



210 West Spencer Avenue, Suite A • Gunnison,
Colorado 81230 Telephone (970) 641-6065
www.ugrwcd.org

BOARD OF DIRECTORS

AGENDA - REGULAR MEETING

Monday, October 26, 2026

<https://us02web.zoom.us/meeting/register/VGFU7balRSGyOAL0hiRrJA>

MISSION STATEMENT

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

- | | | |
|-----------|----|---|
| 5:00 p.m. | | Dinner Served |
| 5:30 p.m. | 1. | Agenda Approval |
| 5:31 p.m. | 2. | Approval of September 28, 2026 Board Meeting Minutes |
| 5:32 p.m. | 3. | Treasurer’s Report <ul style="list-style-type: none">• Review of Expenses• Monthly Budget Summary• Bank and Bond Balances |
| 5:40 p.m. | 4. | 2027 Budget Work Session |
| 6:00 p.m. | 5. | General Counsel Update |
| 6:10 p.m. | 6. | General Manager Update <ul style="list-style-type: none">• Strategic Planning• Water Resource Project Implementation• Water Resources Planning• Colorado River District Updates |
| 6:30 p.m. | 7. | Basin Water Supply Update |

- 6:40 p.m. 8. Staff and Committee Updates**
- Wet Meadows Technicians – End of Season Report
 - Grant Committee
 - Scientific Endeavors
- 7:10 p.m. 9. Miscellaneous Matters**
- Colorado Water Congress Winter Convention – January 27-29, 2027 (Aurora, Colorado)
- 7:15 p.m. 10. Citizens' Comments**
- 7:20 p.m. 11. Future Meetings**
- 7:25 p.m. 12. Summary of Meeting Action Items**
- 7:30 p.m. 13. Adjournment**

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 2

Approval of September 28, 2026 Meeting Minutes

Upper Gunnison River Water Conservancy District
Board of Directors Regular Meeting Minutes
Monday, September 28, 2026, at 5:30 p.m.

The Board of Directors of the Upper Gunnison River Water Conservancy District (UGRWCD) conducted a regular Board Meeting on Monday, September 28, 2026, at 5:30 p.m. at the Upper Gunnison River Water Conservancy District, 210 West Spencer, Suite A, Gunnison, Colorado and via Zoom video/teleconference.

Board members present: Stuart Asay, Rebie Hazard, John Perusek, Don Sabrowski, Hannah Cranor-Kersting, Joellen Fonken, Brooke Zanetell, Jeff Writer, and Camille Richard (via Zoom).

Board members absent: Rosemary Carroll and Brian Stevens

Others present:

Amanda Aulenbach, Wet Meadows Program Director

Sonja Chavez, UGRWCD General Manager

Jules Iovino, UGRWCD Water Resources Fellow

Leon Katona, Colorado Department of Public Health and Environment (via Zoom)

John McCLOW, UGRWCD General Counsel

Beverly Richards, UGRWCD Office/ Senior Program Manager

Ari Yamaguchi, UGRWCD Water Resources Specialist

Angela Miller, UGRWCD Administrative Specialist III

1. CALL TO ORDER

President Don Sabrowski called the meeting to order at 5:30 p.m. There were nine board members present, which constitutes a quorum (six members).

2. AGENDA APPROVAL

Director Hazard moved and Director Asay seconded approval of the agenda. The motion carried.

3. APPROVAL OF AUGUST 24, 2026, REGULAR BOARD MEETING MINUTES

Director Fonken moved and Director Asay seconded approval of the Monday, August 24, 2026 Minutes. The motion carried.

4. TREASURER'S REPORT

Director Perusek said the District had one bond coming due. Management has preliminary plans to investment in a 3 year treasury note with a 4.965% return on investment.

5. GENERAL COUNSEL UPDATE

General Counsel McClow provided updates on the Lake Powell and Lake Mead operations plan. The Bureau of Reclamation's 10-year framework for operating Lake Powell and Lake Mead includes a two-year plan for 2027-28 that aims to maintain Lake Powell's elevation at 3510 feet. The Board also addressed a \$100 million allocation to upper division states for a near-term contribution plan, with Colorado lobbying for a 51.75% share of the funds, though specific implementation details and authorities are still being determined.

The Colorado Water Conservation Board adopted staff-recommended criteria for the \$100 million, two-year program to address declining river and reservoir storage in upper division states. The program will involve consultation with conservancy districts and other stakeholders, with applications expected to start in November and final approval of projects in January. Key requirements include maintaining operational neutrality of credited water, ensuring flexibility in program implementation, and addressing concerns about compensation levels, particularly for trans-mountain users who will require greater compensation than West Slope water users.

John explained that the Bureau of Reclamation would make final decisions on fund distribution. Implementation of the program will involve multiple approval steps, including the CWCB and Upper Colorado River Commission. The discussion also covered concerns about Blue Mesa Reservoir management and drought operations planning, with John and Sonja working with Wilson Water Group on development of a scope of work which will help kick-start modeling conversations and help inform a potential future RFP.

6. BASIN WATER SUPPLY UPDATE

Beverly Richards presented climate data showing that 4 out of 11 months had been the warmest on record, and the group discussed the uncertainty around how El Nino would affect Colorado's snowpack and stream flows this year.

The group discussed various topics including weather forecasts, technical issues with equipment, snow predictions, and upcoming meetings.

7. STAFF/GENERAL MANAGER UPDATES

- The Water Resources Specialist provided updates on multiple projects including

Homestake Pitch uranium mine, agricultural return flow study, water quality monitoring, and wet meadows restoration work.

- Wet Meadows presented on recent restoration work, including agricultural stock water improvements at Cold Springs and planning for the 6th Annual Gunnison Sage Grouse Summit in April 2027. The team reported building 83 new structures and completing site assessments, vegetation monitoring, and cheatgrass treatment across various land management areas, with ongoing work with the U.S. Forest Service on Lost Canyon restoration design and fish movement data collection on Cochetopa Creek. Wet Meadows staff will attend the Sustain Colorado Watersheds Conference next week, the "Soldiers to Scientists" field trip on October 21st and complete the end-of-season reporting after the technicians' last day on October 29th.
- The Taylor Local Users Group recommended that the UGRWCD Board approve the 48,000 acre-feet end-of-season storage target to support the Taylor and Gunnison River fisheries during this difficult drought year.

Director Asay moved and Director Zanetell seconded the motion to approve a Taylor Reservoir end of year storage target of 48,000 acre feet. The motion carried.

- The Finance Committee (John Perusek) recommended approval of a 2-hour per month increase in paid time off for staff within 0-3 years of service. This recommendation was approved by the full board.
- The Finance Committee also recommended the approval of implementing a \$500 monthly housing stipend for permanent full-time employees in 2027 to support UGRWCD staff recruitment and retention. This would be an alternative option to the existing EHOP as home ownership still remains allusive for many of the District's staff. The Finance Committee discussed the tax implications of the stipend, and staff confirmed it would be taxed as income. This recommendation was approved by the full board.

The Finance Committee moved recommendation to approve the \$500 monthly stipend for staff. The motion carried.

- The Education Committee (Director Zanetell) recommended approval of entering into a sole source contract in the amount of \$25,000 with Savannah Nelson of Sunshine Creatives for education and outreach work in 2027. The full scope of work will be reviewed by the Committee before finalizing the contract. This recommendation was approved by the full board.
- The General Manager will be working on finalizing the contract with SGM in October for the water quality and quantity data dashboard.

- Executive Management will attend the Gunnison County Stockgrowers Association meeting on September 29th where USGS will present current findings on the Ag Return Flow Study to this critical stakeholder group.
- Staff will attend the Water Quality Roadmap meeting on October 8th at 11 a.m.

8. 2027 BUDGET WORK SESSION

The 2027 budget was discussed in detail, with several changes noted by staff including preliminary property tax income estimates, the elimination of reimbursed income as a separate budget line item, and modifications to various expense categories including computer replacement, general consulting and engineering, and water quality monitoring. Significant discussion occurred regarding potential organizational funding requests from Coal Creek Watershed Coalition and Lake Fork Valley Conservancy. The board agreed that staff would provide more information to the board to support further discussions and clarify organizational funding guidelines and requirements for any local organization that proposes to provide services to the District.

9. MISCELLANEOUS MATTERS

No miscellaneous matters.

10. CITIZENS COMMENTS

No citizen comments.

11. FUTURE MEETINGS

Future meetings for the District were provided.

12. SUMMARY OF MEETING ACTION ITEMS

- Develop clear guidelines regarding organizations providing services to the district.
- Send out the organizational grant funding agreements to Director Camille Richard and Director Writer.
- General Manager will reach out to Coal Creek Watershed Coalition and Lake Fork Valley Conservancy regarding the nature and scope of any future proposals for funding.
- Update the district website to reflect the new terms for Directors Stevens, Asay, and Perusek.
- Follow up with the Education and Outreach Committee on the list of items discussed and the progress on those actions.

13. ADJOURNMENT

Board President Don Sabrowski adjourned the September 28, 2026, Regular Board Meeting at 7:48p.m.

Respectfully submitted,

Rebie Hazard, Secretary

Don Sabrowski, President

AGENDA ITEM 3

Treasurer's Report

MEMORANDUM



TO: Board of Directors

FROM: John Perusek, Treasurer
Beverly Richards, Office/Senior Program Manager
Sonja Chavez, General Manager

DATE: October 26, 2026

SUBJECT: Treasurer's Report – September 2026

A. ColoTrust Update (September 18, 2026)

September Market

[COLOTRUST Investment Team](#) September 18, 2026

Persistent Pressure

The Federal Reserve operates under a dual mandate from Congress to promote maximum employment and stable prices. Yet, five years after the pandemic, inflation remains above the Fed's 2% target. A combination of pandemic-era fiscal stimulus, the economic reopening, supply-chain disruptions, labor shortages, tariffs, and, more recently, an energy shock stemming from the conflict in Iran has contributed to continued price pressures. The Consumer Price Index rose 3.4% over the 12 months through August, underscoring the challenge policymakers continue to face.

Against this backdrop, Fed officials have become increasingly attentive to the risk that elevated inflation could become more persistent. The central question is how long policymakers can look through largely external shocks that have contributed to higher prices. The concern is that sustained above-target inflation could become increasingly reflected in wage demands, business pricing decisions, and consumer expectations. If inflation expectations were to become less firmly anchored, restoring price stability could require a more restrictive – and potentially more economically costly – policy response. For now, the post-pandemic “low-fire, low-hire” dynamic has helped keep the labor market relatively stable, allowing the Fed to maintain a focus on inflation while monitoring employment conditions.

At its September meeting, the Fed unanimously raised the federal funds target range by 25 basis points, signaling that the persistence of inflationary pressures warranted a modestly less accommodative policy stance. As Chair Warsh put it, the Fed has “reduced a dose of accommodation.” The key question for markets is whether this adjustment proves to be a one-time move or the beginning of a broader tightening cycle. With the

labor market relatively balanced, policymakers appear to have some room to keep inflation at the forefront of their decision-making process.

The path of inflation therefore remains a critical variable for monetary policy. Further evidence of moderating price pressures would give the Fed greater flexibility, while persistent inflation could keep interest rates higher for longer and weigh on economic activity. The most constructive outcome would be for inflation to continue moving toward the Fed's target without a meaningful deterioration in employment or economic growth. If that balance can be achieved, the economy could gradually move toward an environment of greater price stability, healthy employment, and, over time, lower interest rates – providing a supportive backdrop for financial markets and the broader economy.

B. Investments

Interest earnings on investment have been strong in 2026. The budget estimate was \$110,000 and as of September 30, earnings are \$185,897.

Update on current investments:

- LPL bond matured on 09.30.2026 for \$160,000 at 1.0 percent interest rate. Reinvestment included the purchase of a Treasury note for \$200,000 with a yield of 4.965% and a maturity date of 09.30.2029. This was purchased using the funds from the matured bond, funds from the LPL Money Market sweep account, and an additional outlay from the District in the amount of \$1,676 from our General Fund checking account.
- We have a CD that will mature on 11.20.26 for \$105,015.89 at 4.01 percent interest. Additional options for reinvestment will be researched by management and Treasurer.

Toward the end of the fiscal year, we typically have a number of large quarterly expenses that need to be paid and a delay in receiving grant reimbursements that carries over into the new year so it will be prudent to maintain some flexibility in our cash accounts. In addition, we do not receive our first portion of 2027 mill levy income until late February or early March. Therefore, management will likely hang onto the cash we receive from the CD maturity and delay any reinvestment until we complete our end of year accounting and until we receive grant reimbursements and tax income.

C. September Financial Information

1. Consideration of Expenses over \$5,000

Payee	Amount	Budget Line Item / Purpose
All Weather Earthworks, Inc.	\$13,728.50	Wet Meadows TNC 02-2025
US Geological Survey	\$30,637.00	Water Quality/Quantity Monitoring
Wildlands Restoration Volunteers	\$24,000.00	Wet Meadows TNC 02-2025
Mountain Crest Construction	\$11,001.01	Spencer Unit A Reno - Deck
Renee Rondeau	\$18,560.00	Wet Meadows – Veg Monitoring

2. Monthly Budget Summary

The items highlighted in the **monthly expenses for approval** are budget line items of note for September.

12:45 PM
10/15/26
Accrual Basis

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
September 2026

Date	Name	Account	Amount
All Weather Earthworks, Inc.			
09/30/2026	All Weather Earthworks, Inc.	85402E · TNC 02-2025 UGRWCD Expen...	13,728.50
	Total All Weather Earthworks, Inc.		13,728.50
Amanda Aulenbach			
09/30/2026	Amanda Aulenbach	80554 · Admin.Travel & Exp.	220.33
	Total Amanda Aulenbach		220.33
Anthem			
09/01/2026	Anthem	74166 · Medical Insurance	407.41
	Total Anthem		407.41
Applegate Group, Inc.			
09/30/2026	Applegate Group, Inc.	81520 · Consulting/Engineering	1,112.50
09/30/2026	Applegate Group, Inc.	81520 · Consulting/Engineering	1,025.00
	Total Applegate Group, Inc.		2,137.50
Atmos Energy			
09/30/2026	Atmos Energy	Utilities - Unit A	60.96
09/30/2026	Atmos Energy	Utilities - Unit A	71.66
	Total Atmos Energy		132.62
Beverly Richards			
09/01/2026	Beverly Richards	74166 · Medical Insurance	202.90
	Total Beverly Richards		202.90

12:45 PM
10/15/26
Accrual Basis

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
September 2026

Date	Name	Account	Amount
Bluebird Disposal 09/30/2026	Bluebird Disposal	84550 · CAM	73.57
Total Bluebird Disposal			73.57
Brooke Zanatell BOD 09/30/2026	Brooke Zanatell BOD	81602 · BOD Mtg Fees	200.00
Total Brooke Zanatell BOD			200.00
Camille Richard BOD 09/30/2026	Camille Richard BOD	81602 · BOD Mtg Fees	200.00
Total Camille Richard BOD			200.00
Capital Business Systems, Inc. 09/01/2026	Capital Business Systems, Inc.	80541 · Copier Expenses	284.83
Total Capital Business Systems, Inc.			284.83
CEBT 09/01/2026	CEBT	74166 · Medical Insurance	6,009.18
Total CEBT			6,009.18
Chase - United Credit Card 09/30/2026	Chase - United Credit Card	Vehicle Expense	1,657.26
09/30/2026	Chase - United Credit Card	Vehicle Expense	135.45
09/30/2026	Chase - United Credit Card	81558 · Computer Software	254.00
09/30/2026	Chase - United Credit Card	80557 · Office Supplies & Misc Expenses	451.77
09/30/2026	Chase - United Credit Card	82556B · Colorado Bar Association	117.30
09/30/2026	Chase - United Credit Card	82556K · Miscellaneous Subscriptions	2,873.67

12:45 PM
10/15/26
Accrual Basis

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
September 2026

Date	Name	Account	Amount
09/30/2026	Chase - United Credit Card	GRF Receivable	24.19
09/30/2026	Chase - United Credit Card	85402G · Wet Meadows Miscellaneous	1,355.82
09/30/2026	Chase - United Credit Card	85402E · TNC 02-2025 UGRWCD Expen...	29.97
09/30/2026	Chase - United Credit Card	85402A · FWS Sage Brush Ecosystem E...	176.00
09/30/2026	Chase - United Credit Card	80554 · Admin.Travel & Exp.	1,381.29
09/30/2026	Chase - United Credit Card	74180 · Staff Development	160.40
09/30/2026	Chase - United Credit Card	81600 · BOD Expenses	409.92
09/30/2026	Chase - United Credit Card	82530 · Meeting Expenses	695.46
09/30/2026	Chase - United Credit Card	80547 · Manager's Discretionary	126.79
Total Chase - United Credit Card			9,849.29
City of Gunnison			
09/30/2026	City of Gunnison	Utilities - Unit A	50.83
09/30/2026	City of Gunnison	Utilities - Unit A	132.41
09/30/2026	City of Gunnison	Utilities - Unit A	266.21
09/30/2026	City of Gunnison	Utilities - Unit A	91.85
09/30/2026	City of Gunnison	80513C · School and Educational Pro...	750.00
Total City of Gunnison			1,291.30
CTSTelecom			
09/30/2026	CTSTelecom	81543 · Computer Repair/IT Support	272.18
Total CTSTelecom			272.18
Don Sabrowski BOD			
09/30/2026	Don Sabrowski BOD	81600 · BOD Expenses	342.00
09/30/2026	Don Sabrowski BOD	81600 · BOD Expenses	200.00
09/30/2026	Don Sabrowski BOD	81601 · BOD Mileage	48.64

12:45 PM
10/15/26
Accrual Basis

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
September 2026

Date	Name	Account	Amount
Total Don Sabrowski BOD			590.64
Fullmer's Ace Hardware			
09/30/2026	Fullmer's Ace Hardware	80557 · Office Supplies & Misc Expenses	41.94
09/30/2026	Fullmer's Ace Hardware	85402C · AtBC #2024-3842	79.98
09/30/2026	Fullmer's Ace Hardware	85402G · Wet Meadows Miscellaneous	16.99
Total Fullmer's Ace Hardware			138.91
Gunnison Bank and Trust			
09/08/2026	Gunnison Bank and Trust	80517 · Accounting & Professional Fees	5.00
Total Gunnison Bank and Trust			5.00
Gunnison Materials LLC			
09/30/2026	Gunnison Materials LLC	85402A · FWS Sage Brush Ecosystem E...	331.17
Total Gunnison Materials LLC			331.17
Hannah Cranor			
09/30/2026	Hannah Cranor	81600 · BOD Expenses	364.80
Total Hannah Cranor			364.80
Hannah Cranor - BOD			
09/30/2026	Hannah Cranor - BOD	81600 · BOD Expenses	100.00
09/30/2026	Hannah Cranor - BOD	81601 · BOD Mileage	2.77
Total Hannah Cranor - BOD			102.77
Humana			

12:45 PM
10/15/26
Accrual Basis

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
September 2026

Date	Name	Account	Amount
09/01/2026	Humana	74166 · Medical Insurance	94.00
Total Humana			94.00
Jeff Writer BOD			
09/30/2026	Jeff Writer BOD	81602 · BOD Mtg Fees	100.00
09/30/2026	Jeff Writer BOD	81601 · BOD Mileage	43.20
Total Jeff Writer BOD			143.20
Joellen Fonken BOD			
09/30/2026	Joellen Fonken BOD	81602 · BOD Mtg Fees	200.00
09/30/2026	Joellen Fonken BOD	81601 · BOD Mileage	7.60
Total Joellen Fonken BOD			207.60
John McClow			
09/01/2026	John McClow	74166 · Medical Insurance	202.90
09/30/2026	John McClow	80554 · Admin.Travel & Exp.	759.76
Total John McClow			962.66
John Perusek BOD			
09/30/2026	John Perusek BOD	81602 · BOD Mtg Fees	100.00
Total John Perusek BOD			100.00
KEJJ Radio			
09/30/2026	KEJJ Radio	80513A · Advertising Radio & Newspa...	325.00
Total KEJJ Radio			325.00

12:45 PM
10/15/26
Accrual Basis

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
September 2026

Date	Name	Account	Amount
KVLE - Bobcat Radio			
09/30/2026	KVLE - Bobcat Radio	80513A · Advertising Radio & Newspa...	125.00
Total KVLE - Bobcat Radio			125.00
Lake San Cristobal Water Activity Ent			
09/30/2026	Lake San Cristobal Water Activity Ent	72150 · Asp Water Sales	33.50
Total Lake San Cristobal Water Activity Ent			33.50
Lance Kreuger			
09/30/2026	Lance Kreuger	85400A · 2026 Grant Program	3,125.00
Total Lance Kreuger			3,125.00
Lefave LLC Marios & The Dive			
09/30/2026	Lefave LLC Marios & The Dive	80547 · Manager's Discretionary	438.77
Total Lefave LLC Marios & The Dive			438.77
LexisNexis			
09/01/2026	LexisNexis	82556J · Lexis Nexis	756.74
09/30/2026	LexisNexis	82556J · Lexis Nexis	251.67
09/30/2026	LexisNexis	82556J · Lexis Nexis	192.04
Total LexisNexis			1,200.45
Melinda McCawmedia			
09/30/2026	Melinda McCawmedia	CWCB PEPO 2025-2026 Expense	82.51
Total Melinda McCawmedia			82.51

12:45 PM
10/15/26
Accrual Basis

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
September 2026

Date	Name	Account	Amount
09/30/2026	Mountain Crest Construction, LLC	Spencer Unit A Reno	11,001.01
	Total Mountain Crest Construction, LLC		11,001.01
09/30/2026	New Morning Improvement, LLC	Office Cleaning	618.75
	Total New Morning Improvement, LLC		618.75
09/30/2026	O'Rourke Media Group	80513A · Advertising Radio & Newspa...	500.00
	Total O'Rourke Media Group		500.00
09/24/2026	Pinnacol Assurance	74200 · Work Comp Ins	782.00
	Total Pinnacol Assurance		782.00
09/30/2026	Precision Automotive	Vehicle Expense	455.85
	Total Precision Automotive		455.85
09/01/2026	QuickBooks	81558 · Computer Software	110.00
09/30/2026	QuickBooks	81558 · Computer Software	27.00
	Total QuickBooks		137.00
	Rebie Hazard-BOD		

12:45 PM
10/15/26
Accrual Basis

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
September 2026

Date	Name	Account	Amount
09/30/2026	Rebie Hazard-BOD	81602 · BOD Mtg Fees	100.00
09/30/2026	Rebie Hazard-BOD	81601 · BOD Mileage	44.87
Total Rebie Hazard-BOD			144.87
Renee Rondeau			
09/30/2026	Renee Rondeau	85402F · CPW RPI	9,396.82
09/30/2026	Renee Rondeau	85402E · TNC 02-2025 UGRWCD Expen...	9,163.18
Total Renee Rondeau			18,560.00
Rocky Mountain Biological Laboratory			
09/30/2026	Rocky Mountain Biological Laboratory	Strategic Planning	350.00
Total Rocky Mountain Biological Laboratory			350.00
Rosemary Carroll - BOD			
09/30/2026	Rosemary Carroll - BOD	81602 · BOD Mtg Fees	100.00
Total Rosemary Carroll - BOD			100.00
Silicon Plains			
09/01/2026	Silicon Plains	81542 · Computer Asset Purchase	3,070.54
09/01/2026	Silicon Plains	81542 · Computer Asset Purchase	3,280.58
09/01/2026	Silicon Plains	81543 · Computer Repair/IT Support	800.00
09/30/2026	Silicon Plains	80557 · Office Supplies & Misc Expenses	12.44
Total Silicon Plains			7,163.56
Silver World Publishing			
09/30/2026	Silver World Publishing	80513A · Advertising Radio & Newspa...	80.00

12:45 PM
10/15/26
Accrual Basis

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
September 2026

Date	Name	Account	Amount
Total Silver World Publishing			80.00
Snipps Heat & Air			
09/30/2026	Snipps Heat & Air	84552 · Building Rep/Maint	642.53
Total Snipps Heat & Air			642.53
Sonja Chavez			
09/30/2026	Sonja Chavez	80554 · Admin.Travel & Exp.	387.60
Total Sonja Chavez			387.60
Stuart Asay - BOD			
09/30/2026	Stuart Asay - BOD	81602 · BOD Mtg Fees	100.00
09/30/2026	Stuart Asay - BOD	81601 · BOD Mileage	6.84
Total Stuart Asay - BOD			106.84
Sunshine Creatives			
09/30/2026	Sunshine Creatives	80513C · School and Educational Pro...	595.00
09/30/2026	Sunshine Creatives	CWCB PEPO 2025-2026 Expense	1,035.75
Total Sunshine Creatives			1,630.75
Thomas N Stoeber, CPA			
09/30/2026	Thomas N Stoeber, CPA	80517 · Accounting & Professional Fees	3,620.00
Total Thomas N Stoeber, CPA			3,620.00
U.S. Bureau of Reclamation			
09/30/2026	U.S. Bureau of Reclamation	84557 · Aspinall Contract Costs	613.87

12:45 PM
10/15/26
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Upper Gunnison River Water Conservancy District
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September 2026

Date	Name	Account	Amount
Total U.S. Bureau of Reclamation			613.87
U.S. Geological Survey			
09/30/2026	U.S. Geological Survey	85560 · WQ Monitoring	30,637.00
Total U.S. Geological Survey			30,637.00
UnitedHealthcare			
09/01/2026	UnitedHealthcare	74166 · Medical Insurance	151.90
Total UnitedHealthcare			151.90
UWP			
09/30/2026	UWP	CWCB PEPO 2025-2026 Expense	925.00
Total UWP			925.00
Verizon Wireless			
09/30/2026	Verizon Wireless	80534 · Telephone	249.74
Total Verizon Wireless			249.74
Visionary Broadband			
09/01/2026	Visionary Broadband	81556 · Internet	127.42
Total Visionary Broadband			127.42
Wildlands Restoration Volunteers			
09/30/2026	Wildlands Restoration Volunteers	85402E · TNC 02-2025 UGRWCD Expen...	24,000.00
Total Wildlands Restoration Volunteers			24,000.00

12:45 PM
10/15/26
Accrual Basis

Upper Gunnison River Water Conservancy District
Expenses For Approval (Paid & Payable)
September 2026

Date	Name	Account	Amount
TOTAL			<u>146,366.28</u>

Upper Gunnison River Water Conservancy District
Monthly Budget Summary 2026

	Sep 26	YTD 2026	2026 Budget	% of Budget
Ordinary Income/Expense				
Income				
Regional Water Supply Income				
Regional Water Supply Income	65,000.00	375,976.37	438,546.00	85.73%
Watershed Impl Outside Grants	26,600.00	34,793.07	116,800.00	29.79%
Asp Water Sales	663.87	29,497.94	27,000.00	109.25%
Rent Income	3,300.00	29,575.00	40,000.00	73.94%
Interest Income	23,156.80	185,897.31	110,000.00	169.0%
Property Tax Income	79,017.56	2,283,266.02	2,333,749.00	97.84%
Reimbursed Exp Income	0.00	0.00	45,500.00	0.0%
Watershed Mgmt Income	0.00	8,751.00	105,921.00	8.26%
Wet Meadows Income	0.00	80,106.84	349,187.00	22.94%
WQ Monitoring Inc	0.00	36,531.00	36,697.00	99.55%
Additional Contribution Reserve	0.00	0.00	474,424.00	0.0%
Miscellaneous Income	0.00	10,000.00	0.00	100.0%
Total Income	197,738.23	3,074,394.55	4,077,824.00	75.39%
Expense				
Op X				
Admin.Travel & Exp.	2,337.25	16,186.74	36,750.00	44.05%
Audit Expense	-579.80	12,420.20	25,000.00	49.68%
Accounting & Professional Fees	3,100.50	39,287.98	48,500.00	81.01%
BOD Expenses	1,416.72	8,103.47	15,750.00	51.45%
BOD Mileage	129.10	1,920.46	5,775.00	33.26%
BOD Mtg Fees	957.28	11,178.18	26,400.00	42.34%
Bonding and Insurance	0.00	23,034.97	30,000.00	76.78%
Building Rep/Maint	642.53	3,719.53	10,000.00	37.2%
CAM	45.18	2,626.89	7,500.00	35.03%
Computer Exp	7,401.17	36,511.23	40,500.00	90.15%
Copier Expenses	284.83	2,599.04	7,000.00	37.13%
County Treasurers' Fees	2,249.57	67,039.14	75,000.00	89.39%
Spencer Bldg Reserve Contrib	0.00	10,000.00	10,000.00	100.0%
Dues, Memberships&Subscriptions	4,191.42	16,399.92	18,350.00	89.37%
Legal Publication	-6.57	2,449.86	5,000.00	49.0%
Manager's Discretionary	565.56	13,822.13	25,000.00	55.29%
Meeting Expenses	554.46	6,734.90	5,000.00	134.7%
Office Cleaning	527.94	6,029.19	8,000.00	75.37%
Office Supplies & Misc Expenses	443.38	8,344.37	12,000.00	69.54%
Payroll Exp	84,354.24	790,359.47	1,140,000.00	69.33%
Postage	0.00	372.60	2,000.00	18.63%
Telephone	169.28	3,665.64	6,000.00	61.09%
Utilities	588.67	5,374.41	10,000.00	53.74%
Vehicle Expense	-549.63	5,159.78	29,500.00	17.49%
Total 1 Op X	108,823.08	1,093,340.10	1,599,025.00	68.38%
2 Non-Op X				
Watershed Impl Outside Grant Ex	2,043.26	11,138.34	116,800.00	9.54%
Aquatic Nuisance Species	0.00	0.00	20,000.00	0.0%
Asp Subordination Report	0.00	6,255.00	7,500.00	83.4%
Aspinall Contract Costs	613.87	25,581.77	24,000.00	106.59%
Gunnison County Hazardous Waste	0.00	0.00	2,000.00	0.0%
Consulting/Engineering	2,137.50	29,449.25	50,000.00	58.9%
Coal Creek Watershed Coalition	0.00	12,318.02	17,000.00	72.46%
Dust on Snowpack	0.00	3,500.00	3,500.00	100.0%
Grant Program	3,125.00	74,306.13	446,420.00	16.65%
Gunnison Conservation District	0.00	0.00	10,000.00	0.0%

Upper Gunnison River Water Conservancy District
Monthly Budget Summary 2026

Gunnison River Festival	0.00	13,000.00	13,000.00	100.0%
Endanger Fish Recovery Program	0.00	3,750.00	3,750.00	100.0%
Lake Fork Conservancy	0.00	4,248.59	10,000.00	42.49%
LSC Expenses	0.00	13,464.00	13,464.00	100.0%
Public Outreach	2,375.00	54,832.54	70,430.00	77.85%
Regional Water Supply Imp. Exp.	0.00	293,214.50	797,127.00	36.78%
Strategic Planning	350.00	43,583.61	61,500.00	70.87%
Taylor Park Projects Exp	0.00	12,000.00	8,200.00	146.34%
Watershed Mgmt X	0.00	3,195.75	105,921.00	3.02%
Wet Meadow X	61,039.92	121,742.86	359,187.00	33.89%
WQ Monitoring	30,637.00	109,456.50	250,000.00	43.78%
Total 2 Non-Op X	102,321.55	835,036.86	2,389,799.00	34.94%
Capital Outlay Expense				
Xeriscaping	0.00	12,288.88	25,000.00	49.16%
Spencer Unit A Reno	11,001.01	20,743.85	40,000.00	51.86%
Capital Outlay Expense	11,001.01	33,032.73	65,000.00	50.82%
Contingency	0.00	0.00	24,000.00	0.0%
Total Expense	222,145.64	1,961,409.69	4,077,824.00	48.1%
Net Income	-24,407.41	1,112,984.86	0.00	100.0%

UGRWCD	Instrument	Balance	Cost	Interest	Maturity	Date
Account Name: LPL Government and Agency Bonds	Type	9/30/2026	Basis	Rate	Date	Callable
LPL Bond 34 (FAMC) CUSIP 31424WN99	BOND	383,348.00	400,000.00	4.040%	8/12/2030	8/12/2027
LPL Bond 35 (FHLB) CUSIP 3130B7X90	BOND	287,758.20	300,000.00	4.150%	10/8/2030	10/8/2026
LPL Bond 36 (FHLB) CUSIP 3130B9GN4	Bond	379,490.40	400,000.00	4.000%	2/19/2031	2/19/2027
LPL Bond 37 (FHLB) CUSIP 3130B9Y46	Bond	246,600.50	250,000.00	4.000%	3/24/2028	9/24/2026
US Treasury Note (CPN) CUSIP 91282CQD6	Treasury Note	281,636.70	300,000.00	3.960%	2/28/2031	N/A
US Treasury Note (CPN) CUSIP 91282CPL9	Treasury Note	295,546.80	300,000.00	4.020%	11/30/2027	N/A
US Treasury Note (CPN) CUSIP 91282CFLO	Treasury Note	193,796.00	200,000.00	4.965%	9/30/2029	N/A
LPL BOND SUBTOTAL:		\$ 2,068,176.60	\$ 2,150,000.00	4.162%		
Account Name: LPL Certificates of Deposit						
LPL 31 Morgan Stanley Bank CD CUSIP 61690D4C9	CD	220,082.28	220,000.00	4.050%	5/7/2027	
LPL 32 Morgan Stanley PVT Bank CD CUSIP 61776NSJ3	CD	244,835.11	245,000.00	4.150%	5/22/2028	
LPL 33 Toyota Financial Savings Bank CD CUSIP 89235MSK8	CD	244,633.48	245,000.00	4.100%	5/22/2028	
LPL CD SUBTOTAL:		\$ 709,550.87	\$ 710,000.00	4.100%		
Account Name: LPL Money Markets Savings						
LPL Money Market Savings Account	M.M. SAVINGS	(1,676.92)	N/A	0.900%	N/A	
LPL MM SUBTOTAL:		\$ (1,676.92)				

	INSTRUMENT	Balance	Cost	Interest	Maturity	
Account Name	TYPE	9/30/2026	Basis	Rate	Date	Notes
Community Banks of Colo. Lake City CD 7668	CD	109,228.30	105,015.89	4.01%	11/20/2026	*Updated on an Annual Basis
10520 Gunnison Bank & Trust CD 6637	CD	234,334.10	200,000.00	4.00%	2/26/2030	
Gunnison Bank & Trust CD 26831	CD	254,756.65	250,000.00	3.90%	1/22/2030	
Gunnison Bank & Trust CD 26832	CD	254,756.65	250,000.00	3.90%	1/22/2030	
10540 Gunnison Bank & Trust MM - Spencer Building Acct. 3589	CHKG	32,641.92	N/A	0.50%	N/A	
Gunnison Bank & Trust 8756	CHKG	93,586.29	N/A	0.05%	N/A	
				Average Mo. Yield		
COLOTRUST PLUS 8001	COLO.	2,347,831.21	N/A	3.82%	N/A	
COLOTRUST PLUS UGRWCD EHOP 8003	COLO.	114,026.42	N/A	3.82%	N/A	
COLOTRUST PLUS SPENCER BUILDING 8005	COLO.	150,914.49	N/A	3.82%	N/A	
COLOTRUST PRIME 4001	COLO.	6,765.28	N/A	3.56%	N/A	
10200 Petty Cash	PETTY	100.00				
MISCELLANEOUS BANK & COLOTRUST SUBTOTAL:		\$ 3,598,941.31				
TOTAL UGRWCD		\$ 6,374,991.86				

UGRWAE	INSTRUMENT	Balance	Cost	Interest	Maturity	Date
Account Name	TYPE	9/30/2026	Basis	Rate	Date	Callable
LPL Bond CUSIP 31424WK43 (FAMC)	Bond	289,698.90	300,000.00	4.26%	7/16/2030	7/16/2027
Gunnison Bank & Trust 26814	CD	257,061.53	\$ 250,000.00	3.99%	12/4/2029	
Gunnison Bank & Trust 8764	CHKG	54,932.83		0.05%		
COLOTRUST PLUS 8002	COLO.	230,434.80		3.82%	N/A	
MISCELLANEOUS BANK & COLOTRUST SUBTOTAL:		\$ 832,128.06				
Account Name: LPL Money Markets Savings						
LPL Money Market Savings Account	M.M. SAVINGS	12,782.76	-	0.250%	N/A	
LPL MM SUBTOTAL:		\$ 12,782.76				
TOTAL UGRWAE		\$ 844,910.82				

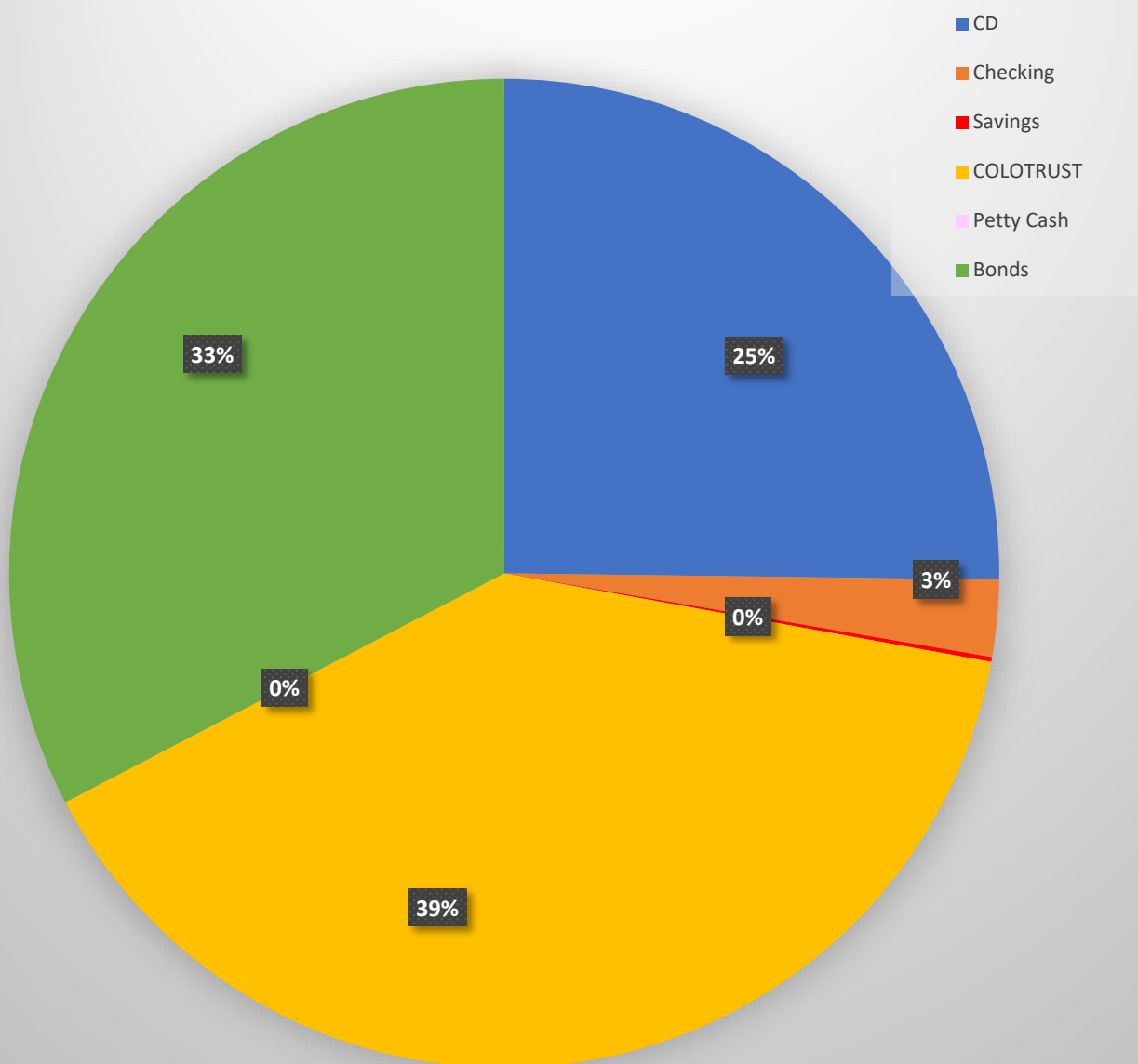
TOTAL UGRWCD + UGRWAE	\$ 7,219,902.68
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Total UGRWCD and UGRWAE by Bank			Total UGRWCD & UGRWAE by Investment Type		
LPL Financial	\$ 3,078,532.21	43%	CD	25%	1,819,688.10
Community Banks of Colo.	109,228.30	2%	Checking	3%	181,161.04
Gunnison Bank & Trust	1,182,069.97	16%	Savings	0%	11,105.84
COLOTRUST	2,849,972.20	39%	COLOTRUST	39%	2,849,972.20
Petty Cash	100.00	0%	Petty Cash	0%	100.00
TOTAL ALL SOURCES	\$ 7,219,902.68	100%	Bonds	33%	\$ 2,357,875.50
			Total	100%	\$ 7,219,902.68

UGRWCD & UGRWAE INVESTMENTS BY TYPE

CD	25%	\$	1,819,688.10
Checking	3%	\$	181,161.04
Savings	0%	\$	11,105.84
COLOTRUST	39%	\$	2,849,972.20
Petty Cash	0%	\$	100.00
Bonds	33%	\$	2,357,875.50
Total	100%	\$	7,219,902.68

UGRWCD + UGRWAE INVESTMENTS BY TYPE



AGENDA ITEM 4

2027 Budget Work Session



MEMORANDUM

TO: UGRWCD Board of Directors
FROM: Beverly Richards, Office Manager
Sonja Chavez, General Manager
DATE: October 26, 2026
SUBJECT: 2027 Budget Draft

A revised draft of the 2027 budget for discussion can be accessed utilizing the link [HERE](#).

Below is a summary of draft budget changes that have been made since the September 28, 2026 regular board meeting. Changes include:

- Income Line 7 – Watershed Implementation Outside Grants – Item was increased from \$423,841 to \$532,196 which includes actual income anticipated in 2027 from CWCB WSRF and NFWF RESTORE agriculture projects.
- Income Line 9 – Wet Meadows – Item increased from \$354,576 to \$556,711 based on revised amounts from the Wet Medows program. This includes anticipated income from NFWF RESTORE grant.
- Income Line 10 – Water Quality Monitoring – USGS figure is based upon Upper Gunnison basin partner program contribution total of \$38,030.
- Expense Line 15 – BOD Expense – Line item was decreased from \$16,538 to \$12,500. The estimate is based on actual expenses to date 2026.
- Expense Line 25 – Dues, Memberships, Subscriptions - Line item was increased from \$19,652 to \$19,825 based on actual dues information received from the Special District Association, Weather Modification Association, and Northwest Colorado Council of Government.
- Expense Line 30 – Office Supplies – This line item was reduced from \$12,600 to \$10,000 based on actual expenses to date.
- Expense Line 31 – Payroll Expense – This item increased from \$1,272,045 to \$1,389,046. This revised amount includes refined estimates in potential cost of living

adjustment, payroll taxes, and retirement and medical benefits. This item originally included expenses to conduct a 2028 salary survey which has been moved from *operating* to the *non-operating* area of the budget.

- Expense Line 43 – District Grant Program – Item decreased from \$675,728 to \$655,255 which reflects amounts identified by the Grant Committee to be allocated to the District Annual Grant Program (\$275,000), Organizational Grant Program (\$25,000), and anticipated prior year grant awarded projects that will be completed in 2027.
- Expense Line 50 – Regional Water Supply Improvement – Item was decreased from \$878,850 to \$671,213. The amount includes *actual* amounts for the Ag Return Flow Study and Airborne Snow Observatory flights rather than estimates.
- Expense Line 51 – 2028 Salary Survey – This item was originally included under the Payroll operating expense line item. Management moved it to the non-operating area of the budget.
- Expense Line 53 – Watershed Implementation Outside Grants – Item was increased from \$352,001 to \$514,621 which includes anticipated expenses associated CWCW WSRF, CFP AG Bundle No. 2, and NFWF RESTORE.
- Expense Line 56 – Wet Meadows – Item was increased from \$359,567 to \$561,711 based on an updated budget from the Wet Meadows Program including anticipated expenses under the NFWF RESTORE grant.
- Expense Line 56 – Water Quality Monitoring – Expense revised from \$269,00 to \$168,578 to reflect the actual cost to the District for the Water Quality Monitoring Program in 2027.

	2025 Actual	2026 Budget	2027 Budget	Notes
REVENUE				
1 Aspinall Water Contract Sales	\$ 29,027	\$ 27,000	\$ 28,350	
2 Building Rental Income	\$ 36,350	\$ 40,000	\$ 40,000	
3 Interest on Investments (includes banks & bonds)	\$ 201,772	\$ 110,000	\$ 150,000	
4 Property Tax (includes specific ownership & interest & penalties)	\$ 2,224,545	\$ 2,333,749	\$ 2,395,133	
5 Regional Water Supply Income	\$ 100,750	\$ 438,546	\$ 381,483	
6 Watershed Implementation Outside Grants Income	\$ -	\$ 116,800	\$ 532,196	Added CWCBS WSRF, NFWF Actual
7 Watershed Management Income	\$ 147,309	\$ 105,921	\$ 97,172	
8 Wet Meadows Income	\$ 309,119	\$ 349,187	\$ 556,711	Added NFWF Updated
9 Water Quality Monitoring Income	\$ 35,328	\$ 36,697	\$ 38,030	Actual Amount WQM Partners
10 Additional Contribution from Reserve Fund	\$ (289,458)	\$ 477,924	\$ 599,687	
TOTAL REVENUES	\$ 2,794,742	\$ 4,035,824	\$ 4,818,762	
EXPENDITURES				
Operating Expenses				
11 Admin Travel and Expenses	\$ 24,615	\$ 36,750	\$ 38,588	
12 Audit	\$ 7,950	\$ 25,000	\$ 26,250	
13 Accounting Services	\$ 41,164	\$ 48,500	\$ 50,925	
14 BOD Expenses	\$ 7,669	\$ 15,750	\$ 12,500	Reduced based on actual to date
15 BOD Mileage	\$ 2,281	\$ 5,775	\$ 6,064	
16 BOD Mtg Fees	\$ 8,500	\$ 26,400	\$ 26,400	
17 Bonding and Insurance	\$ 25,798	\$ 30,000	\$ 31,500	
18 Building Rep/Maintenance	\$ 19,883	\$ 10,000	\$ 10,000	
19 CAM	\$ 6,396	\$ 7,500	\$ 7,875	
20 Computer Expenses	\$ 33,691	\$ 40,500	\$ 45,300	
21 Copier Expenses	\$ 3,570	\$ 7,000	\$ 7,350	
22 County Treasurers' Fees	\$ 64,876	\$ 75,000	\$ 78,750	
23 Dues, Memberships, Subscriptions	\$ 18,014	\$ 18,350	\$ 19,825	Received actual number SDA, WMA and QI
24 Legal Publications	\$ 4,411	\$ 5,000	\$ 2,500	
25 Manager's Discretionary Budget	\$ 27,293	\$ 25,000	\$ 20,000	
26 Meeting Expenses	\$ 3,322	\$ 5,000	\$ 7,500	
27 Office Cleaning	\$ 8,381	\$ 8,000	\$ 8,400	
28 Office Supplies & Expenses	\$ 17,581	\$ 12,000	\$ 10,000	Reduced
29 Payroll Expense	\$ 1,018,614	\$ 1,140,000	\$ 1,389,046	Reduced - Salary Increase, Actual payroll including new position
30 Postage	\$ 1,638	\$ 2,000	\$ 2,100	
31 Telephone	\$ 16,341	\$ 6,000	\$ 6,000	
32 Utilities	\$ 9,493	\$ 10,000	\$ 10,000	
33 Vehicle Expenses	\$ 28,021	\$ 29,500	\$ 8,500	
TOTAL OPERATING EXPENSES	\$ 1,399,501	\$ 1,589,025	\$ 1,825,373	
Non-Operating Expenses				
34 Aquatic Nuisance Species	\$ 3,595	\$ 20,000	\$ 20,000	
35 Asp Subordination Report	\$ 5,604	\$ 7,500	\$ 7,875	
36 Aspinall Contracts	\$ 21,579	\$ 24,000	\$ 25,200	
37 Gunnison County Hazardous Waste	\$ 2,000	\$ 2,000	\$ 4,000	
38 Consulting/Engineering	\$ 28,154	\$ 50,000	\$ 70,000	
39 District Grant Program	\$ 262,077	\$ 446,420	\$ 655,255	Added actual remaining amt for outstanding grants; Included Grant program and Org. grants amounts
40 Gunnison Conservation District	\$ -	\$ 10,000	\$ 10,000	
41 Gunnison River Festival	\$ 12,000	\$ 13,000	\$ 13,000	
42 Endangered Fish Recovery Program	\$ 3,750	\$ 3,750	\$ 3,750	
43 Lake San Cristobal Expenses	\$ 13,464	\$ 13,464	\$ 13,464	
44 Public Education and Outreach	\$ 34,921	\$ 70,430	\$ 83,350	
45 Regional Water Supply Improvement	\$ 542,008	\$ 800,627	\$ 671,213	Reduced amnts Ag Return and ASO(Actual)
46 2028 Salary Survey	\$ 142	\$ 61,500	\$ 13,200	
47 Strategic Planning	\$ 142	\$ 61,500	\$ 10,000	
48 Taylor Park Project Expense	\$ 7,436	\$ 8,200	\$ 12,000	
49 Watershed Implementation Outside Grants Expense	\$ 30,486	\$ 116,800	\$ 514,621	Added CWCBS and CFP 2nd Bundle, NFWF
50 Watershed Management Expense	\$ 157,144	\$ 105,921	\$ 97,172	
51 Wet Meadows Expense	\$ 98,144	\$ 359,187	\$ 561,711	Added NFWF Wet Meadows Work Updated
52 Water Quality Monitoring	\$ 182,321	\$ 250,000	\$ 168,578	Actual Amount USGS
TOTAL NON-OPERATING EXPENSES	\$ 1,404,826	\$ 2,362,799	\$ 2,954,389	
53 Capital Outlay Expense	\$ 21,553	\$ 65,000	\$ 15,000	
54 Contingency	\$ -	\$ 24,000	\$ 24,000	
TOTAL EXPENSES	\$ 2,825,879	\$ 4,040,824	\$ 4,818,762	
REVENUES UNDER/(OVER) EXPENDITURES		\$ -	\$ -	

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT 2027 BUDGET MESSAGE

The Upper Gunnison River Water Conservancy District (District) was formed on June 1, 1959 pursuant to the provisions of and for the purposes described in the Water Conservancy Act of Colorado, Section 37-45-101, *et seq.*, Colorado Revised Statutes. The District was reorganized on October 8, 1991 and again on November 15, 2011. The District is located within Gunnison, Hinsdale, and Saguache Counties, and is generally defined as that area of the Upper Gunnison River watershed which lies upstream of Blue Mesa Dam.

The Mission of the Upper Gunnison River Water Conservancy District is to be an active leader in all issues affecting the water resources of the Upper Gunnison River Basin.

The District is supported through a mill levy which is assessed on property located within the District. The current maximum mill levy was set by the voters of the District in 1998 at 2.000 mills. At that time, voters also approved a ballot question exempting the District from the limits of the TABOR amendment to the state constitution and the 5.5% property tax revenue restriction. These revenues were to be used in part to establish a Reserve Fund that would be available to protect our basin's water resources. Threats to the basin's water resources are wildfire, climate change, aridification, water demands on the East Slope, as well as the crisis with declining reservoir storage elevations associated with low hydrologic inflows and overuse by Lower Basin water users.

The District uses the modified accrual basis of accounting in which revenues are recognized when they become measurable and available as net current assets. Expenditures are recognized when the related liability is incurred. The accounts of the Upper Gunnison River Water Conservancy District are organized on the basis of a fund. The District has one governmental fund, the General Fund, which is the primary operating fund for the District. The District has one enterprise fund, the Water Activity Enterprise Fund, which has a separate budget process.

Revenues

Budget Line 1. Aspinall Water Contract Sales. This revenue line item indicates expected income from selling Aspinall Augmentation water to third parties under long-term contracts. The District obtained a contract with the United States for 500 acre-feet of augmentation water from the Aspinall Unit for resale to third parties on a 40-year basis. The Bureau will charge approximately \$55-\$70 per acre-foot of water actually sold to third parties. The revenue figure shown also includes an additional \$20 per contract to cover the costs of administering this service.

Budget Line 2. Building Rental Income. This revenue line item is associated with rental income from Unit A (2 smaller upstairs office units) and Unit C.

Budget Line 3. Interest Income. This line item includes investment income from District Certificates of Deposit (CD's), Money Markets, Treasury Notes and Bonds.

Budget Line 4. Property Tax Income. Property tax revenues in 2027 are expected to be approximately \$2.39 M based on a levy of 1.951 mills (a tax of 1.951 for each \$1,000 of assessed value) levied upon the

net valuation for assessment of all taxable property within the District for the year 2026. This line item also includes specific ownership tax and interest and penalties on taxes.

Budget Line 5. Regional Water Supply Income. This budget item reflects various sources of outside income the District is receiving in support of regional water supply activities. In 2027, these include:

- 5a. 2026-2027 Cloudseeding Program Cost-Share (CWCB 2027-4830)
- 5b. Ag Return Flow Study Grant Income (CFP 2025-201)
- 5c. Ag Return Flow Study Grant Income (CWCB 2026-2231)

Budget Line 6. Watershed Implementation Outside Grants Income. This line item reflects various outside sources of grant funding the District is managing in support of various watershed implementation projects occurring in 2027. These include:

- 6a. CFP 2025-193 Sargents Ditch Project
- 6b. GBRT CWCB PEPO 2026-2027
- 6c. CFP 2024-81 UG Bundled Ag Projects
- 6d. CFP2026-312 UG Ag Bundle No. 2 – Tomichi Basin
- 6e. CWCB 2027-2068 Aquatic Habitat and Irrigation
- 6f. NFWF RESTORE 2506.26.089678
- 6g. BOR B2E Habitat Restoration in the Gunnison Basin Project (Contract TBD)

Budget Line 7. Watershed Management Income. This budget line item reflects funding associated with the watershed management planning. The funds in this line include two CWCB projects that will be completed in 2026 but likely not reimbursed until 2027 budget year. This line item will go away when this work is completed, and Budget Line Item 7 above will be used for outside grant income tracking. The CWCB grants include:

- 7a. CWCB 2023-3317 (WMP Phase III)
- 7b. CWCB 2022-2085 (Watershed Restoration Grant)

Budget Line 8. Wet Meadows Program Income: This line item reflects funding the District receives from various entities, including the Bureau of Land Management (BLM), U.S. Forest Service (USFS), America the Beautiful (AtBC), and The Nature Conservancy (TNC) in support of Wet Meadows Program activities. In 2027, these include:

- 8a. FWS Sage Brush Ecosystem F22AP02885
- 8b. USFS PA 2022
- 8c. AtBC #2024-3842
- 8d. BLM L24C00687
- 8e. TNC-02_2025_UGRWCD
- 8f. CPW Regional Partnership
- 8g. Biophila Grant UGRWCD-2026
- 8h. NFWF RESTORE 2506.26.089678

Budget Line 9. Water Quality Monitoring Program. Gunnison County, the Lake San Cristobal Water Activity Enterprise, and the Skyland Metropolitan/East River Sanitation Districts are participants in the basin wide water quality monitoring program. The District contracts directly with USGS for the services, and, in turn, the entities reimburse the District for their portions of the funding agreement in a pass-through arrangement. Pass-through funding from Gunnison County, the Lake San Cristobal Water Activity Enterprise, and Skyland Metropolitan/East River Sanitation Districts is shown as income.

Budget Line 10. Additional Contribution from Reserve Fund. This line item is intended for use when the board uses a portion of its reserve fund for meeting planned budget expenditures.

Total Revenues. Total Revenue to the District in 2027 is estimated to be \$4,818,762

OPERATING EXPENSES

Budget Line 11. Administrative Travel & Expenses. The purpose of this line item is to provide funds for staff travel, conferences, and networking expenses. The District reimburses staff for mileage at the standard IRS rate when traveling in their personal vehicle.

Budget Line 12. Audit. Estimated expenses in support of the 2026 annual audit of financial statements.

Budget Line 13. Accounting Services. Funds for professional accounting and bookkeeping services from Thomas N. Stoeber, P.C. in 2027.

Budget Line 14. Board of Director Expenses. This line item includes expenses associated with Board education including but not limited to mileage reimbursement to attend conferences, lodging expenses, conference fees, and meals while attending conferences or traveling on board business.

Budget Line 15. Board of Directors Meeting Mileage. This line item covers Board member reimbursement of mileage expenses associated with regular or committee meeting attendance using annual IRS published rates.

Budget Line 16. Board of Directors Meeting Fees. This line item covers Director fees for regular or special meetings including committee meetings.

Budget Line 17. Bonding & Insurance. Covers property, auto, and general liability insurance for the District, public officials' liability, accidental death and dismemberment, excess liability, and bonding of the General Manager, Board President, Board Vice President, Treasurer, all account signatories, and all part-time and full-time staff and seasonal employees. Bond amounts are \$100,000.

Budget Line 18. Building Repair/Maintenance. This line item is intended to cover miscellaneous repair and maintenance expenses associated with Spencer Avenue Units A, B, and C.

Budget Line 19. Common Area Maintenance (CAM). This line item is intended to cover all common area maintenance expenses for the Spencer Avenue Business Park building. This includes snow removal, landscaping maintenance, and trash removal.

Budget Line 20. Computer Expenses. This line item covers expenses associated with computer repairs, IT support, and offsite storage, software, internet services and computer equipment purchases.

- 20a. Computer Repair/IT Support
- 20b. Software
- 20c. Internet
- 20d. Computer Purchase

Budget Line 21. Copier Expenses. This line item covers the annual lease of the copy machine and any overage charges for copies and color printing.

Budget Line 22. County Treasurers' Fees. This line item covers the 3% county treasurer's fee associated with distribution of property tax revenues.

Budget Line 23. Dues, Memberships, & Subscriptions. This line item covers annual memberships, dues, and subscriptions important to the ability of the District to carry out its mission including, but not limited to:

- 23a. Colorado Water Congress Organizational Membership
- 23b. Colorado Bar Association
- 23c. Northwest Colorado Council of Government
- 23d. Water Education Colorado
- 23e. Special District Association of Colorado
- 23f. Society of Human Resources Management
- 23g. Colorado Water Congress (State Affairs Committee)
- 23h. Colorado Water Congress (Federal Affairs Committee)
- 23i. Weather Modification Association
- 23j. Lexis Nexis
- 23k. Miscellaneous Subscriptions (e.g., Attorney Regulation Council, Colorado Politics, Dropbox, Newspapers, Zoom, Doodle, and GoDaddy)

Budget Line 24. Legal Publications. Includes funds to cover publication of board vacancies, Taylor Local Users Group, and other legally required publications.

Budget Line 25. Manager's Discretionary Budget. This line item is meant to cover miscellaneous and unanticipated expenses of the District including but not limited to, for example, conference or workshop sponsorships, purchase of District shirts for staff or board members, networking, etc.

Budget Line 26. Meeting Expenses. This line item is meant to cover board regular, special and committee meeting expenses such as food and drinks.

Budget Line 27. Office Cleaning. This line item covers expenses associated with weekly office cleaning for all of Unit A (including the upstairs offices) and Unit B.

Budget Line 28. Office Supplies & Miscellaneous Expenses. This line item includes office and consumable

supplies (e.g., paper supplies, coffee, cold beverages, etc.), and furniture under the depreciation amount of \$3,500.

Budget Line 29. Payroll Expenses

29a. Colorado Retirement Association (CRA) Plan. This line item represents the District's contribution to the CRA. Benefitted employees are eligible to participate in CRA after one year of employment. In 2023, the District adopted a tiered contribution table based upon years of service. The District will contribute between 8%, 9% or 10% of the employee's gross salary depending upon years of service and the employee must match the District's contribution.

29b. Medical Insurance. Includes health insurance premiums for participating employees (medical, dental, vision, short-term disability, long-term disability and a basic life insurance policy of \$20,000). It also includes reimbursement of Medicare premiums for any participating employees.

29c. Payroll Taxes. Covers the District's payroll tax liability (e.g., Social Security, Medicare, state unemployment taxes, etc.).

29d. Salaries. Includes all District staff: General Manager, General Counsel, Deputy General Manager, Senior Water Resources Engineer (possible new position), Wet Meadows Program Director, Wet Meadows Program Assistant, Administrative Specialist III, and anticipated Seasonal Technicians.

29e. Staff Development. This budget line item supports staff professional development, professional association dues, etc.

29f. Workers Compensation Insurance. Covers premiums for the workers' compensation insurance policy.

29g. Paid Time Cash Out. Covers expenses associated with the District's paid time off cash out program. This program allows employees to exchange a portion of their unused paid time off for cash or as a deposit into the employee's 457(b) plan, or a deposit to employee's Roth IRA plan.

29h. Salary Increases for 2027. This covers estimated salary increases for staff in 2027 based upon estimated cost of living (3.7% based upon October financial report) and merit increases

29i. Housing Stipend. Covers a \$500 dollar per month housing stipend for all employees (except Executive Management). This stipend was approved by the Board of Directors on September 28, 2026.

Budget Line 30. Postage. Intended to cover costs associated with ground mailings.

Budget Line 31. Telephone. This line item includes funds for the District's cell phones. Office telephone support will now be included in IT Support.

Budget Line 32. Utilities. This line item provides funds for water, gas, and electricity for the Spencer Avenue Building Unit A and B. Unit C expenses are paid for by lessee.

Budget Line 33. Vehicle Expense. The District owns two vehicles for use by employees and board members for District-related travel. This budget line item covers expenses such as repairs, maintenance, tires, fuel, insurance, license, registration, and other fees.

Total Operating Expenses. Total Operating Expenses for the District in 2027 are expected to be **\$1,825,373.**

NON-OPERATING EXPENSES

Budget Line 34. Aquatic Nuisance Species. This line item provides funds to support potential projects or activities in the Upper Gunnison Basin that reduce the possibility of introduction of aquatic nuisance species into local ponds, streams, lakes, and reservoirs.

Budget Line 35. Aspinall Subordination Agreement Report. This line item supports consultant expenses related to the development of an annual report to the U.S. Bureau of Reclamation pursuant to the Aspinall Unit Subordination Agreement.

Budget Line 36. Aspinall Water Contracts. This line item reflects the costs to provide Aspinall Unit augmentation water to contracted users under the District's plan for augmentation utilizing water stored in Blue Mesa Reservoir in 2027.

Budget Line 37. Gunnison County Hazardous Waste Clean-up. This line item covers support for the Gunnison County annual hazardous waste clean-up which is important to local water quality efforts.

Budget Line 38. Consulting & Engineering. This line item supports various consulting fees related to management of water works, water rights engineering, agricultural engineering pre-feasibility studies, etc.

Budget Line 39. District Grant Program.

39a. 2027 Annual Grant Program. Funding for the development and implementation of water resource improvement projects that are consistent with the purposes of the District including but not limited to the promotion of beneficial uses of water, water quality, water efficiency, and riparian restoration.

39b. 2027 Organizational Grant Program. Funding for entities within the District's boundaries that include activities that fill a critical gap in the District's existing programming and further the District's ability to meet its goals and mission.

39c. Unspent Funds from Previous Grant Cycles. Expenses associated with incomplete projects from the prior years' grant cycle.

Budget Line 40. Gunnison Conservation District. This line item supports an annual funding agreement with the Gunnison Conservation District for water resources related education and outreach.

Budget Line 41. Gunnison River Festival. The District is the title sponsor for the Gunnison River Festival and provides annual funding for the event.

Budget Line 42. Endangered Fish Recovery Program. The District provides funding on an annual basis in support of the Colorado Water Congress (CWC) Colorado River Project. The CWC has designated an individual responsible for representation of water users on the Colorado River Recovery Program's governing, management, and technical committees. The District has a seat on the Executive Committee that directs the activities of the water user representative. Recovery Program activities in the Gunnison Basin were formally initiated in January of 2001.

Budget Line Item 43: Lake San Cristobal (LSC) Expenses. This line item includes administration fees on unsold base units of augmentation water stored in LSC under the plan for augmentation operated by the Lake San Cristobal Water Activity Enterprise. This is calculated as follows: 9,500 total base units, divided by 3, less any base units purchased by that entity, multiplied by \$4.50 per base unit.

Budget Line 44: Public Outreach and Education. Includes funds in support of the District's public outreach and education program. Subcategories are identified below:

44a. Advertising. This item provides funding for advertising done by the District through its Public Education and Outreach activities.

44b. General Public Outreach. Funding for on-going activities such as mini-grants, promotional items, event sponsorship, and water trailer maintenance. For 2026 this will also include funding in support of the redesign of the District's website.

44c. School and Educational Programs. This item provides funding for on-going activities such as swimming lessons, water book distribution, RMBL science workshops and 8th Grade Taylor Outdoor Challenge.

Budget Line 45. Regional Water Supply Development. This line item supports expenses associated with the District's participation in various water supply related programs. Subcategories are identified below:

45a. Cloudseeding.

45b. Taylor River Modeling

45c. Ag Return Flow Study – District Cash

45d. Ag Return Flow Study – CFP2025-201

45e. Ag Return Flow Study – CWCB 2026-2231

45f. Airborne Snow Flights

45g. Colorado Dust on Snow

Budget Line 46. 2028 Salary Survey. This budget line item covers expenses associated with conducting a salary survey in 2027 for the 2028 payroll period.

Budget Line 47. Strategic Planning. Covers possible expenses associated with any additional strategic planning efforts in 2027.

Budget Line 48: Taylor Park Project Expenses. This line item covers payment to the Uncompahgre Valley Water Users Association (UVWUA) for shared operational expenses of Taylor Park Reservoir dam as specified in the April 16, 1990 contract between the United States Bureau of Reclamation (BOR), the UVWUA, the Upper Gunnison River Water Conservancy District, and the Colorado River Water Conservation District.

Budget Line 49: Watershed Implementation Outside Grants. Expenses associated with the implementation of various water resource projects funded by outside grant resources in 2027 including:

- 49a. CFP 2025-193 Sargents Ditch Project
- 49b. GBRT CWCB PEPO 2026-2027
- 49c. CFP 2024-81 Upper Gunnison Bundled Ag Projects
- 49d. CFP 2026-312 Upper Gunnison Bundles Ag Projects – Tomichi Basin
- 49e. CWCB 2027-2068 Aquatic Habitat and Irrigation Projects
- 49f. NFWF RESTORE 2506.26.089678
- 49g. BOR B2E Habitat Restoration in the Gunnison Basin Project Grant (Contract TBD)

Budget Line 50: Watershed Management Planning. This line item supports watershed planning activities which aid in improving water security for all water users in the Upper Gunnison Basin by protecting existing uses, meeting user shortages, and maintaining healthy riverine ecosystems in the face of future demands and climate uncertainty. This expense line item will eventually go away when the identified funds below are expended. Staff will be using Budget Line Item 54 above to track expenses with outside grants. Current grants the District is managing in support of WMP activities include:

- 50a. CWCB 2023-3317 (WMP Phase 3)
- 50b. CWCB 2022-2085 (Water Restoration Grant)

Budget Line 51: Wet Meadows Program Expense. This line item summarizes various grants being managed by the District in support of Wet Meadows Program activities and a District \$5,000 general fund contribution to support miscellaneous expenditures like food, program supplies or team building events, coordinator travel, etc. Sub-categories of the funding sources for 2027 are listed below:

- 51a. FWS Sage Brush Ecosystem F22AP02885
- 51b. USFS PA 2022
- 51c. AtBC #2024-3842
- 51d. BLM L24C00687
- 51e. TNC 02_2025_UGRWCD
- 51f. CPW Regional Partnership
- 51g. Biophilia Grant UGRWCD-2026
- 51h. NFWF RESTORE 2506.26.089678
- 51i. Wet Meadows Miscellaneous \$5k

Budget Line 52: Water Quality/Quantity Monitoring Program. This line item supports the District's annual agreement with the United States Geological Survey (USGS) for monitoring trends in water quality and quantity throughout the Upper Gunnison basin. Some agency funds are passed through the District under

this program (see also income budget line item 10) and as such are included as both income and expenditures. Some entities identified in the comprehensive program pay their annual support directly to the USGS. This line item includes water quality monitoring efforts from the following entities:

- 52a. USGS Joint Funding Agreement
- 52b. Coal Creek Watershed Coalition (TBD)
- 52c. Lake Fork Valley Conservancy (TBD)

Total Non-Operating Expenses. Total Non-Operating Expenses for the District in 2026 are expected to be \$2,954,389.

Budget Line Item 53: Capital Outlay Expense. This line item covers depreciable expense items including the following:

53a. Spencer Unit A Renovation. This line item covers expenses associated with renovations proposed in Spencer Building Unit A. No additional renovations are currently planned for 2027.

53. Xeriscaping Project. This line item covers expenses associated with Phase 2 of the Xeriscaping Project for the Spencer Avenue Building complex.

Budget Line Item 54. Contingency. This line item allows for additional expenses which may be incurred in 2027, but which are uncertain at the time of budget adoption. It is intended that contingency is used to cover small budget overages or unanticipated expenses.

Total Expenses. Total Expenses for the District in 2027 are expected to be \$4,818,762.



City of Gunnison

To whom it may concern,

At the City of Gunnison Parks and Recreation, we believe that every child should have access to essential water safety education—regardless of their background or financial circumstances. That's why our Aquatics Department is offering a free children's swim lesson program for the year 2027, focused on teaching fundamental swimming skills and promoting lifelong water safety habits for youth in our community.

These lessons are more than just a recreational activity—they are a vital step in preventing drowning and building confidence around water. Our instructors provide a safe, welcoming environment where children learn how to float, swim, and respond in emergency situations.

While the program is free to participants, there are still costs involved, including staffing, pool operations, and supplies. As a valued member of the Gunnison community, we invite you to support this life-saving initiative. A small donation from you or your business could help us reach even more children and ensure the sustainability of this program.

Your generosity will directly benefit local families and allow us to continue offering these vital lessons at no cost. Donations of any amount are greatly appreciated and will provide you/your company with public recognition in the Gunnison Aquatic Center, unless you prefer to remain anonymous.

If you would like to contribute or learn more, please feel free to contact me at bmiramon@gunnisonco.gov or at (970) 641-8426. Checks can be made out to the City of Gunnison with "Swim Lesson Sponsorship" in the memo line.

Thank you for your consideration and for helping us keep Gunnison's children safe in and around the water.

Sincerely,

Brett Miramon
Aquatics Manager

City of Gunnison
200 East Spencer | Gunnison, CO 81230
Office 970.641.8426
Front Desk 970.641.8060

AGENDA ITEM 5

General Counsel Update

General Counsel Update

October 20, 2026

September 29

Staff Culture interview.

Participated in USGS Presentation to Stockgrowers - Ag Return Flow Study Results; discussed Colorado Contribution Program and status of Reclamation's implementation of 2027-2028 operating guidelines for Lake Powell and Lake Mead.

October 2

Colorado Water Congress State Affairs Committee meeting.

October 6

UGRWCD discussion with Department of Natural Resources leaders regarding Colorado Contribution Program. (DNR solicited our input)

October 7

Planning Meeting - Upper Gunnison Core Team

October 7-8

Attended 1177 Summit in Avon. The Summit was a conference for Roundtable Chairs, IBCC members, and CWCB staff and Board members. Topics covered included Colorado Contribution Program and status of Reclamation's implementation of 2027-2028 operating guidelines for Lake Powell and Lake Mead, as well as status of ongoing discussions among the Basin States. An opportunity to network with water leaders from around the state. Also an opportunity to spend time with Commissioner Mitchell to learn details of discussions with the Basin States and Reclamation.

October 9

LSCWAE Special Meeting

October 13

Presentation to Gunnison County Commissioners covering Reclamation's 2027-2028 operational framework for Lake Powell and Lake Mead and Colorado Contribution Plan.

Attend webinar on Postponement Doctrine.

SWAT 4 meeting

Board work session - Legal Issues & Best Practices for Board Members

October 14

Staff Culture Workshop

October 19

Feedback Integration - UGRWCD Strategic Plan

Meet with Colorado River District staff on Blue Mesa/Aspinall Unit

AGENDA ITEM 6

General Manager Update

MEMORANDUM



TO: Board of Directors
FROM: Sonja Chavez, General Manager
DATE: October 26, 2026
SUBJECT: General Manager & Committee Report

I. General Manager Updates

A. Strategic Planning

1. Staff Culture Workshop No. 1 held on October 14.
2. The Strategic Planning Core Team met with CCC and provided some draft recommendations for edits which will be reviewed and discussed at the Board Strategic Plan - Feedback Integration work session on October 19.
3. Staff will do two work sessions on November 4 focused on *Adaptive Implementation* and *Staff Culture*.

B. Water Resource Project Implementation

1. Lake San Cristobal Low Flow Outlet Structure

Due to community concerns with visual and operational aspects of the proposed structure, the meeting was delayed to November 5 in order to provide opportunity for additional public input.

2. Gap Weather Radar Update

On October 12, UGRWCD received communication from Tim Schneider, Senior Program Manager (NCAR-RAL, Office of the Director) at the University Corporation for Atmospheric Research (NCAR) in Boulder, Colorado. Following is an excerpt from that email:

NCAR has a scanning, polarimetric, Döppler X-band radar, that we are in the process of getting ready to deploy to the original site on Big Mesa near Gunnison that W3IC has prepared. W3IC just had the power outlets and meter installed at the site, and have ordered the satellite communications for the data transmission, which we will integrate into our systems. And earlier today, I was at our field test site in Boulder, where our team was testing the radar, and getting it ready to deploy. This all came together fortuitously in the past several weeks, so we are eyeing the weather windows and working to get the radar up on the Mesa as soon as possible.

I know that there is some history here that has led to frustration at the UGRWCD. But we hope that this deployment will begin to make good, and to provide the UGRWCD and others the considerable benefits of filling in the gaps in radar coverage in that region.

Management has reached out to Mr. Schneider and hopes to provide a more detailed update at the October Regular Board Meeting.

C. Water Resources Planning

General Counsel and General Manager have tasked Wilson Water Group with developing a draft scope of work related to Blue Mesa drought operations and reservoir recovery. The hope is that this will serve as a starting point to help affected water right stakeholders (local, regional, state and federal interests) with developing a course of action for adaptive management planning.

D. Colorado River District Updates, October 20-21, 2026

1. Surface Water Assessment Team (SWAT4)

There was a meeting of the Gunnison Basin SWAT4 on October 14, 2026. The purpose of the meeting was to review annual Blue Mesa Reservoir operations and potential next steps for 2027 operations that consider reservoir storage recovery and potential 2027 drought operations.

2. State and Federal Update

Attached as Exhibit A are the Colorado River District 4th Quarter State and Federal Affairs updates from Zane Kessler. This is informational only and provides the board with insight into the 2027 Colorado legislative session, state revenue forecasts and budget outlook, Colorado Contribution Program, etc. The Federal Affairs update highlights FY27 appropriations, permitting reform legislation, Water Resources Development Act, potential new federal funding for Western drought response, WOTUS, etc. Staff will continue to track these items as we proceed into the new year.



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD
ANDY MUELLER, GENERAL MANAGER
PETER FLEMING, GENERAL COUNSEL

FROM: ZANE KESSLER, DIRECTOR OF GOVERNMENT RELATIONS

SUBJECT: STATE AFFAIRS UPDATE

DATE: OCTOBER 1, 2026

ACTION: *No specific action requested with this memo.*

STRATEGIC FOCUS AREA(S):

Community Protection: *The Colorado River District collaboratively protects and enhances the water security of West Slope communities.*

Trusted Resource: *The Colorado River District's data and analyses are sought after and utilized by constituents and policy makers across the Colorado River system as a comprehensive and trusted resource to guide decision making related to West Slope water issues.*

Recognized Leader on Colorado River Matters: *The Colorado River District remains a recognized leader on Colorado River system matters.*

Staff continue to engage with state legislators, the Colorado Water Conservation Board (CWCB), Department of Natural Resources (DNR), and key stakeholders on issues important to West Slope communities and water users. With the 2026 legislative session now several months behind us, attention is increasingly shifting toward the 2027 legislative session, which will convene on Monday, January 11, 2027.

State budget constraints and continued drought and uncertainty surrounding the Colorado River are likely to shape state water policy discussions heading into 2027. Development of a state-run Colorado River Contribution Program is also expected to be a significant focus of conversation and potential legislation.

Looking Ahead to the 2027 Legislative Session: Although the General Assembly will not reconvene until January, several significant water-policy discussions are already taking shape. Staff expects the CWCB's approval of a Near-Term Contribution Program and potential legislation



establishing a longer-term statutory framework to be among the most significant issues in the coming months for the River District.

State water funding will remain another important concern. The projected \$1.5 to \$1.6 billion budget gap (discussed in greater detail below) will place substantial pressure on discretionary programs and cash funds, while policymakers continue to consider the long-term sustainability of severance tax revenues and other funding sources that support the Colorado Water Plan and related programs.

November Elections to Bring Significant Changes: The November election will bring substantial changes to Colorado state government heading into the 2027 legislative session. Voters will elect a new Governor and other statewide elected officials, all 65 members of the House and roughly half of the Senate. The election will also bring a new class of legislators to the Capitol and caucus elections following the elections will determine new leadership that will play an important role in setting legislative priorities and committee assignments for the 2027 session.

The transition will be particularly notable in the House, where Speaker Julie McCluskie is completing her final term after serving as Speaker since 2023. McCluskie became the first House Speaker from the Western Slope in more than two decades – the first since Rifle Republican Russ George held the gavel in 1999 and 2000 – and the first woman from the Western Slope to serve in the position. During her tenure, Speaker McCluskie has provided an important Western Colorado voice in legislative leadership and has consistently elevated issues important to rural and West Slope communities, including water, agriculture, wildfire, housing and natural resources.

The combination of a new Governor, changes in House and Senate leadership, and a significant group of incoming legislators will certainly influence the broader policy dynamics heading into 2027. River District staff will prioritize outreach to incoming legislators and the new administration to ensure that West Slope water issues remain well understood and represented as the next legislative agenda takes shape.

September Revenue Forecasts and Budget Outlook: On September 18, Legislative Council Staff (LCS) and the Governor's Office of State Planning and Budgeting (OSPB) presented their quarterly forecasts to the Joint Budget Committee (JBC). Despite stronger-than-expected General Fund revenues, both forecasts show a significant structural budget challenge heading into the 2027 legislative session.

LCS and OSPB estimate lawmakers will need to close a roughly \$1.5 billion gap to balance the FY2027-28 budget and restore the General Fund reserve to its statutory 15 percent level. The deterioration since June is driven primarily by rising Medicaid expenditures.

For the River District, the concern remains that growing mandatory expenditures will continue to crowd out discretionary programs. After program reductions and fund transfers were used to address a similar budget challenge last year, staff expects continued scrutiny of cash funds and other funding sources supporting water, natural resources, and agriculture.



Governor Polis will submit his final budget proposal by November 1; however, with a new Governor taking office in January, that proposal will largely serve as an initial framework for the JBC, with the incoming administration expected to reshape budget priorities before the General Assembly adopts the FY2027-28 budget.

CWCB Moves Forward with State-Run Colorado River Contribution Program: As previously reported, CWCB is developing a state-administered “Near-Term Contribution Program” to compensate Colorado water users for voluntary reductions in consumptive use in 2027, using a portion of approximately \$100 million in federal funding made available to the Upper Basin.

Significant questions remain regarding project selection, compensation, credit and control of conserved water, and if/how enrollments will be distributed across Colorado. River District staff continue to emphasize that conservation should be voluntary, temporary and compensated; protect existing water rights and agricultural communities; and designed for participation by Colorado River water users statewide.

Bipartisan Legislative Coalition Weighs in on Contribution Program: In advance of the CWCB's September meeting, a geographically diverse and bipartisan group of 15 members of the Colorado General Assembly submitted a joint letter to the CWCB outlining principles they believe should guide development of the Contribution Program. Signatories included House Speaker Julie McCluskie, Senate Minority Leader Cleave Simpson, Senators Dylan Roberts and Marc Catlin, and other legislators representing communities across Western Colorado and the Front Range.

The letter recognizes that voluntary conservation and programs that compensate water users for temporary reductions in consumptive use may become increasingly important components of Colorado's water-management toolbox. At the same time, legislators emphasized that questions regarding program structure, participation and community protections are fundamental matters of state water policy and that the General Assembly should have an important role in developing the longer-term policy framework. Specifically, the legislators asked CWCB to:

- Protect against water speculation and ensure agricultural participation remains voluntary, temporary and compensated;
- Clearly identify the legal authorities CWCB and DWR intend to use to administer the program and protect conserved water;
- Ensure conservation is a statewide responsibility, with participation from Colorado River water users on both sides of the Continental Divide;
- Provide a meaningful role for local water organizations in program implementation; and
- Consider an initial one-year program, followed by continued stakeholder and legislative engagement to develop an appropriate framework for any longer-term program.

Water Resources and Agriculture Review Committee (WRARC) Update: As previously reported, significant state budget constraints resulted in the suspension of most legislative interim committee activity for FY2026-27. The WRARC held a single hearing on June 25 before the end



of the previous fiscal year, making that meeting the Committee's only hearing of the 2026 interim session.

The June hearing included discussions regarding Colorado River management and drought response, the Future of Severance Tax Task Force, Interruptible Water Supply Agreements, agricultural water conservation, and the water demands associated with large-load data center development. River District General Manager Andy Mueller also testified regarding the exceptional 2026 drought and the River District's response efforts.

For the first time since 2001 – when the original Interim Water Resources Review Committee was created – the WRARC will not develop or advance interim legislation for consideration by the General Assembly. Nevertheless, several of the issues discussed at the June hearing are continuing through other stakeholder and legislative processes and could result in legislation during the 2027 session. Of particular interest to the River District will be potential legislation related to the Contribution Program, statewide revegetation standards, and the long-term funding of Colorado's water programs.

2026 Statewide Ballot Measures: Colorado voters will consider 14 statewide ballot measures at the November 3 General Election. The measures address a broad range of issues, including state fiscal policy, education funding, elections, hunting and fishing, health and social policy, and conservation. Most do not directly implicate Western Slope water resources or the River District's mission. Proposition 137, however, has potential implications for watershed health, wildfire mitigation, and natural resource and conservation funding.

Proposition 137 – Direct Sporting Goods Sales Tax Revenue for Conservation: As discussed at the September budget meeting, Proposition 137 would dedicate revenue from existing state sales taxes on certain sporting goods and equipment to conservation, wildfire mitigation, watershed protection, outdoor recreation, and related programs.

Staff previously recommended that the District support the measure based on its potential benefits for forest and watershed health, and wildfire resilience. Following the Board's September discussion and request to revisit the issue, staff has reconsidered whether a formal District position is necessary. While the measure remains generally consistent with several District policies and priorities, ***staff makes no recommendation with respect to the Board's position on the measure.***



COLORADO RIVER DISTRICT

PROTECTING WESTERN COLORADO WATER SINCE 1937

MEMORANDUM

TO: BOARD OF DIRECTORS, CRWCD
ANDY MUELLER, GENERAL MANAGER
PETER FLEMING, GENERAL COUNSEL

FROM: ZANE KESSLER, DIRECTOR OF GOVERNMENT RELATIONS

SUBJECT: FEDERAL AFFAIRS UPDATE

DATE: OCTOBER 2, 2026

ACTIONS: *No specific action requested with this memo.*

STRATEGIC FOCUS AREA(S):

Community Protection: *The Colorado River District collaboratively protects and enhances the water security of West Slope communities.*

Trusted Resource: *The River District's data and analyses are sought after and utilized by constituents and policy makers across the Colorado River system as a comprehensive and trusted resource to guide decision making related to West Slope water issues.*

Staff continue to engage regularly with Colorado's Congressional delegation, the Bureau of Reclamation, Department of the Interior (DOI), and other federal agencies and water organizations. Federal activity during the past quarter has centered heavily FY2027 funding, permitting reform, western drought and water infrastructure legislation, and several regulatory actions with potential implications for West Slope water users.

Capitol Hill Updates

FY2027 Appropriations – Congress Avoids Another Shutdown: Congress avoided a repeat of last year's government shutdown by approving a continuing resolution well ahead of the September 30 fiscal-year deadline. President Trump signed the measure September 2, funding federal agencies generally at FY2026 levels through December 11, 2026.

The temporary measure gives Congress additional time to negotiate the twelve annual FY2027 appropriations bills but sets up another funding deadline during the post-election lame-duck session. Of particular interest, the continuing resolution also temporarily blocks implementation



of the Administration's proposed changes to federal grant regulations under OMB's Uniform Guidance through December 11.

As previously reported, the Administration's FY2027 budget proposed significant reductions to a number of federal water infrastructure, conservation and watershed programs. Congress has generally shown less appetite for many of those reductions, and River District staff will continue working with the Colorado delegation and national water organizations as final appropriations negotiations proceed. The outcome remains important for Reclamation, WaterSMART, USDA conservation programs and other federal funding sources used by West Slope water users.

Bipartisan Permitting Reform Legislation Introduced: On September 30, Senate Environment and Public Works Committee Chair Shelley Moore Capito (R-WV), Energy and Natural Resources Committee Chair Mike Lee (R-UT), and Ranking Members Sheldon Whitehouse (D-RI) and Martin Heinrich (D-NM) introduced the Bipartisan American Affordability and Jobs Act of 2026, a broad permitting reform package addressing NEPA, the Clean Water Act, Endangered Species Act consultation, hydropower and historic preservation.

Several provisions could directly affect western water infrastructure. Among other changes, the bill would generally establish one-year timelines for Environmental Assessments and two-year timelines for Environmental Impact Statements; expand use of categorical exclusions; establish a 150-day statute of limitations for many NEPA challenges; modify Clean Water Act Sections 401 and 404 permitting; and shorten certain ESA consultation timelines.

The bipartisan agreement is notable after several years of unsuccessful congressional negotiations over permitting reform. Given the breadth of the 400-plus-page proposal and its potential implications for water infrastructure, Reclamation projects and hydropower, staff will continue reviewing the legislation and coordinating with national water organizations as it moves through Congress.

Water Resources Development Act Advances: The House passed its version of the Water Resources Development Act of 2026 (WRDA) in September. WRDA is traditionally enacted on a bipartisan, biennial basis and authorizes U.S. Army Corps of Engineers projects, studies and water-resource policies.

Of particular interest in Colorado, the House legislation incorporates provisions previously advanced in legislation by Reps. Jeff Hurd and Lauren Boebert addressing repayment requirements for the Arkansas Valley Conduit. The standalone legislation had previously passed Congress but was vetoed by President Trump; Congress subsequently failed to override the veto. Including the provision within the broader WRDA package gives Congress another opportunity to address the issue as House and Senate negotiators work toward a final bill.

Staff is also monitoring a House WRDA provision that would prohibit diversions or exports of Missouri River water for use outside Missouri River Basin states without approval from the governors of every Basin state. The National Water Resources Association (NWRA) has opposed the provision, arguing that it would layer a new federal approval mechanism over existing state



water law, interstate compacts, court decrees and other authorities and could establish a precedent affecting interstate water management elsewhere in the West. NWRA has urged House and Senate negotiators to remove the provision from the final legislation.

West-Wide Drought Funding Proposals: Discussions continue around a significant new federal investment in Western drought response and water-supply resilience. One draft proposal would provide \$14.5 billion over six years through the Bureau of Reclamation, beginning with \$4.5 billion in FY2027 – \$3 billion for states relying on the Colorado River and \$1.5 billion for other Reclamation states – followed by \$2 billion annually through FY2032. Eligible activities under the proposal would include infrastructure, conservation and efficiency, groundwater recharge, hydropower reliability, salinity control, ecosystem restoration, and voluntary, temporary, compensated reductions in water use. The draft specifically seeks to minimize impacts to agricultural production and rural communities and avoid permanent fallowing or impairment of water rights.

A separate proposal circulated by Rep. Greg Stanton (D-AZ) would provide \$4.5 billion West-wide, including \$2 billion for Colorado River states, for drought mitigation, infrastructure, conservation and other projects.

Meanwhile, a bipartisan group of Western House members has urged congressional leadership to include Colorado River drought funding in a supplemental appropriations package, noting that less than \$100 million remains from the \$4 billion Congress provided in 2022.

To be clear, these proposals remain discussion drafts rather than an agreed-upon legislative package, and both funding levels and the legislative path remain uncertain. Staff will continue monitoring negotiations and opportunities to ensure any eventual package recognizes Upper Basin needs and protects Western Colorado water users.

Looking Ahead: Congress returns to Washington after the November elections with a significant lame-duck agenda. FY2027 appropriations must again be addressed before the December 11 expiration of the current continuing resolution, while lawmakers will also be considering WRDA, permitting reform and other unfinished legislation.

Executive Branch and Regulatory Updates

EPA and Army Corps Revisit WOTUS Proposal: On September 4, EPA and the U.S. Army Corps of Engineers announced a supplemental proposed rule addressing the definition of “waters of the United States” (WOTUS) under the Clean Water Act. The proposal supplements the agencies’ November 2025 rulemaking and responds in part to approximately 220,000 comments received on that proposal. The agencies are seeking additional comment before developing a final rule implementing the Supreme Court’s 2023 *Sackett v. EPA* decision.

Most notably, the supplemental proposal moves away from the earlier “wet season” approach and considers a significantly narrower definition of “relatively permanent” waters focused primarily on perennial waters. The agencies are also considering a definition of “continuous surface



connection” that would generally require perennial surface water connecting a wetland to a jurisdictional water, with limited exceptions for temporary interruptions.

These definitions could be particularly consequential in the arid West, where intermittent and ephemeral streams make up a significant portion of the landscape. The supplemental comment period closes October 9. Staff are coordinating with state and national water organizations to evaluate potential implications for western water infrastructure, irrigation systems and Colorado’s state-level dredge-and-fill program.

OMB Federal Grant Rule Delayed: As discussed in the June Federal Affairs memo, OMB proposed significant revisions to the federal Uniform Guidance governing grants and cooperative agreements, including expanded federal authority over discretionary grants and additional political review of funding decisions. The Administration had initially targeted October 1 for implementation.

Congress has now temporarily prevented the rule from taking effect. The FY2027 continuing resolution expressly prohibits OMB from issuing or finalizing the proposed rule—or a substantially similar rule – through December 11, 2026. This is particularly relevant to the River District and other local governments that rely on federal grants and cooperative agreements for water infrastructure, watershed restoration and other projects.

Reclamation Leadership: Aubrey Bettencourt continues to lead the Bureau of Reclamation as Acting Commissioner while her nomination to serve as Commissioner remains pending. Bettencourt joined Reclamation this summer as Principal Deputy Commissioner after previously serving as Chief of USDA’s Natural Resources Conservation Service and, during the first Trump Administration, as Deputy Assistant Secretary for Water and Science at DOI.

Her arrival provides Reclamation with experienced western water and agricultural leadership at an especially consequential time for the agency. Reclamation is simultaneously implementing the new Colorado River operating framework, managing historically low reservoir conditions, overseeing major western water infrastructure programs and participating in continued Basin negotiations.

AGENDA ITEM 7

Basin Water Supply Update

MEMORANDUM

TO: UGRWCD Board Members

FROM: Beverly Richards, Water Supply Planning Manager

DATE: October 26, 2026

SUBJECT: October Basin Water Supply Information



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

Drought Conditions

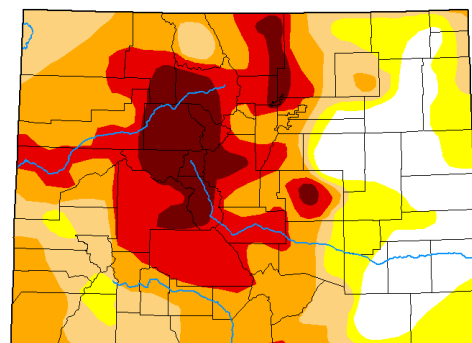
Drought categories are determined based upon precipitation, snowpack, humidity, evapotranspiration, vegetation health, streamflow, lake and reservoir levels, soil moisture, and groundwater data. The current conditions are presented on the map provided. According to the *Drought Monitor* dated October 13, 2026, drought conditions have seen some improvement since the September report in all three counties of the basin.

In September, 98% of Gunnison County was experiencing extreme (D3) to exceptional (D4) drought conditions. As of October 13, 2026, this percentage has decreased to 97% and for the first time since May 2026, 0.34% of the county area has now moved into the moderate (D1) drought category. Also of note is that the exceptional (D4) category decreased from 43% to 22% of the county area.

In September, 100% of Saguache County was experiencing extreme (D3) and exceptional (D4) drought conditions with 67% of the county in the exceptional (D4) category. As of October 13, the 98% of the county is now in the extreme (D3) category with only 2% moving into the severe (D2) drought category.

**U.S. Drought Monitor
Colorado**

October 13, 2026
(Released Thursday, Oct. 15, 2026)
Valid 8 a.m. EDT



Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

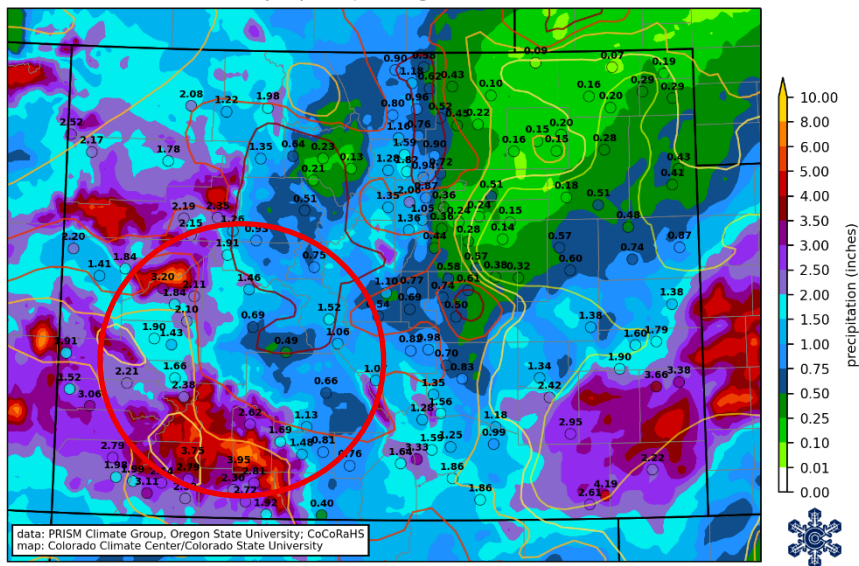
Author:
Lindsay Johnson
National Drought Mitigation Center



Drought conditions continue to improve in Hinsdale County as a result of significant precipitation they have received. As of October 13, 100% of the county area is currently in the moderate (D1) to extreme (D3) categories. The extreme category declined from 53% to 8% and the severe category increased from 19% to 58% of the county area. For the first time since May 2026, a portion of the county (34%) is now experiencing moderate (D1) drought conditions.

Precipitation

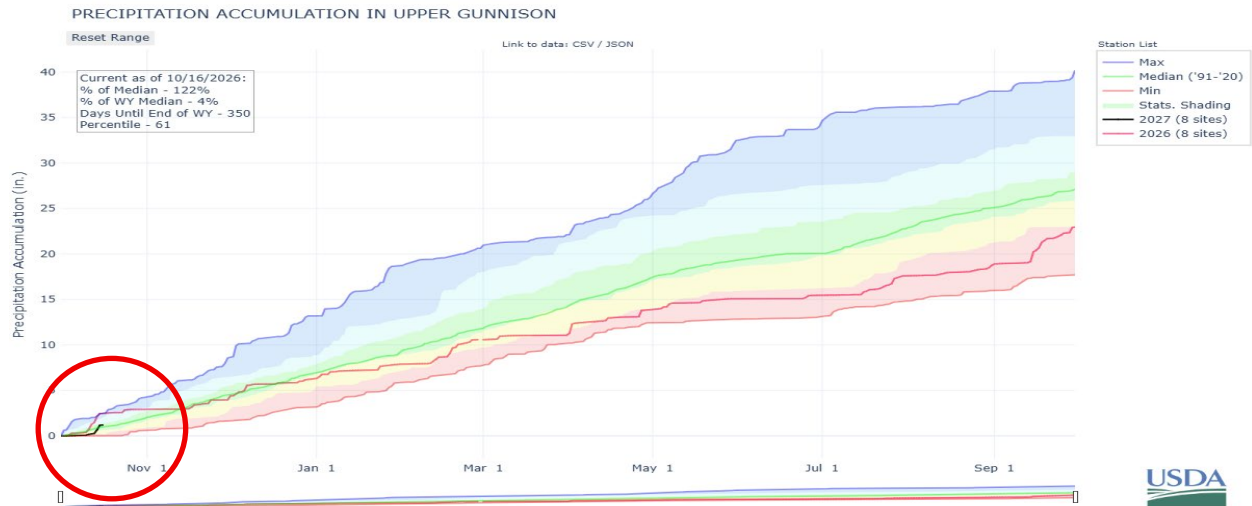
PRISM and CoCoRaHS month-to-date precipitation, US Drought Monitor through 6:00am MDT Thu 15 October 2026



The map to the left represents precipitation amounts in inches for October month to date. (*Climate Center. October 15, 2026*).

This map shows that all three counties in the basin have received precipitation since the beginning of October. These amounts range from 0.25 inches to areas in Hinsdale County where they received up to 4.0 inches as shown by the purple and red colors.

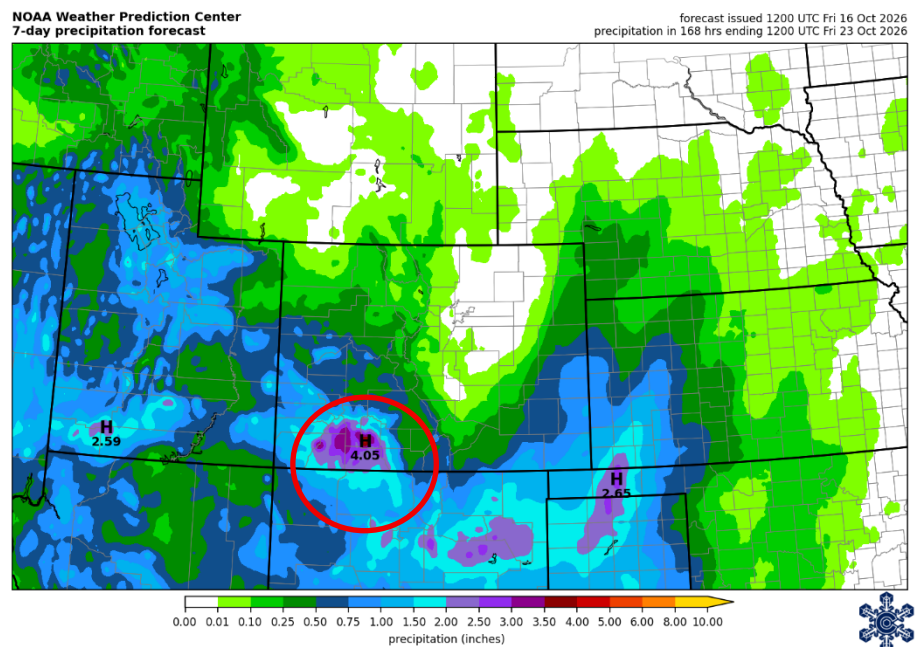
The precipitation trend graph provided below for the entire Upper Gunnison Basin is compiled from data from eight SNOTEL sites located in the basin (*NRCS, October 16, 2026*). This graph shows that precipitation in the Upper Gunnison Basin (0.3") is above the median amount (0.1") and is 122% of that median for this date. The last time that the Basin was 120% of the median amount for precipitation was on October 12, 2025.



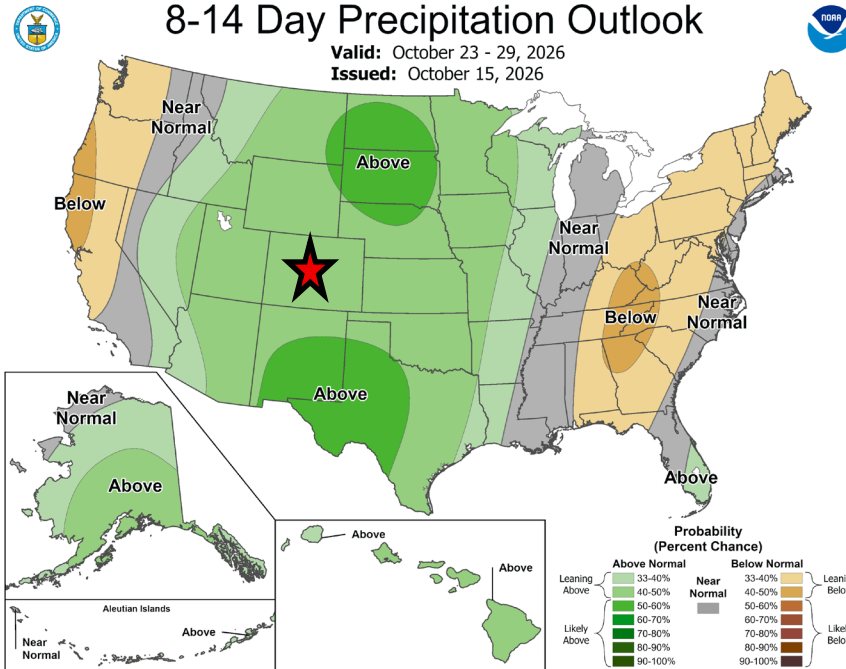
As shown in the map provided above, most of the precipitation that made up this higher amount occurred in the southern part of the basin as the Slumgullion SNOTEL site registered 200% of the median amount for October 16.

Precipitation Outlook

The image to the right represents the seven-day forecast from October 16 through October 23. The 7-day total precipitation graphic shows a cumulative precipitation amount for this timeframe ranging from 0.25 inches to 4.0 inches of in areas to the south.



The map below shows the 8 to14 day (October 16 – October 29) precipitation outlook (NOAA, October 15, 2026). This shows that there is a 40 to 50% chance of the continuation of above normal precipitation for the entire state.

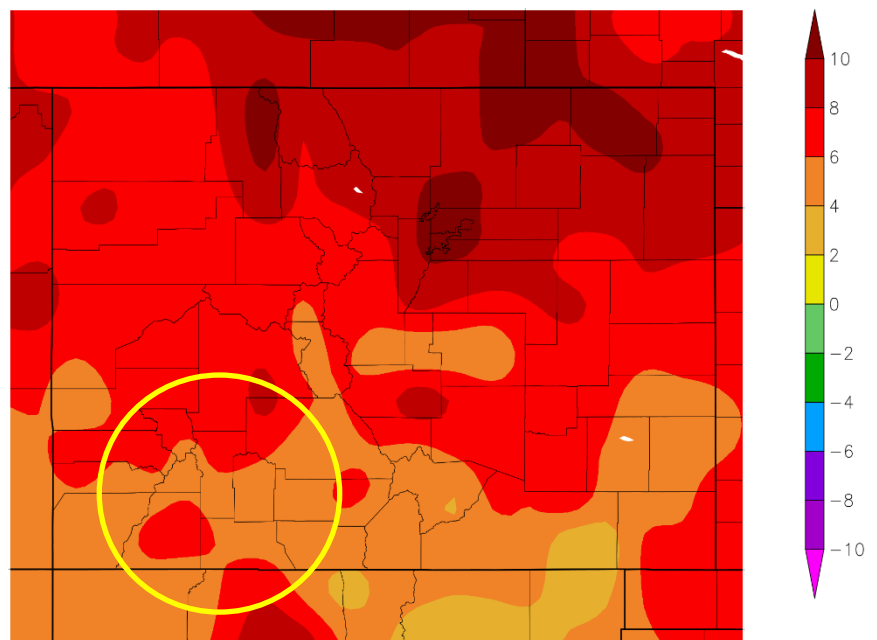


Temperature

This map shows the departure from normal temperature month to date for October (October 1-October 15).

Temperatures over that timeframe have been two to ten degrees above the normal maximum temperatures for this time of year (*Colorado Climate Center, October 16, 2026*).

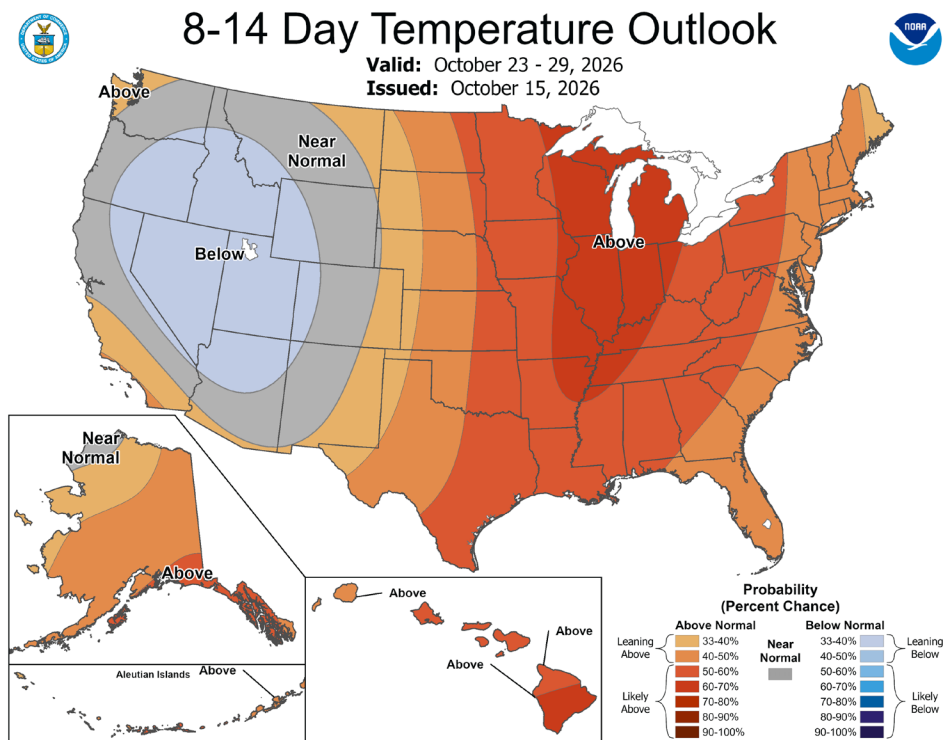
Departure from Normal Temperature (F) 10/1/2026 – 10/15/2026



Generated 10/16/2026 using provisional data.

ACIS Web Services

The map below shows the 8 to14 day forecasted temperature outlook (October 16 – October 29) which shows a 100% chance of near normal temperatures in that timeframe for the entire western slope as indicated by the grey color on the map. (*NOAA, October 15, 2026*)



Streamflow

The table provided below shows streamflow in the Upper Gunnison Basin. The information provided represents current stream flow for October 16, the historical average for October 16, and the current percentage of the historical average (*CDSS, October 16, 2026*). A number of the gage sites had streamflow above the historical average due to a precipitation event that occurred on October 13 which significantly increased streamflow at some of the sites.

Station Name	October 16 (cfs)	Historical Average October 16 (cfs)	Percent of Historical Average (%)
Gunnison River near Gunnison	219	389	56
Tomichi Creek at Sargent's	23	31	74
Tomichi Creek at Gunnison*	105	93	112
Taylor River at Taylor Park	46	56	82
Taylor River blw Taylor Park Reservoir	53	171	31
Taylor River at Almont	108	233	46
Slate River abv Baxter Gulch*	45	33	136
East River blw Cement Creek	100	112	89
East River at Almont	68	117	58
Ohio Creek near Baldwin*	25	24	104
Lake Fork blw Lake San Cristobal*	117	45	260
Henson Creek at Lake City*	70	44	159
Lake Fork at Gateview*	205	101	203

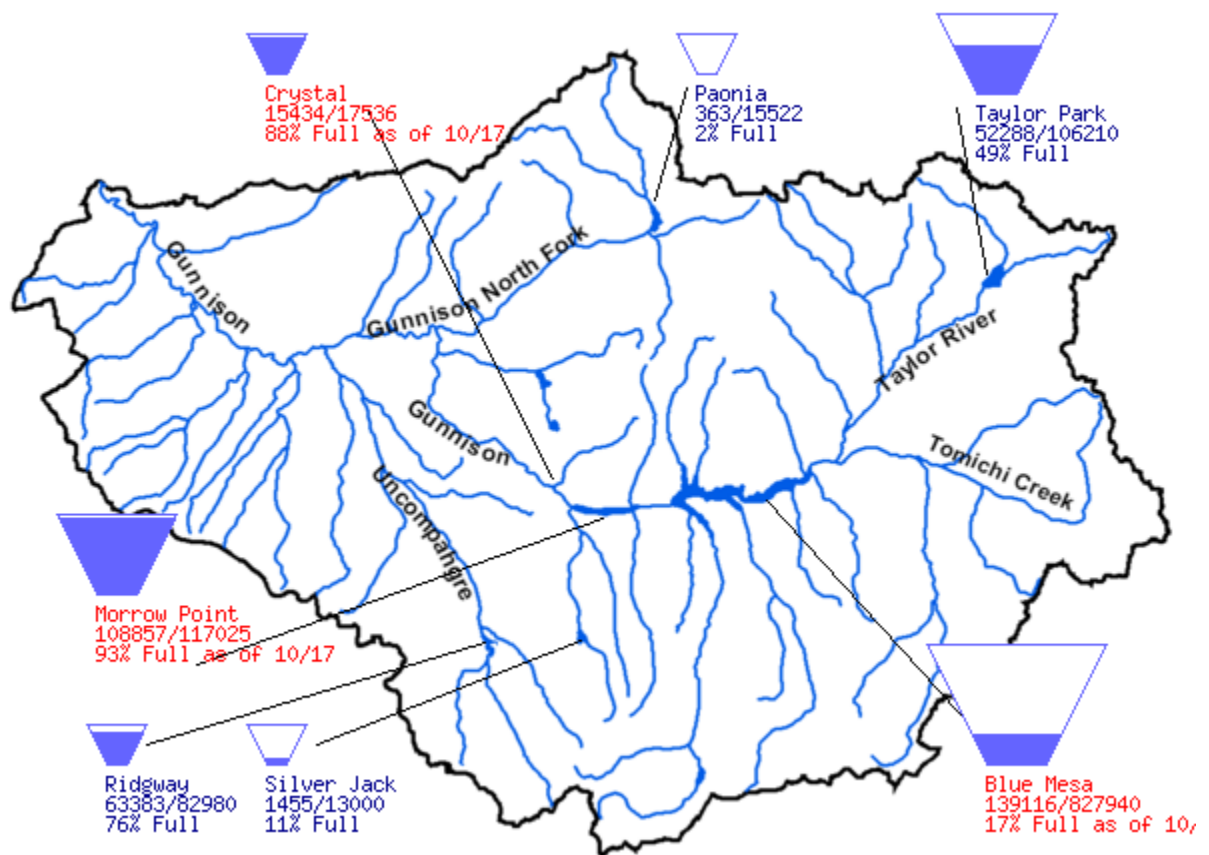
*Gage sites that were above the historical average

Reservoir Storage and Operations

Reservoir storage in the entire Gunnison Basin is 48% full, which is a decline of 1% from the September report. Reservoirs in the Upper Gunnison Basin include Taylor Park and Blue Mesa with storage at 49% and 17% full, respectively. Total reservoir storage in the Upper Gunnison Basin is 33% full, which is an increase of 1% from the September report. The content in Taylor Park Reservoir is currently 52,288 acre-feet and the content of Blue Mesa Reservoir is currently 139,116 acre-feet. (*USBR, October 18, 2026 Basin Teacup Diagram*).

Data Current as of:
10/18/2026

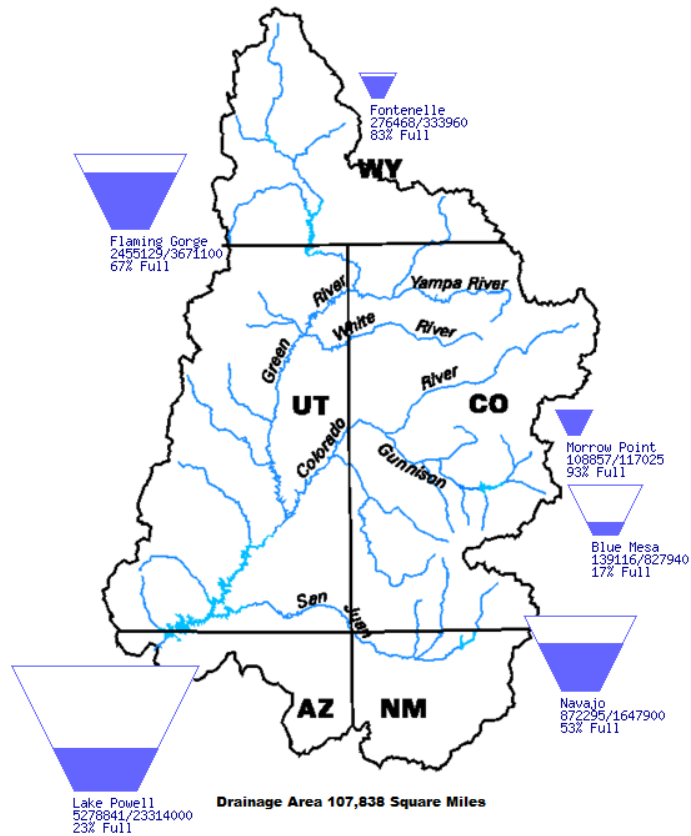
Gunnison River Basin, CO



Reservoir storage in the Upper Colorado River Basin is 56% full, which is the same as the September report. This is reflected in the tea-cup diagram provided below dated October 17, 2026.

Data Current as of:
10/17/2026

Upper Colorado River Drainage Basin



Aspinall Unit Operations

The following Aspinall Operations information is provided by the US Bureau of Reclamation – Aspinall Operations (<https://www.usbr.gov/uc/water/crsp/cs/asp.html>, October 1, 2026) and USBR Hydrodata Dashboard (<https://www.usbr.gov/uc/water/hydrodata>).

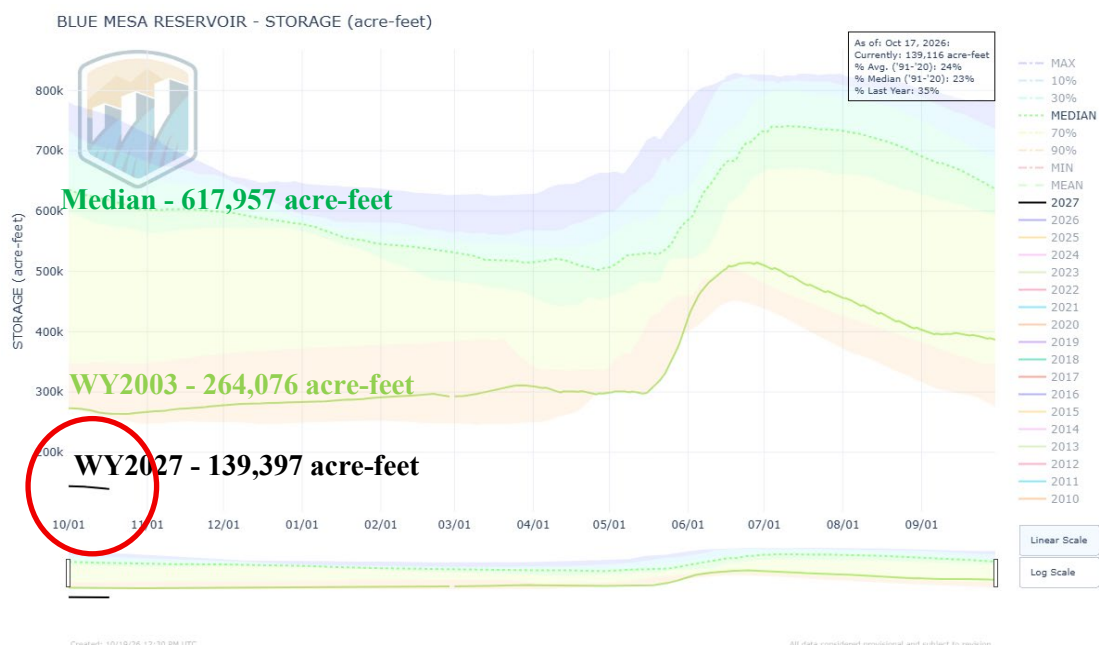
The September unregulated inflow into Blue Mesa was 22,000 acre-feet or 63% of average. The unregulated forecasted inflow volumes for the months of October, November, and December are 29,000 acre-feet (80% of average), 20,000 acre-feet (67% of average), and 16,000 acre-feet (64% of average), respectively.

The forecasted WY2027 unregulated inflow volume to Blue Mesa is projected to be 800,000 acre-feet which is 89% of average. The water supply period (April-July) for 2027 is currently forecasted to have an unregulated inflow volume of to be 600,000 acre-feet which is 92% of average.

Blue Mesa elevation has decreased since late March in WY2026. On January 19, 2026, the elevation of Blue Mesa reached its peak for the year at 7468.60 feet and Blue Mesa storage reached 51% of full. Blue Mesa ended WY2026 (September 30, 2026) at an elevation of 7413.20 feet with about 143,500 acre-feet of storage which was 17% of capacity.

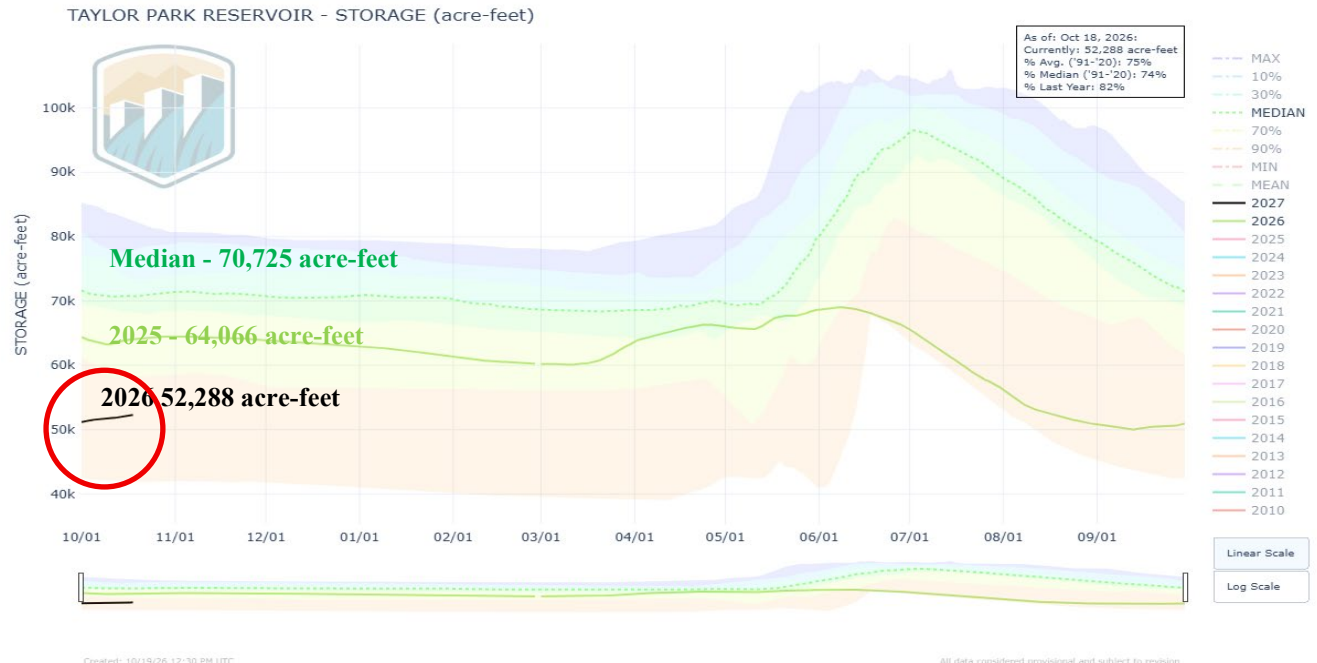
As of October 15, 2026, the Uncompahgre Valley Water Users Association decreased tunnel diversion by 50 cfs to 535 cfs. As a result, flows through the Black Canyon have increased to 256 cfs. On October 16, 2026, releases from Crystal Reservoir decreased to 720 cfs from 770 cfs. As a result of this decrease, flows through the Black Canyon decreased to 205 cfs (*Andrew Limbach, BOR*).

The graph provided below shows storage amounts in Blue Mesa Reservoir. Included in the graph is a comparison with WY2003 (light green line). As of October 17, 2026, the storage amount was 139,397 acre-feet. On the same day in WY2003, the storage amount was 264,076 acre-feet. The median amount (dark green line) for that same date is 617,957 acre feet. The amount shown for WY2027 is 53% of the amount in WY2003 and 22% of the median amount for the period of record (1991-2020).



Taylor Reservoir Operations

As of October 18, 2026, the storage content in Taylor Park Reservoir was 52,288 acre-feet which is an increase of 2,070 acre-feet from the September report. The graph below shows that there has been a steady increase in storage since October 1 in the reservoir. Also, as shown, the current storage amount is 81% of the amount of 64,066 acre-feet on October 18, 2025 and 73% of the median amount of 70,725 acre-feet for the period of record (1991-2020).



Lake Powell Operations

The following information is provided by the *Lake Powell Water Database* webpage (lakepowell.water-data.com) and is dated October 17, 2026.

Lake Powell elevation is currently at 3,520.31 feet with a content of 5.278 million acre-feet (maf) or 22.64% full (24,322,000 acre-feet). This elevation is 189.69 feet from full pool and is down 25.28 feet from last year on this date. As of October 17, 2026, total inflows for WY27 are 122.2% of average. The current elevation of 3,520.31 is 4.69 feet below the critical elevation of 3,525 feet and 30.31 feet above the minimum power pool elevation of 3,490 feet.

AGENDA ITEM 8

Staff and Committee Updates

MINUTES

TO: Board of Directors

FROM: Grant Program Committee

DATE: October 5, 2026

SUBJECT: Grant Program Committee Meeting

A meeting of the committee was held on November 5, 2026 at 10:00 am.

Attendees: Chair Joellen Fonken, Stuart Asay, Rebie Hazard and UGRWCD Staff: Sonja Chavez, Angela Miller and Beverly Richards were in attendance.

Agenda Topics: 2027 Grant policy changes and budget amount; 2027 Organizational Funding Program; review of Mini-Grant Program Criteria; outside funding agreements and associated projects.

As a result of these discussions the following action and discussion items were identified.

Action and Discussion Items:

- **Action:** The Committee will recommend approval of changes to Grant Program Policy as follows:
 - Paragraph 10. The application deadline will be changed to February 15th.
 - Paragraph 13. Funding agreements must be entered into no later than June 1 of the year awarded.
- **Action:** The Committee will recommend that the 2027 budget amount for the Grant Program will be \$275,000.
- **Action:** The Committee will recommend that the 2027 budget amount for the Organizational Grant Program will be \$25,000. These grants are for entities filling a critical gap within the District and must be consistent with the mission of the District.
- The committee discussed entities who provide an on-going *service* to the District and the complications this creates under our Grant Program Criteria.
- The Committee reviewed and discussed the draft Mini-Grant Program criteria. Staff will work on incorporating minor revisions and then proceed with getting input from the Education and Outreach Committee.
- Staff discussed the 2026 grant awarded for the South Krueger and Moran Diversion improvement and fish passage project. Due to increases in costs associated with the project, particularly the fish passage, it was decided to push all of the funding awarded to the South Krueger portion of the project and have the applicant return to the 2027 Grant Program for the Moran Ditch portion. Grant Committee supported the approach.

Adjournment: The meeting was adjourned at 11:38 am by Chair Joellen Fonken.

**POLICY GOVERNING
THE UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
GRANT PROGRAM**

Revised October 5, 2026

1. The Board of Directors will annually determine the funding to be made available for financial assistance under the Grant Program in the following year and appropriate that amount in the District budget.
2. The District will award grants only for projects that are consistent with the purposes of the District's Grant Program: the enhancement of beneficial uses of water for agricultural, recreational, environmental, ecological, domestic, municipal, industrial, and other purposes; studies or research that furthers the District's understanding of basin water resources; and education and outreach.
3. The District will award grants only for projects located within the boundaries of the District.
4. Projects must comply with the *Guidelines for Applicants* promulgated by the Board of Directors.
5. The District will prioritize those projects that utilize pre-Colorado River Compact water rights (those rights perfected before November 24, 1922).
6. The District will prioritize funding for projects that can be completed in the year the grant is awarded.
7. The District does not fund projects or portions of projects that are considered regular and ongoing operations and maintenance activities including but not limited to ditch cleaning or vegetation removal.
8. Financial assistance under the Grant Program is limited to 50% of the project cost, not to exceed \$50,000.00.
9. A single grant recipient may not receive financial assistance under the Grant Program that exceeds \$150,000.00 during any consecutive five-year period.
10. Applications for financial assistance under the Grant Program, in a form approved by the General Manager, must be received in the District office by the 15th of February, unless noted otherwise in Grant Program documentation, in the year the grant is to be awarded.
11. Applications will be reviewed and evaluated by the Board's Grant Committee during March. The Grant Committee will present its recommendations to the Board of Directors at the Board's March meeting. Awards of financial assistance will be made, in the Board's

sole discretion, at that meeting, subject to any conditions that the Board may deem appropriate.

12. Awards of financial assistance may be made, in the Board's sole discretion, for projects completed within one year before the current grant application deadline.
13. As a condition of approval, the Grantee must sign a Funding Agreement provided by the District's General Counsel no later than June 1 of the year awarded. If the Grantee does not own the property where the project is located, the property owner must acknowledge the Funding Agreement in writing. If a Funding Agreement has not been signed within that timeframe the Grant shall be deemed rescinded.
14. Grant funds are payable upon *completion* of the project. Limited exceptions for alternative payment arrangements (i.e., progress payments or advance partial payment for materials purchase, etc.) will be considered by the District on a case by case basis. All alternative payment requests will have to meet the 50% cost share requirement.
15. The Funding Agreement must be signed by the Grantee and the District's General Manager before work begins on the Project, unless the Grant is awarded for a completed project.
16. Unless the terms of the grant, as provided in the Funding Agreement, provide otherwise, disbursement of grant funds must be made within one year from the date of the Funding Agreement, unless the General Manager grants an extension. An extension must be for a specific term, but no more than one year. Only one extension may be granted without Board approval. The Grantee must make a written application for an extension before the end of the year the grant is awarded, or the end of the extended term, as applicable. Quarterly progress reports will be necessary for the extended term to ensure project completion by the end of the extended term. If disbursement of grant funds does not occur within one year from the date of the Funding Agreement, or within the extended term, as applicable, the Grant shall be deemed rescinded.
17. If the Board of Directors determines, in its sole discretion, that an event has occurred that constitutes an emergency such that time is of the essence in completing a project that otherwise qualifies for financial assistance, and the Board is willing to appropriate additional funds for a grant, the Board may consider an application for assistance for such a project at any time.
18. For completed projects, sufficient evidence must be provided, including an inspection by an engineer when specifically required by the District, to support the requirement that the project was completed within one year of the current grant application closing date (February 16, 2026) and that the project was completed or constructed using best practices and as designed, budgeted and described in the engineered plans. If reimbursement requests and final deliverables are not received within six months from the notification of the award, the Grant shall be rescinded.

AGENDA ITEM 9

Miscellaneous Matters

AGENDA ITEM 10

Citizens' Comments

AGENDA ITEM 11

Future Meetings

FUTURE MEETINGS/EVENTS

- **UGRWCD Board of Directors Meeting - October 26, 2026 - 5:30 p.m.**
- **Adaptive Implementation Workshop & Staff Culture Workshop - Strategic Planning - November 4, 2026 - 9:00 a.m.**
- **Mayors and Managers Meeting - November 5, 2026 - 12:00 p.m.**
- **Veterans Day Holiday - Office Closed - November 11, 2026**
- **UGRWCD Board of Directors Meeting - Regular and Public Meeting - November 30, 2026 - 5:30 p.m.**
- **Thanksgiving Holiday - Office Closed - November 26-27, 2026**
- **Mayors and Managers Meeting - December 3, 2026 - 12:00 p.m.**
- **UGRWCD Board of Directors Budget Meeting - December 10, 2026 - 5:30 p.m.**
- **Christmas Holiday - Office Closed - December 24-25, 2026**

AGENDA ITEM 12

Summary of Meeting Action Items

AGENDA ITEM 13

Adjournment