

**Upper Gunnison River Water Conservancy District  
Regular Meeting Minutes of the Board of Directors  
March 24, 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, March 24, 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: Joellen Fonken, Rebie Hazard, Stacy McPhail, John Perusek, Camille Richard (via Zoom), Don Sabrowski, and Brooke Zanetell.

Board members absent: Rosemary Carroll, Julie Nania, and Andy Spann

Others present:

Amanda Aulenbach, Wet Meadows Project Director  
Nicole Bogenschuetz, Mt. Crested Butte Water and Sanitation District  
Sonja Chavez, UGRWCD General Manager  
Mike Fabbre, Mt. Crested Butte Water and Sanitation District  
Bailey Friedman, UGRWCD Water Projects Manager  
Kyle Kolliker, Mt. Crested Butte Water and Sanitation District  
Jesse Kruthaupt, Trout Unlimited  
Katie Lawn, Rocky Mountain Biological Laboratory  
John McClow, UGRWCD General Counsel (via Zoom)  
Luke Mecklenburg, Colorado Attorney General's Office (via Zoom)  
Beverly Richards, Senior Program Manager/Office Manager  
Paul Roman, Colorado State Forest Service (via Zoom)  
Tom Rozman, Colorado Division of Water Resources  
Sue Uerling, UGRWCD Admin. Asst/Communications Support Specialist  
Ari Yamaguchi, UGRWCD Water Resources Specialist

**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 Rebie Hazard seconded approval of the agenda. The motion carried.**

### **3. Consent Agenda Items**

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

**Director Joellen Fonken moved and Director John Perusek seconded approval of the Consent Agenda. The motion carried.**

### **4. Treasurer's Report**

Treasurer John Perusek noted that a transfer of \$40,000 was made from the Upper Gunnison River Water Activity Enterprise (WAE) checking account at Gunnison Bank and Trust (zero interest) into the ColoTrust WAE Fund where it will earn interest of approximately four percent.

### **5. General Counsel Update**

**Legislative Update** – General Counsel John McClow reported that there has not been much change in legislative bills of interest to the District since his last report because everything is stalled in appropriations right now while they try to figure out how to address the budget deficit. He noted that a state budget draft has not yet been released. He expects business to start gearing up again in the next few weeks, but for this week, there will be no Legislative Committee meeting on Friday.

#### **Policy Updates:**

#### **A. Policy Regarding Administration of Recreational In-Channel Diversion Water Right for the Gunnison Whitewater Course**

Counselor McClow noted that after review of the policy with the Executive Committee, it was agreed that rescission would be advisable because the action items were not accomplished, the policy is not required to protect the water right, and administering the water right could injure District constituents.

**Director Don Sabrowski moved and Director John Perusek seconded approval to rescind the “Policy Regarding Administration of Recreational In-Channel Diversion Water Right for the Gunnison Whitewater Course.” The motion carried.**

#### **B. Policy Regarding Potential Conflicts of Interest**

Counselor McClow advised retaining this policy as the language is largely directed by state statute. Since no changes to the policy were recommended, no action is necessary to retain the policy as written.

### C. Policy On Travel Reimbursement for Directors

Counselor McCLOW noted that the Employee Handbook includes directives for staff travel for business, but there was no formal policy for Directors. This policy provides travel reimbursement terms for Directors and includes a link to the State of Colorado Fiscal Travel Rules, which provides “reasonable” expense ranges for food and accommodations regionally in the state.

**Director Joellen Fonken moved and Director Rebie Hazard seconded approval of the “Policy on Travel Reimbursement.” The motion carried.**

### D. Policy Regarding Investment, Maintenance, And Expenditure of Cash Reserves

Counselor McCLOW provided a draft of this policy as a potential replacement of a previous decision made by the Board of Directors back in 2006. At that time, the Board planned to increase the reserve by three percent annually. The initial purpose of the reserve, established in 1998, was to have funds available to use for legal and engineering costs in the event that another transbasin diversion from the Upper Gunnison River Basin was attempted. Mr. McCLOW noted that the three percent increase has not been strictly adhered to, and through the years, the District has allocated varying amounts into the reserve. He said that these surplus funds were what allowed the District to initially purchase the Spencer Avenue Business Park Condo Suite B and then most recently Suite A, among other things. He explained that from an accounting perspective, the term “reserve(s)” can have certain limitations so Tom Stoeber had advised the Executive Committee that perhaps the policy should refer to “cash surplus” instead. Mr. Stoeber also reported that these funds are all part of the District’s general fund, and not a separate account. Discussion followed about possible current-day and future threats to the District, as well as other projects that might require funding from the cash surplus. Director Brooke Zanetell asked if more of the history about the Board’s desire to establish a reserve (back in 2006) could be shared with the Board.

It was agreed that any action on this policy be tabled until the Board could get more insight from Mr. Stoeber and the District’s auditor Paul Miller around limitations associated with a reserve fund versus a cash surplus fund as well as policies associated with how we manage the fund.

## 6. **Basin Water Supply Report**

Senior Program Manager Beverly Richards reported that water supply conditions had not changed much from her report included in the packet. The forecast is still for warmer and dryer conditions for the next few months. She noted that there had been some new snowfall over the past weekend that had helped the snowpack in the northern part of the basin and Taylor Park area. She reported that February was a better month for cloud seeding as there had been five cloud seeding events in February compared to just two in January. Also, there are two planned ASO flights for either this next week or early April, weather permitting and if ASO can secure planes from California.

**7. Presentation by Katie Lawn, Youth Programs Coordinator for Rocky Mountain Biological Laboratory (RMBL)**

Katie Lawn gave a PowerPoint presentation to update the Board on RMBL's youth programming, including, the Gothic Field Trips partially funded through the District's Education and Outreach Program. The field trips are designed to make connections with the Next Generation Science Standards (NGSS) taught in the classroom. Ms. Lawn reported that in September 2024, RMBL provided four days of hands-on exposure to hydrology and atmospheric field science occurring throughout the watershed. Ms. Lawn explained that the curriculum is evaluated each year after the field trips in an attempt to better meet the needs of the students and teachers and to ensure that it aligns with the state education standards.

Katie thanked the District for providing funding to help bring 180 total students (95 third graders and 85 fifth graders) to Gothic for the programming, as well as funding some of the school bussing costs. Highlights from the 2024 field trips include hiking to Judd Falls, visiting with billy barr and seeing his weather instruments and data, and using models to explain animals' dependence on the watershed and weather to survive this environment.

Director Camille Richard asked Ms. Lawn if it would be possible to involve the students at Lake City Schools in such programming. Ms. Lawn explained that in the fall of 2023, there was a busload of students from Lake City School who did come up and spend a day in Gothic, which was partially funded by the District. In addition, Ms. Lawn traveled to the Lake City School to lead a special program in the winter. Since the Lake City School classrooms are divided such that the teachers teach the same students for two years in a row, it was mutually agreed that Lake City School students would try to come up to Gothic every other year.

In closing, Ms. Lawn also thanked the District for the award of a Mini-Grant to support the founding of a Gunnison Valley Environmental Education Council to coordinate water education efforts in the basin for ages pre-K to 12 to ensure that all students in the valley have access to high-quality programming that connects environmental and experiential learning to state standards. The organizational meeting of the group will be Monday, March 31<sup>st</sup> at 4 p.m. at the Almont Resort.

**8. Discussion of Progress on Meridian Lake Reservoir Project by Mike Fabbre, Nicole Bogenschuetz and Kyle Koelliker with the Mt. Crested Butte Water and Sanitation District (MCBWSD)**

MCBWSD District Manager Mike Fabbre reported that MCBWSD and the UGRWCD developed a joint memorandum of understanding (MOU) regarding their utilizing storage in Meridian Lake Reservoir (a.k.a. Long Lake). He explained that the Project Scope was developed as existing water demands in their District are projected to increase by more than 120 percent, possibly as soon as 2030, as the area continues to be built out. The goal of the Long Lake project is to capture spring

runoff from Washington Gulch to store in Long Lake for use during peak demand in the summer and early fall. This runoff will be captured by pumping the water up through a pipeline into Long Lake. District Manager Fabbre reported that as part of the MOU, contingencies were outlined to verify that the pipeline is feasible, while not impacting the long-term health of Long Lake. To date, these contingencies are in the form of six studies, including a Firm Yield Analysis; a Recommendation of Diversion & Release Structures; a Fisheries Impact Assessment; a Geotech Engineering survey of the entire Long Lake shoreline; a Preliminary Design Report and Feasibility Study of the Pump and Pipeline System.

In addition, his staff have been securing land access permission for the pipeline and pump from the private landowners who will be impacted by the preferred design route.

Mr. Fabbre noted that the Long Lake Project had also been delayed some during the land exchange around the reservoir between the US Forest Service and the Crested Butte Land Trust and while the water treatment plant expansion was being built (completed in December 2022). He said they are hoping to push through to 30 percent design this year.

Director Brooke Zanetell asked for further information about the Fishery Assessment. Mr. Fabbre said that the findings were that the trout were not spawning in Long Lake, and that it was just being restocked each season and that there were no impacts on the fishery.

Director Joellen Fonken asked how the pipeline would affect the Lilly Trail, and the reply was that the trail would not be impacted since the pipeline will be buried.

Director Don Sabrowski asked about the power source for the pump and who would be paying for the pumping costs. Mr. Fabbre replied that there would be a need for a generator and the costs for pumping would be borne by whatever entity was releasing water.

Discussion followed about whether the cost of installing and operating the system was worth it for the amount of water that could be delivered from Long Lake. Director Sabrowski asked who would be responsible for the ongoing maintenance and operations of the system, and whether or not this cost would be split between the two Districts. General Counsel John McClow reminded the Board that the MOU states that the UGRWAE can choose not to participate financially in the development or operations of the system.

Mr. Fabbre and his staff were thanked for coming to the meeting and providing the update. The Board asked that they continue to provide more regular updates at each of the Water Activity Enterprise biannual meetings. MCBWSC agreed to provide regular updates as requested.

## **9. General Manager and Committee Reports**

**Executive Committee:** President Stacy McPhail reported that the Executive Committee met on March 11<sup>th</sup> and determined the District should move forward with an RFP to contract with a consultant(s) / facilitator to lead the District in its Strategic Planning Process. Thirty thousand dollars has been earmarked for this effort.

The Executive Committee decided to table finalizing the Employee Home Opportunity Program for now. General Manager Chavez said that while the District still believes such a program would be good for attracting and retaining quality personnel who might not be able to afford to buy a home in Gunnison, due to rising mortgage rates and inflation right now, the numbers aren't penciling out in terms of the significant out of pocket expense for home ownership to employees. She said she would continue to explore other pathways or tools for addressing housing.

Ms. Chavez reminded the Board of the Water Funding Workshop from 11 am to 4 pm at the Gunnison County Library tomorrow.

She also announced that she had just received a formal Letter of Award from the Colorado Water Conservation Board (CWCB) for \$345,347 for the Agricultural Irrigation Return Flow Study. She had been planning on waiting to approach the Colorado River District with a Community Funding Partnership (CFP) request for the study, but given the uncertainty around federal funding for USGS programs she feels now is a good time to go forward with that request. She thanked UGRWCD Fellow Alana Nichols for her assistance with the CWCB funding request.

**Federal Funding Freeze Impacts:** General Manager Chavez said the District is still waiting to hear back on some of the federal funding proposed for District projects frozen by the Trump administration. One of the federal fund awards that has been frozen is the Good Neighbor Authority funding for Wet Meadow Program activities. She said that Republican Representative Jeff Hurd has indicated support to have federal funds unfrozen for Shoshone Water Rights program and Colorado River District staff are working with him and his staff to highlight the importance of B2E funds for numerous western slope water projects.

**Wet Meadows Program:** Wet Meadows Program Director, Amanda Aulenbach, reported that in addition to her report included in the packet, she has received 16 applications for the two seasonal technicians she will be hiring for the summer. Staff will review applications on April 3<sup>rd</sup> and she hopes to set up interviews and hire them by mid-April so that candidates from out of town might have time to find accommodations in the valley for the summer if they are selected. She is also working on another grant which is due on March 31<sup>st</sup>.

**Water Quality/Quantity Report:** Water Resource Specialist, Ari Yamaguchi, said he didn't have anything more to add to his report in the packet except to poll the Board on when they might like to tour the Homestake Mine and visit the Hydroelectric Power Plant at Taylor Reservoir. The consensus was that the group could visit the Taylor plant earlier, in May or June, since the plant is

easy to access and then wait until a later date in the summer or early fall to visit the Homestake Mine so that the access road would be dry and easier to travel.

**State Dredge & Fill Report:** General Manager Chavez reported that she was pleased that CDPHE took her advice to schedule a stakeholder meeting on the western slope. That meeting has been scheduled for June 3<sup>rd</sup> at 11 a.m. in Grand Junction (most likely at the Ute Water Conservancy District).

**Grant Committee:** In addition to the memorandum included in the packet, Committee Chair Joellen Fonken reported that the committee selected 9 out of 14 applications for funding. Two applications were determined to be “deferred maintenance” projects, one was determined not to be “shovel ready”, one was determined to be a wildlife conflict management project not supported by Board grant program policy, and one project proposal lacked a nexus between proposed activities and outcomes that would definitely address the stated water resource issue of concern. The Grant Committee is recommending funding in the amount of \$238,420.

Discussion followed whether or not the District should consider some sort of funding assistance to help landowners with maintenance or replacement of measuring flumes. Mr. Tom Rozman, with the Division of Water Resources, was present and he was asked what the most common problems are with measurement. He replied that the main problems they encounter with diversion structures are that sometimes the flumes have shifted, were never installed properly in the first place or they have rusted out so the Division is not getting accurate readings. They also have issues when headgates are in locations that are difficult to access, or when the landowner is simply not providing any maintenance of the diversion system. He said their engineers encounter problems with approximately 10-25 percent of diversion systems in the District. When asked whether or not he thought it would be helpful for the District to provide funding for maintenance, Mr. Rozman noted that the landowner is getting a financial reward from the irrigation system and therefore should be expected to have to spend some money to periodically provide maintenance on the system, especially since it is not terribly expensive.

Director Don Sabrowski asked if a landowner in Water Division 4 is not in compliance with the diversion measurement requirements, then will all diversion owners in the Division be penalized? Will the state come in and shut down all of the headgates? Mr. Rozman replied that diversions that are being properly measured should not be concerned and will not be penalized. Those diversions that have issues are generally sent a letter of notification with a requirement to address any issues. He noted that this is part of what will be covered at the stakeholder meeting on May 1<sup>st</sup>.

General Manager Chavez reported the District conference room will serve as the meeting location for the Colorado Division of Water Resources Water Measurement Stakeholder meeting for Water Division 4. The public is invited to provide input at the meeting on Thursday, May 1<sup>st</sup> at 6 p.m. Ms.

Chavez said the District will provide notice of the meeting to the Gunnison Stockgrowers Association and will advertise it on the radio and on the District's social media platforms.

Mr. Rozman agreed that it would be helpful if the District could provide education for new landowners and others not familiar with the state requirements regarding the proper installation of flumes and proper measurements of diversions on their property.

**Director Joellen Fonken moved to approve the recommendation of the Grant Committee to fund the 9 applications selected for grants in the amount of \$238,420. The motion carried.**

**Watershed Management Planning** – Water Resources Project Manager Bailey Friedman reported that she believes the final report will be ready for presentation to the public for their comments around the end of May or by June 1<sup>st</sup>.

**Education and Outreach Report:** Sue Uerling, Education Program Coordinator, noted that the Ice Masters Tournament was a big success with over 100 participants who appreciated the UGRWCD stocking caps. Taylor Marina Manager Rory Birdsey just sent pictures from the tournament this morning, so a slide show will be prepared for the next Board meeting. Mr. Birdsey did provide some sponsor shirts from the tournament with the UGRWCD logo on the back and they are available first-come first-serve to Board members at the front desk. The District will also be sponsoring the Rotary Fishing Tournament at Blue Mesa May 3-4<sup>th</sup> and the Fishing Derby at Taylor Reservoir June 20, 2024. For these tournaments, in addition to recognition with banners and flyers, the District will be providing each participant with a fishing lure with the UGRWCD logo.

**Taylor Local User's Group (TLUG):** TLUG Chairman Don Sabrowski reported that the group held their first meeting of the year on March 12<sup>th</sup>. At this time, the Bureau of Reclamation is forecasting an "average water year" which will require a five-day flushing flow probably in the first part of June. For now, the streamflow will be kept at 87 cfs until the first of April. He noted that there had been some issues with the new hydropower plant at the Taylor Dam that had caused streamflows to drop significantly when the computerized system closed the gate due to a technical issue. General Manager Chavez said she spoke with Steve Pope with the Uncompahgre Valley Water User's Association (UVWUA) and he said a technician is being flown in to fix the issue. In the meantime, dam operator Rory Birdsey has been manually checking the gate and streamflows daily. The next TLUG meeting will be April 10<sup>th</sup> at 9 a.m. A request was made to UVWUA that anytime there are operational issues that affect releases that UGRWCD be notified and Mr. Pope agreed.

**Gunnison Basin Roundtable:** General Manager Chavez reported that Rebecca Mitchell, Colorado's Upper Colorado River Commissioner, gave an update as did the CWCB. She said there is still a lot of uncertainty about water projects and funding as they wait to hear more from the new administration. She said the Colorado River District is continuing to work on an ISF acquisition for

the Shoshone project. She reminded the Board that the River District's "State of the River" presentation and dinner for the Gunnison River will be April 17, 2025 at 5:30 p.m. at the Fred Field Center.

**Gunnison River Festival:** General Manager Chavez said the new director, Hayden Daiber, is doing a good job planning for the 2025 festival and that sponsorship monies and prizes are starting to roll in. The Taylor Downriver Race is planned for Friday, June 20<sup>th</sup>. On Saturday, June 21<sup>st</sup>, the festival will be held at the Whitewater Park with vendors, live music and water activities.

#### **10. Miscellaneous Matters**

Director Boone Zanetell announced that a Western University student group had received a UGRWCD Mini-Grant to help fund a community-wide "Blessing of the Ditches" on Saturday, May 17<sup>th</sup> - the weekend after the community ditches are turned on. The event will include brief presentations by city and water officials, student presentations and a multi-faith blessing of the water, followed by a make-your-own-sandwich picnic. Attendees are asked to bring a side dish to share.

General Manager Chavez will serve on a panel to discuss "Women Shaping the Future of Water in Colorado" at the Southwestern Water Conservation District's 41st Annual Southwest Water Seminar on March 28<sup>th</sup>.

#### **11. Citizen Comments**

There were no comments. Guests were thanked for attending.

#### **12. Future Meetings**

A list of upcoming meetings was included in the packet.

#### **13. Summary of Meeting Action Items**

- Ari Yamaguchi will reach out to schedule a tour for Board members and staff of the Taylor Hydroelectric Plant for late May or early June. He will also reach out to coordinate a date to tour the Homestake Pitch Mine later in August or early September.
- Staff will reach out to Mount Crested Butte Water & Sanitation District to request a schedule for progress updates for the Water Activity Enterprise meetings in July and January.
- John McClow will provide some historical information about the Board's previous action to institute a three percent annual increase in cash reserves policy.
- Staff will request that Tom Stoeber CPA provide an update on possible changes to the mill levy due to property tax legislation and what impact that may have on future budgets for the District. He will also be asked to provide some clarification on accounting principles dealing with "cash

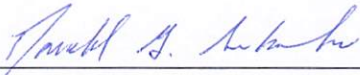
reserves” versus “cash surplus” after communicating with auditor Paul Miller.

- Staff will explore the feasibility of providing an educational event or manuscript on proper installation of flumes and diversion measuring matters.

**14. Adjournment of Regular Meeting**

Board President Stacy McPhail adjourned the regular Board meeting on March 24, 2025 at 7:57 p.m.

Respectfully submitted,



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Don Sabrowski, Secretary



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Stacy McPhail, President

