties.

RECITALS

A. The Water and Sanitation District provides water and sanitation services to the Mt. Crested Butte area and would like to supplement its existing water supply to address current and future water demands. The boundaries of the Water and Sanitation District are located entirely within the boundaries of the Upper Gunnison River Water Conservancy District, which owns the Enterprise.

B. The Enterprise owns certain water rights in Meridian Lake Reservoir ("Reservoir"). Those rights include, without limitation:

1. In Case No. CA 5289 the water court decreed 138.58 acre-feet ("a.f.") of storage in the Meridian Lake Reservoir for the supplemental irrigation of 340 acres. That decree was entered on June 20, 1957 with an appropriation date of July 25, 1902.

2. In Case No. CA5590 the water court decreed 554.27 a.f. of storage in the Meridian Lake Reservoir for supplemental irrigation of the same 340 acres described in paragraph 1, above. That decree was entered on January 27, 1961, with an appropriation date of July 25, 1902.

3. In Case No. W-545 the water court decreed 279.55 a.f. of storage in the Meridian Lake Reservoir for "recreation, fish culture and wildlife procreation in place, non-consumptive use." That decree was entered on June 22, 1973 with an appropriation date of July 25, 1902. The Enterprise owns an undivided one-quarter interest in that water right.

4. In Case No. 02CW294 the Enterprise obtained a new conditional 407.21 acre-foot storage right decreed for augmentation of out-of-priority depletions by domestic, municipal, industrial, and irrigation uses pursuant to the plan for augmentation plan decreed in Case No. 03CW107.

5. In Case No. 03CW107, the Enterprise obtained a decree changing the type and place of use for the 138.58 a.f. decreed in Case No. CA 5289 and the 554.27 a.f. decreed in Case No. CA 5590. The new uses included domestic, municipal, industrial, and irrigation uses (including pond evaporation and livestock watering) by providing replacement water to

augment out-of-priority depletions by such uses. The new place of use included the Slate, East and Gunnison River Basins and the basins tributary thereof upstream of Blue Mesa Reservoir.

C. Those storage rights are all decreed without a discrete point of diversion for filling Meridian Lake Reservoir because those rights rely on surface runoff from the catchment basin above the Reservoir ("Native Inflow"). An engineer retained by the Water and Sanitation District has estimated that the active capacity of the Reservoir is 431.85 a.f. For purposes of this Agreement, the Parties assume that this estimate is correct. However, due to the small size of the catchment basin, the Native Inflow may not be sufficient to permit the Enterprise to reliably replace the full 431.85 a.f. active capacity of the Reservoir every year.

D. The Parties would like to enter into an agreement under which the Water and Sanitation District obtains the right to use a portion of the reservoir capacity within the Reservoir to supplement the Water and Sanitation District's current supply, either by direct supply or by augmentation. In consideration for that right, the Water and Sanitation District will make certain improvements to the Reservoir that will benefit the Enterprise.

AGREEMENT

For the consideration described in this Agreement, the receipt and sufficiency of which is acknowledged by the signatures of the Parties below, the Parties agree as follows:

1. Junior Storage Right: The Water and Sanitation District will, at its own expense, file a water right application with the Division No. 4 Water Court seeking a new 431.85 a.f. water storage and refill right in Meridian Lake Reservoir ("Junior Storage Right.") The Enterprise will be included as a co-applicant on that application and will be a co-owner of the Junior Storage Right. The Junior Storage Right will differ from the Enterprise's existing water storage rights in that, the Junior Storage Right will rely upon diversions from Washington Gulch, either through a pump station below the Reservoir or through a gravity flow pipeline diverting from Washington Gulch upstream from the Reservoir ("Washington Gulch Diversion.")

2. Construction of diversion structure for filling: Additionally, the Water and Sanitation District will, at its own expense, design, obtain the necessary permits and easements, and construct the pipeline described in paragraph 1 above (either for operation with a pump-station or via gravity-flow) to deliver water from the Washington Gulch Diversion to fill and refill the Reservoir. The Parties anticipate that the Washington Gulch Diversion will cause the Junior Storage Right to increase the firm annual yield of the Reservoir to the full 431.85 a.f. of the Reservoir's active capacity.

3. Construction of release structure: The Water and Sanitation District shall, at its own expense, design, obtain the necessary permits and easements, and construct an enclosed water release system for its sole use for making releases from the Reservoir ("Release Structure"). The Release Structure will be designed and constructed to permit releases on a year-round basis. The Water and Sanitation District may construct the Release Structure so that releases can be made to Washington Gulch or, alternatively, directed into a pipeline capable of delivering such releases to the Water and Sanitation District's water treatment facility. If the Enterprise would like to use the Release Structure the Parties shall share equally in the cost of acquiring and constructing the shared components of that structure.

4. Allocation of Storage in the Reservoir: Upon completion of the Washington Gulch Diversion, the Enterprise will be entitled to impound, when legally and physically available, 131.85 a.f. in the Reservoir, under the Junior Storage Right or one of the Enterprise's other rights, whichever is in priority, and the Water and Sanitation District will be entitled to impound, when legally and physically available, 300 a.f. under the Junior Storage Right, less, in the case of the Enterprise, any Native Inflows and less, with regard to both the Enterprise and the Water and Sanitation District, any amount carried over from the previous year. For example, if the reservoir had no water carried over from the previous year and Enterprise were to impound 49 a.f. of water from Native Inflow it would be entitled to impound another 82.85 a.f. under the Junior Storage Right. In that scenario, the Water and Sanitation District would be entitled to impound 300 a.f. under the Junior Storage Right. At any point in time, the Enterprise's total volume within the Reservoir would not exceed 131.85 a.f. and the Water and Sanitation District's total volume would not exceed 300 a.f. If the amount of water legally and physically available for storage in the Reservoir under the rights held by the Parties is not sufficient to fill the Reservoir to its capacity of 431.85 a.f., or if Native Inflow exceeds 131.5 a.f. during one water year, the accounting described in paragraph 4.A below, shall provide a method to determine the amount of water impounded by each Party.

A. Accounting: The Water and Sanitation District will maintain, in a form acceptable to the Enterprise, an accounting of the water stored in the Reservoir, which will include: (1) The water carried over from the previous water year, (2) the storage credited to the respective Parties attributable to diversions under the Junior Storage Right, and (3) the Native Inflow to the Reservoir. Native Inflow will be determined daily based upon the general formula: Native Inflow = Change in reservoir storage plus reservoir outflow minus Washington Gulch imports. By way of example: Assume that on a given day Reservoir storage increased by 25 a.f., Reservoir outflow was measured at 5 a.f., and the Water and Sanitation District imported 10 a.f. from Washington Gulch. Native Inflow for that day was 20 a.f. (25 a.f. + 5 a.f. – 10 a.f.). Additionally, the accounting will provide an estimate of surface evaporation and seepage

for each accounting period. Evaporation and seepage will be charged against the Parties' impoundments proportionally on a monthly basis. A printout of the accounting spreadsheet is attached as Exhibit A. To the extent available, the Water and Sanitation District will provide the Enterprise with real-time electronic access to raw data related to the following of the District's measurements during the months when the Reservoir is not ice covered:

i) Diversions into Long Lake from the new diversion structure,
ii) Releases from Long Lake from the new outlet structure, and
iii) The amount of water in storage (calculated based on Reservoir depth as determined by a pressure transducer and a bottom survey).

The Enterprise shall bear the cost, if any, of developing and maintaining the delivery system to transfer the real-time data to the Enterprise's office.

B. Initial Year Operations: In the initial year of operation of the Washington Gulch Diversion, the Parties agree to release at least 300 a.f. of water stored in the Reservoir, to be replaced contemporaneously with diversions under the Junior Storage Right; provided, however, that prior to the release the Reservoir must contain 431.85 a.f. of active storage and the Parties must agree that 300 a.f. will be legally and physically available in that year under the Junior Storage Right so that none of the water stored under the Enterprise's senior water rights will be released as part of the release described in this paragraph. If either of those conditions is not met, the release and replacement will be accomplished in phases during successive years. If permitted by the Division of Water Resources the releases referred to in this paragraph shall be accomplished as a paper release only. The purpose of the release and replacement is to provide the Water and Sanitation District with 300 a.f. stored in the Reservoir under the Junior Storage Right, while leaving the Enterprise with its requisite 131.85 a.f.

C. The Water and Sanitation District acknowledges that the Enterprise has entered into agreements with the other owners of the water right decreed to the Reservoir in Case No. W-545 (John L. Rozman, Jr. and Marilyn K. Rozman, an undivided one-quarter interest; Ralph R. Allen & Sons, Inc., an undivided one-half interest) that place limitations on the Enterprise's use of the Reservoir and easements for access thereto. Copies of those agreements have been provided to the Water and Sanitation District. The Parties agree that the construction and operation contemplated by this Agreement must comply with the Rozman and Allen agreements. If any modification of the Rozman or Allen agreement is required to accomplish the activity contemplated by this Agreement, the Water and Sanitation District shall be responsible for obtaining such modification(s) at its sole expense.

5. Operation of Washington Gulch Diversion: The Water and Sanitation District will operate the Washington Gulch Diversion consistent with the operating agreement described in paragraph 9.I below, which will include, among other things, the following provisions: The Water and Sanitation District will provide written or electronic notice to the Enterprise at least 24 hours in advance when it intends to divert water under the Junior Storage Right. The notice shall include the timing and proposed amount of the planned diversion. The Enterprise will respond in writing or electronically to notify the Water and Sanitation District whether it would like to divert water under the Junior Storage Right during the time identified in the notice.

A. When Only One Party Wishes to Divert Water: If the Enterprise declines the opportunity to divert water, the full amount diverted pursuant to the Water and Sanitation District's notice will be credited to the Water and Sanitation District's account in the Reservoir. Conversely, if the Water and Sanitation District is not planning to divert water under the Junior Storage Right at a time when the Enterprise would like to do so, the Enterprise may notify the Water and Sanitation District in writing or electronically of its planned diversion at least 24 hours in advance and the Water and Sanitation District shall effectuate that diversion.

B. When Both Parties Wish to Divert Water. When both Parties would like to divert water for storage under the Junior Storage Right at the same time, the Parties shall work together cooperatively and shall coordinate regarding diversion and storage of water under the Junior Storage Right to minimize inconvenience and expense to the Parties and maximize the efficiency of utilizing the Junior Storage Right. If the Parties cannot reach a mutual agreement regarding the division of water diverted into the Reservoir, the diversions shall be divided between the parties in proportion to their respective shares of the unused capacity available in the Reservoir. For example, if on a particular day the Enterprise had 81.85 a.f. stored in the Reservoir (leaving it capacity to impound an additional 50 a.f. before reaching its 131.85 a.f. of decreed storage) and the Water and Sanitation District had 200 a.f. stored in the Reservoir (leaving it capacity to impound an additional 100 a.f. before reaching its 300 a.f. of decreed storage), the Enterprise would be entitled to 1/3 of the amount diverted and the Water and Sanitation District would be entitled to 2/3 of the amount diverted. The parties will maintain the necessary accounting records to permit the parties to divide diversions on a daily basis in a manner consistent with the accounting formulas described in paragraph 4.A., above. These daily calculations shall take into account the amount of Native Inflows impounded by the Enterprise.

C. Junior Appropriative Right of Exchange: It is possible that in some years the Native Inflows into the Reservoir will exceed the unused capacity available to the Enterprise. When that occurs, the Parties agree that the

Enterprise shall release any amounts exceeding their available capacity in the Reservoir and the Water and Sanitation District will replace such releases with water impounded using its Washington Gulch Diversion. In the interest of efficiency, either party may elect to avoid the need for physical releases and diversions by utilizing a system of paper releases (by the Enterprise) and replacement of such releases through an appropriative right of exchange (by the Water and Sanitation District). The Parties agree to make physical releases and diversions whenever necessary to avoid abandonment of the Water and Sanitation District's water rights.

6. Releases from Meridian Lake Reservoir: The Water and Sanitation District will operate the Release Structure, consistent with the operating agreement described in paragraph 9.I below, which will include, among other things, the following provisions. If the Enterprise has elected to share in the cost of the construction of the Release Structure in accordance with paragraph 3 above, and would like to make releases to Washington Gulch through the Release Structure, it may notify the Water and Sanitation District of its preference at least 24 hours in advance and the Water and Sanitation District shall effectuate that release. When both Parties wish to make releases, the Parties shall work together cooperatively and shall coordinate regarding the timing of such releases to minimize inconvenience and expense to the Parties and maximize the efficiency of the releases.

7. Allocation of cost of operation and maintenance:

A. Washington Gulch Diversion: Although the cost of constructing the Washington Gulch Diversion will be borne entirely by the Water and Sanitation District, the cost of utilities (if a pump is used) shall be borne by each Party in proportion to their relative diversions during the relevant billing period. The cost of maintenance of the Washington Gulch Diversion, whether scheduled or unscheduled, shall be borne by both Parties in proportion to their relative diversions over the preceding five years. During the first five years of operations, the cost of routine maintenance shall be borne by both Parties in proportion to their relative diversions since the Washington Gulch Diversion became operational. The Parties shall confer annually prior to adopting their budgets and agree upon an operating plan for the Washington Gulch Diversion, including scheduled maintenance and capital reserve contributions. As part of the accounting described in paragraph 4.A. above, the Water and Sanitation District shall maintain records of diversions by each Party through the Washington Gulch Diversion. The Water and Sanitation District shall be responsible for performing or supervising the maintenance and operation of the Washington Gulch Diversion consistent with the operating plan and shall make its staff available for that purpose without reimbursement from the Enterprise.

B. Dam: The cost of maintenance of the dam for the Meridian Lake Reservoir shall be borne by both Parties in proportion to their relative

average monthly volume of storage in the Reservoir over the preceding five years. During the first five years of operations, the cost of routine maintenance shall be borne by both Parties in proportion to their relative storage volumes in the Reservoir since the Washington Gulch Diversion became operational. All other obligations related to the dam for the Meridian Lake Reservoir, including complying with state and federal regulations relating to dam safety, shall be borne by both Parties in proportion to their relative storage volumes as described above.

If the Enterprise elects to share in the cost of constructing the Release Structure described in paragraph 3 above, the cost of operation and maintenance (whether scheduled or unscheduled) of that structure, and the agreed upon operations shall be borne by both Parties in proportion to their relative releases over the preceding five years. During the first five years of operations, the cost of routine maintenance shall be borne by both Parties in proportion to their relative releases since the Release Structure became operational. The Parties shall confer annually prior to adopting their budgets and agree upon an operating plan for the Release Structure, including scheduled maintenance and capital reserve contributions. As part of the accounting described in paragraph 4.A. above, the Water and Sanitation District shall maintain records of releases by each Party through the Release Structure.

8. Easements: The Enterprise agrees to permit the Water and Sanitation District to utilize its current and future easement rights to access Meridian Lake Reservoir to effectuate the terms of this Agreement consistent with the terms and conditions of the easements. Any expenditure required to comply with the terms and conditions of the Enterprise easements shall be borne by the Water and Sanitation District. The Enterprise agrees that the Water and Sanitation District may pursue such additional easements or permits that may be necessary or convenient to access Meridian Lake Reservoir. The Water and Sanitation District agrees to permit the Enterprise to utilize any easements acquired by the Water and Sanitation District to effectuate the terms of this Agreement consistent with the terms and conditions of the easements.

9. Contingencies: The rights and obligations under this Agreement are contingent on the following:

A. System design and firm yield study: The Water and Sanitation District will provide the Enterprise with a proposed design for the Washington Gulch Diversion and the Release Structure, together with an estimate of the cost of construction of each component of the project. As part of that design, the Water and Sanitation District will include a feasibility-level analysis of including a small-scale hydroelectric facility in the design. The Water and Sanitation District will also provide the Enterprise with a report demonstrating the firm yield of the proposed system in back-to-

back, worst-case scenarios. The Water and Sanitation District will exercise its best efforts to deliver the above-referenced documents to the Enterprise within 180 days of the execution of this Agreement. If the Enterprise, in its sole discretion, concludes that the proposed design is not acceptable or that the firm yield is insufficient, it may elect to terminate this Agreement by providing written notice to the Water and Sanitation District within 90 days of receipt of the objectionable report. Nothing in this provision shall prevent the Parties from agreeing to a written extension of this deadline if the Enterprise requests that modifications be made to the design.

B. Fishery Study: Within 12 months of the acceptance of the proposed design and firm yield study by the Enterprise (or from the expiration of the 90 day period for the Enterprise to object as provided in paragraph 9.A., above), the Water and Sanitation District will provide the Enterprise with information regarding the risk of adverse effects on fish in the Reservoir and in Washington Gulch as a result of the reservoir operations proposed in this Agreement. If the Enterprise, in its sole discretion, concludes from that information that the proposed reservoir operations would create an unacceptable risk of adverse effects to fish in the Reservoir or in Washington Gulch it may elect to terminate this agreement by providing written notice to the Water and Sanitation District within 90 days of receipt of the report.

C. Geotechnical considerations: Within 12 months of the acceptance of the fishery study by the Enterprise (or from the expiration of the 90 day period for the Enterprise to object as provided in paragraph 9.B., above), the Water and Sanitation District will provide the Enterprise with a geotechnical report prepared by a qualified professional evaluating whether proposed reservoir operations are likely to have a destabilizing effect on the shoreline of the Reservoir or the downslope ridge East of the Reservoir. If the Enterprise, in its sole discretion, concludes from the geotechnical report that the proposed reservoir operations would create an unacceptable risk of instability, it may elect to terminate this Agreement by providing written notice to the Water and Sanitation District within 90 days of receipt of the geotechnical report. Additionally, within the 12 month period referred to, above, the Water and Sanitation District shall have the right to inspect and conduct geotechnical tests on the dam for the Reservoir. If the Water and Sanitation District, in its sole discretion, concludes from that inspection and geotechnical testing that the risks or costs of maintaining the dam are unacceptable, it may elect to terminate this Agreement by providing written notice to the Enterprise within 90 days of receiving the reports associated with that inspection and testing.

D. Alternative analysis: Once the Water and Sanitation District has provided the information described in paragraphs 9A, 9B, and 9C above and the

Enterprise has consented (or the period for terminating the Agreement under those provisions has expired), the Water and Sanitation District will develop a complete alternative analysis and preliminary design for the Washington Gulch Diversion and the Release Structure, which it will provide to the Enterprise for review within 12 months of the acceptance of the geotechnical report (or from the expiration of the 90 day period for the Enterprise to object as provided in paragraph 9.C, above). If the Enterprise concludes that the alternative analysis and preliminary design do not meet with accepted engineering standards, it may object by providing written notice to the Water and Sanitation District within 90 days of the receipt of that report. The Water and Sanitation District shall have 90 days to revise the alternative analysis and preliminary design to address the Enterprise's objections. If, after that 90 day period has elapsed, the Enterprise continues to reasonably believe that the Water and Sanitation District's proposal fails to meet accepted engineering standards, it may elect to terminate this Agreement.

E. Federal/State/County permitting: Within 6 months of the date on which the Enterprise approves the alternative analysis and preliminary design, or upon the expiration of the Enterprise's 90 day objection period described in paragraph 9.D above the Water and Sanitation District will initiate the application process for the necessary federal, state, and county permits. All costs related to obtaining such permits, including any costs of mitigation, shall be borne by the Water and Sanitation District.

F. Final engineering design: Upon the issuance of all federal and state permits, the Water and Sanitation District will complete the detailed final engineering for the project, which will be provided to the Enterprise for review. If the Enterprise concludes that the final design includes elements of the plan that were not part of the preliminary design already approved under paragraph 9.D above, and that those new elements do not meet with accepted engineering standards, it may object by providing written notice to the Water and Sanitation District within 90 days of the receipt of the final engineering report. The Water and Sanitation District agrees to cooperate in good faith to resolve such objections.

G. Physical and legal feasibility: The rights and obligations under this Agreement are contingent on the physical and legal feasibility of the Water and Sanitation District's plan to expand its water supply including the following:

i) Physical feasibility of constructing and operating the inlet and outlet structures to support the Water and Sanitation District's plan.

ii) Obtaining the permits and easements necessary to construct and operate the Washington Gulch Diversion from the point of diversion to the inlet to Meridian Lake Reservoir;

iii) Obtaining the permits and easements necessary to deliver water from Meridian Lake Reservoir to the Water and Sanitation District's water treatment facility; and

iv) Obtaining a decree from the water court described in paragraph 1, above that is acceptable to the Parties.

H. Plan not feasible. In the event that the Water and Sanitation District determines that its plan to expand its water supply is not physically or legally feasible as described in paragraph 9.G above, it shall promptly give written notice to the Enterprise that this Agreement is terminated based on that contingency.

I. Accounting and Operating Agreement: The rights and obligations under this Agreement are contingent upon the Parties' agreement upon the accounting for Reservoir storage described in paragraph 4.A. above and execution of an operating agreement governing operation of the Washington Gulch Diversion and, if applicable, the Release Structure.

10. Miscellaneous:

A. The Parties shall record this Agreement in the records of Gunnison County, Colorado prior to the transfer by either Party of any interest in the above described water rights or upon the issuance of a decree for the Junior Storage Right, whichever occurs first. The covenants contained in this Agreement shall encumber and run with the water rights identified herein, as well as the land upon which the Enterprise's easements are located.

B. Right of first refusal: If, at any time after the date of this Agreement, the Enterprise offers to sell or otherwise transfer any or all of its water rights in the Reservoir, or receives an offer to purchase such water rights which the Enterprise wishes to accept, the Enterprise, before making or accepting such offer, shall provide written notice of the terms of the offer to the Water and Sanitation District. The Water and Sanitation District shall have the right, within 180 days after receipt of the written notice, to agree to purchase the subject water rights on the terms and conditions set forth in the offer. The Parties do not intend for this provision 10.B to apply to sales of augmentation Base Units by the Enterprise. If, at any time after the date of this Agreement, the Water and Sanitation District offers to sell or otherwise transfer any or all of its water rights in the Reservoir, or receives an offer to purchase such water rights which the Water and Sanitation District wishes to accept, the Water and Sanitation District,

before making or accepting such offer, shall provide written notice of the terms of the offer to the Enterprise. The Enterprise shall have the right, within 180 days after receipt of the written notice, to agree to purchase the subject water rights on the terms and conditions set forth in the offer.

C. This Agreement constitutes the entire agreement between the Parties relating to the use of easement and water rights relating to Meridian Lake Reservoir and any prior agreements pertaining to those subjects, whether oral or written, have been merged and integrated into this Agreement. Subsequent modification of any of the terms of this Agreement shall not be valid, binding upon the Parties, or enforceable unless made in writing and signed by the Parties. The terms and conditions of this Agreement shall not be merged or extinguished by any instrument of conveyance or assignment.

D. This Agreement is the result of negotiations between the Parties and their counsel and has been prepared utilizing the joint efforts of the attorneys of the Parties. The fact that counsel for one party may have drafted any portion of this Agreement is immaterial and this Agreement shall not be strictly construed against either party on that basis.

E. Jurisdiction and venue of any action relating to the interpretation, enforcement, construction, or determination of the rights and duties of the Parties to this Agreement shall be in the District Court of Gunnison County, Colorado.

F. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, assigns, and legal representatives.

The Parties have executed this Agreement this 9th day of April, 2015.

MT. CRESTED BUTTE WATER AND SANITATION DISTRICT, a Colorado special district

By: _____
John Sale, Chairman

STATE OF COLORADO)
) ss.
COUNTY OF Gunnison)

The foregoing instrument was acknowledged before me this 10 day of MARCH, 2015, by John Sale, as Chairman of the Mt. Crested Butte Water and Sanitation District, a Colorado special district

Witness my hand and official seal. My commission expires: 1-30-2017

JILL T. NORRIS
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID #19974001004
My Commission Expires January 30, 2017

Notary Public

UPPER GUNNISON RIVER
WATER ACTIVITY ENTERPRISE

By: _____
Frank J. Kugel, General Manager

STATE OF COLORADO)
) ss.
COUNTY OF Gunnison)

The foregoing instrument was acknowledged before me this 1st day of April, 2015, by Frank J. Kugel.

Witness my hand and official seal. My commission expires: 2-2-17

BEVERLY A. RICHARDS
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID #19994026009
My Commission Expires February 2, 2017

Notary Public

AGENDA ITEM 11

Miscellaneous Matters

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
BOARD OF DIRECTORS

DIVISION 1
CAMILLE RICHARD
PO Box 188
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Term Expires: 2027

DIVISION 2
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Term Expires: 2025

DIVISION 6
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DIVISION 8
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DIVISION 8

VACANT

Term Expires: 2026

DIVISION 8
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yjonco@gmail.com
Term Expires: 2026

GENERAL MANAGER
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UGRWCD
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UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

STANDING COMMITTEES
2024-25
Revised June 24, 2024
Updated January 27, 2025

Education and Outreach Committee: Chair – TBD , Rosemary Carroll, Joellen Fonken, Stacy McPhail, Brooke Zanetell, Sonja Chavez, Beverly Richards, Sue Uerling

Executive Committee: Chair Stacy McPhail – President; Rosemary Carroll – Vice President; John Perusek – Treasurer; Don Sabrowski – Secretary

Finance Committee: Chair – John Perusek, Rebie Hazard, Brooke Zanetell, Sonja Chavez, Accountant

Grant Committee: Chair – Joellen Fonken, Rebie Hazard, Andy Spann, Rosemary Carroll, Julie Nania, Sonja Chavez, Beverly Richards

Legislative Committee: Chair – TBD, Rebie Hazard, Julie Nania, Andy Spann, Stacy McPhail, John McClow, Sonja Chavez

Watershed Management Planning Committee - Chair – Stacy McPhail, Rosemary Carroll, Julie Nania, , John McClow, Sonja Chavez, Beverly Richards

AGENDA ITEM 12

Citizen Comments

FUTURE MEETINGS/EVENTS

- Upper Gunnison Basin Drought Contingency Planning Task Force Meeting -February 26, 2024 - 9:00-11:00 AM
- Upper Gunnison Basin Shared Stewardship Steering Committee/CWPP Meeting -February 27, 2025 - 9:00 AM
- UGRWCD Legislative Committee Meeting - February 28, 2025 - 8:00 AM
- UGRWCD Grant Committee Meeting - March 6, 2025 - 3:00 PM
- UGRWCD Legislative Committee Meeting - March 7, 2025 - 8:00 AM
- UGRWCD Watershed Management Planning Meeting - Mar 12, 2025 - 1:30 PM
- UGRWCD Legislative Committee Meeting - March 14, 2025 - 8:00 AM
- Gunnison Basin Roundtable Meeting - March 17, 2025 - 3:00 PM
- UGRWCD Legislative Committee Meeting - March 21, 2025 - 8:00 AM
- World Water Day - March 22, 2025
- UGRWCD Board of Directors Meeting - March 25, 2024 - 5:30 p.m.
- UGRWCD Legislative Committee Meeting - Mar 28, 2025 - 8:00 AM
- CRWCD "State of the River" at Fred Field Center - April 17, 2024 - 6 PM
- UGRWCD Sponsors Rotary Fishing Tourney-Blue Mesa Reservoir - May 4 & 5, 2025
- Blessing of the Ditches and Picnic Celebration - Western CO University - May 17, 2025

AGENDA ITEM 14

Summary of Meeting Action Items

ADJOURNMENT