

These written minutes represent the general discussion of the DWCD Board of Directors, DWCD staff, and participants at the DWCD board meeting, and they include a record of any and all board actions taken at the meeting. The written minutes are not intended to provide a word-for-word account of the board meetings. Nor are they a direct quote of any statements offered at board meetings. All DWCD board meetings are recorded on audiotape.

DOLORES WATER CONSERVANCY DISTRICT WATER ACTIVITY ENTERPRISE

MINUTES Regular Meeting February 10, 2022

CALL TO ORDER Godwin Oliver, President, called the meeting to order at 7:02 pm

ROLL CALL Godwin Oliver, President
Simon Martinez, Vice-President
Don Schwindt, Secretary-Treasurer-Via Teleconference
Bruce Smart, Director
Wes Wilson, Director
Glen Fish, Director
Sheldonna Ives, Director
Ken Curtis, General Manager
Ben Harclerode, Chief of Engineering & Construction
Rob Walker, Maintenance Supervisor-Via Teleconference
Eric Sprague, DWCD Engineering Tech-Via Teleconference
Gina Espeland, Admin Assistant, Accounting
Adam Reeves, Attorney
Robert Stump, Bureau of Reclamation-Via Teleconference

INTRODUCTION OF GUESTS

Via Telephone/Teleconference

Brandon Johnson, General Manager; MVIC, Rich Landreth, City of Cortez; Xela Lanier, Landon Wilson, Full Service

MINUTES

APPROVAL OF THE MINUTES

MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE JANUARY 13, 2022 ENTERPRISE MEETING.

**MOTION: GLEN FISH
SECOND: WES WILSON
MOTION CARRIED UNANIMOUSLY, SHELDONNA ABSTAINED.**

FINANCIAL STATEMENTS

MOTION: TO APPROVE THE DECEMBER '21 FINANCIAL STATEMENT AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.

**O&M: AP/CHECK #40129-40184 & PR/CHECK #125048-125091
\$152,807.61**

**MOTION: WES WILSON
SECOND: SIMON MARTINEZ
MOTION CARRIED UNANIMOUSLY.**

O&M REPORT – Rob reported the following:

Canal Maintenance

We've been working on the THC Reach 3 plugged cross drains and have finished two of them and have found three more plugged. The last one was a 54" dia. x 106' long and it had 7-ft of sediment on the upstream side. I've attached pictures showing the method we're using to clean it out. We've fabricated a 36" diameter auger attached to 2-7/8" drill pipe that is powered by a skid steer to remove the sediment. We have been reusing the sediment for rebuilding the canal roads on the dirt side. In the past, the sediment was removed by hand or with water-jetting. We have 145 similar culverts in the Full Service area and another 194 along the THC. The culverts are different diameters and lengths and we do check them all every two years. We also check them after a major rain event.

Pumping Plants

WAPA has scheduled the partial underground power line replacement along the South Canal for March 14th and completion on March 19th. We've been trying to get them out sooner, because weather is good, but we're being told that their crews are scattered and they will have us energized, tested and running by March 19th. WAPA's plan is to install three new 1,800' power cables between two cabinets just downstream of Pleasant View Pumping Plant. They will dig the trench in our access road and leave the old cables in place. We've also requested a site meeting with WAPA well before the start date so we can finalize their scope of work and schedule. The plan is to meet out there on March 7th. WAPA is planning on leaving a spare spool of wire at Great Cut or Ruin Canyon PP. Brian has been replacing vent and heater motors and installing LED lighting in the plants.

Power Plants

Gary has been entering all of the codes in to the new FIXX maintenance program. This program replaces our old MP2 program that keeps track of all the past, current and future maintenance for the entire Project.

Control Room

The Control Room Operators are preparing for the season by operating the system to identify any PLC or fiber issues on the THC. They're also helping with any canal maintenance when needed. When the ice melts off of the gates and we're able to move the water down to UF&R, we will start on the worklist items inside the canal.

Weed Control

Frank was able to safely drive the weed control truck to Auburn, WA. to have all the spray equipment refurbished or replaced. Norstar said that we'll have it back before the start of the season. Frank also purchased the Glyphosate Herbicide, treating weeds before the season and it is getting hard to come by as it is becoming very hard to find.

Personnel Committee

We had our Personnel Committee meeting on February 8th. Talked about water supply and the plans for the season. We talking about tightening where we can and crews working on T/H, Dam and Dike. A lot of topics for the points for the Board at the Brainstorm Meeting. Next meeting will be in March. Rob asked if March 8th at 8:00 Great Cut will work. The Board confirmed March 8th at 8:00 Great Cut.

WATER MANAGEMENT REPORT

Water Accounting – Reservoir elevation is 6861.79. Active Capacity is up to 15,208AF from 13,549 on January 10th. There is 1,000 AF left for lower Dolores fish pool, through March. MVIC Narraguinnep in McPhee: Month of January 2,212 AF, year to Date – 8070 AF. Project Water – 7,000 AF plus or minus and has not changed since November 1st. Precipitation for January was very dry with 0.01 inches of precip. February is also dry thus far at 0.02 inches. Note: January 2022, Colorado overall saw the 39th driest January in the 128 year record. Most of Western Colorado was extremely dry.

Snowpack – SWE is at 96% of median/average for today, 65% of April 1st Median/Average. CBRFC Forecast – As of 2/1 the official 50% forecast is 185 KAF (73% of average). Down from 227K AF last month. The official 90% forecast is 110k AF (90% probability of this runoff). Upcoming weather – no indication for the next two weeks. Small low-press system is possible next but not looking like much.

DOVE CREEK LAWN & GARDEN REVIEW –

Ben stated that he did a deeper dive into the financial side of the project. He reported the following findings that was included in the Board packet.

Synopsis: The existing Dove Creek Lawn & Garden (DC L&G) system was completed in late 2007. From the start, long-term financial viability was a concern for DWCD. Rates for the system have not been increased since the start of the project, and with future maintenance projects, a financial review was requested by the Board.

Background:

In 2004, DWCD created the lawn and garden irrigation program for Dove Creek. Initial users agreed to pay a tap fee of \$3,200 before the start of the project and \$3,850 during construction. Each account is charged annual fees of \$150 and a water-use charge of \$0.33/1,000 gallons (\$108/AF). All participants in the program are responsible for the yearly fees whether water is delivered to their property or not. The table below summarizes the current systems financials:

DOVE CREEK LAWN & GARDEN STATS

YEAR	No. OF WET TAPS	TOTAL WATER USE (ACRE-FEET)	INCOME	EXPENSES	NET INCOME	BUDGET (EXPENSES)
2017	181	86	\$41,361.53	\$30,989.25	\$10,372.28	\$37,450
2018	183	107	\$43,679.40	\$38,937.11	\$4,742.29	\$37,500
2019	181	82	\$41,694.58	\$41,935.40	\$ -240.82	\$39,200
2020	182	143	\$42,484.06	\$33,561.62	\$8,922.44	\$39,150
2021	182	59	\$42,042.41	\$25,590.30	\$16,452.11	\$75,150

In addition to wet taps, paper taps were created to help the project meet the minimum number of users required to secure a construction loan. The cost of a paper tap was the same as a physical tap but wasn't tied to a specific property when purchased. DWCD initially purchased \$50,000 worth of paper taps at \$3,850, for a total of 13 paper taps. Currently, there are 18 private paper taps held by various owners, with an additional nine(9) paper taps still owned by DWCD. When a resident would like to add a tap to their property, they purchase a paper tap from DWCD or the open market, and DWCD honors the original cost of the paper tap (unless an extension is required). If a paper tap was not secured by the potential customer, a new tap would cost \$4,850 per the Schedule of Rates & Charges. The current actual cost of installing a tap is estimated at \$4,500 by DWCD.

Staff expects to cancel ten(10) delinquent "wet" accounts that are years overdue. The system has been operating without the revenue of these accounts for numerous years at this point. An additional three(3) paper taps are anticipated to be canceled and will fall to the District. Once updated, there will be 187 active accounts, including non-DWCD paper taps. Under Article XI of the DC L&G Rules and Regulations, the Schedule of Rates and Charges sets the cost for system taps and annual charges. The Schedule of Rates and Charges has not been changed since approved on April 12, 2007.

Currently, DC L&G has \$39,926 in cash and \$21,000 in a reserve account. The system still owes \$15,550 to the Future Project Reserve Fund after borrowing funds to pay off the CWCB Construction loan used in part to fund construction. Moving forward, the next foreseeable extraordinary maintenance project for the system is replacing the pond liner. Prices for the project were gathered last fall and varied between \$60,000 to \$70,000. In order to complete the project, DC L&G will need to borrow additional funds from the future project reserve fund to cover the replacement of the liner. How can we recoup money to repay these debts.

According to the current financial review, DC L&G typically nets a few thousand dollars each year without significant maintenance problems or projects. To keep the system operating efficiently and well maintained, the question posed is to increase the system's fees? According to Article 1.7 "AMENDMENTS," the Board has the power to amend the rules and regulations of the DC L&G system when it is in the best interest of the District, including setting yearly fees.

As DC L&G borrows additional money from the future project reserve fund, the system as a whole will need to generate extra income to repay the borrowed money. The project collects revenue from the sale of water and annual OM&R fees. In order to increase revenue, the fees and/or water cost will need to be increased. The annual fees are set each year and are a minimum of \$150 per the rules and regulations. Historically, each tap owner pays a \$50 administration fee, \$50 O&M L&G fee, and a \$50 overall O&M fee. These rates have not ben adjusted since 2007. They have not been adjusted since that time. The Board has the power to amend/review the fees each year.

As a starting place to adjust O&M fees, the Bureau of Reclamation develops Construction Cost Trends (CCT) to help track construction relevant to BOR projects and organizations. The CCT's take into account two main elements: contractor labor and equipment costs and contractor-supplied materials and equipment. The cost index provides a comparison tool to adjust historical construction costs or fees to the current year. For example, a \$50 O&M fee in 2007 would be \$71.92 in 2020 based on the cost index. The cost index increases roughly 3%-5% each year as material, labor, and equipment prices increase. If both the O&M fees were increased by \$25, the minimum fees for each account holder would be \$200. The \$50 increase for each account holder would generate an additional \$9,350 in income.

As a comparison, M&I taps on the canal or lateral system are charged a \$50 administration fee, \$70 O&M fee, and a minimum one(1) AF water charge of \$106.67 for a total minimum annual bill of \$226.67. DC L&G users are not charged a minimum of one(1) AF, but their actual usage at \$0.33/1,000 gallons. With the new fees and assuming an average use of ½ an acre-foot, the minimum annual bill for DC L&G would be \$254.

Alternatives: The Board may consider slowly raising the fees over the next few years instead of all at once to ease the burden on account holders. Another option the Board may consider is raising the water cost per acre-foot for the system. Due to usage being reasonably low, additional revenue wouldn't be generated without a significant water cost increase. Also, the Board may consider approaching the Town of Dove Creek with a proposition to sell the system to the Town freeing up DWCD's responsibility and staff time. Could increase slowly over the next several years.

Staff Recommendation: DWCD staff recommends increasing the O&M fees to \$75 each before the next billing cycle in April, which would bring it into today's values. The additional funds collected can be used to pay back borrowed funds, build the reserve account, and fund future maintenance projects.

Discussion:

Wes asked what happen with the account that had come to the Board in the Fall that was delinquent. Ben stated that the account was paid and staff will be installing the tap in the spring.

MOTION: TO ACCEPT STAFF RECOMMENDATION TO INCREASE THE O&M FEES TO \$75.00 EACH BEFORE THE NEXT BILLING CYCLE IN APRIL 2022.

**MOTION: WES WILSON
SECOND: SIMON MARTINEZ
MOTION PASSED UNANIMOUSLY.**

ADJOURNMENT Dolores Water Conservancy District Water Activity Enterprise Board meeting adjourned at 7:18 pm

Donald W. Schwindt, Secretary-Treasurer

Godwin Oliver, President

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DOLORES WATER CONSERVANCY DISTRICT

MINUTES

Regular Meeting
February 10, 2022

CALL TO ORDER Godwin Oliver, President, called the meeting to order at 7:18 pm

ROLL CALL Godwin Oliver, President
Simon Martinez, Vice-President
Don Schwindt, Secretary-Treasurer-Via Teleconference
Bruce Smart, Director
Wes Wilson, Director
Glen Fish, Director
Sheldonna Z. Ives, Director
Ken Curtis, General Manager
Ben Harclerode, Chief of Engineering & Construction
Rob Walker, Maintenance Supervisor-Via Teleconference
Eric Sprague, DWCD Engineering Tech-Via Teleconference
Gina Espeland, Admin Assistant, Accounting
Adam Reeves, Attorney
Robert Stump, Bureau of Reclamation-Via Teleconference

INTRODUCTION OF GUESTS

Via Telephone/Teleconference

Brandon Johnson, General Manager, Marty Robbins, CWDR, MVIC, Rich Landreth, City of Cortez, Xela Lanier, Landon Wilson, Full Service

MINUTES

APPROVAL OF THE MINUTES

MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE JANUARY 13, 2022 REGULAR MEETING AND JANUARY 13, 2022 EXECUTIVE SESSION MEETING.

MOTION: GLEN FISH
SECOND: WES WILSON
MOTION CARRIED UNANIMOUSLY, SHELDONNA ABSTAINED.

FINANCIAL STATEMENTS

MOTION: TO APPROVE THE DECEMBER '21 FINANCIAL STATEMENTS AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.

ADMIN: AP/CHECK #12113-12128

\$14,749.62

MOTION: SIMON MARTINEZ
SECOND: BRUCE SMART
MOTION CARRIED UNANIMOUSLY

AGENCY REPORTS

BOR Report – Robert Stump stated that he received the paperwork on the (MOA funded) purchase of the water screen refurbishment. This means that we can start the procurement process and hope

to get it awarded by September for work to start after the irrigation season. The work will be done in 2 phases over the next two winters.

Division of Water Resources Report – Marty announced that they have a new Dolores River water commissioner, Rusty Crangle from the Mancos drainage.

T/H Committee Report – Godwin stated that the Committee met January 19, 2022. Godwin is the representative for DWCD with Sheldonna as alternate. Simon is the representative for Ute Farm and Ranch with Michael as alternate. Brandon is the representative for MVIC with Less Nunn as alternate. Robert Stump is the BOR representative with Shannon Hatch as alternate.

Next T/H Meeting – Committee will meet at the DWCD, Cortez Office February 16, 2022 at 2:00 p.m.

MVIC Report – Brandon reported that staff is working on ditch cleaning after finishing meter servicing. MVIC went ahead with the leasing of Totten for next year. They have a pre bid meeting planned for the Groundhog guard gates and hope to award at their next meeting.

GENERAL MANAGERS REPORT

Review Audit Proposals – Ken stated that he handed out a legal-size sheet with the summarized Audit RFP results. Our current auditor abruptly notified Lisa a few weeks ago that he could not perform our 2021 audit. With help from Laura Spann at SWCD who just went through the same exercise last fall, Lisa has put out 6 inquiries for 2021 audit services. We did receive 2 back and did receive 2 with an extension date for this year to September. Other 2 didn't respond at all. Due to the poor timing, this may be a common response. The difference is a larger firm versus smaller firm out of Durango. Both can do the audit on time. The proposals are both professional. One auditor is physically closer, Durango, the other difference is the cost. We would like to do this for 5 years unless something doesn't work out this year. There are some cost savings with the Atlas CPAs.

Godwin asked Adam about the Durango Firm. Adam stated that he doesn't really have an opinion, but thinks they are respected. Adam stated that he thinks that we will be reasonably served by either of the firms. He is most familiar with Haynie and Company, one that needed a extension.

Simon asked about any upcharge for travel in the quote? Ken believes travel is included and that due to COVID we have done audits remotely the last couple of years. Due to the new firm, we expect an onsite visit for them to get familiar with DWCD.

Glen said his personal feeling would be stay local. Wes asked if the \$13,500 is locked in for 5 years and Ken said yes. Ken asked about Don's insight in regard to SW's engagement. Don stated that he leaned to Fredrick Zink & Associates.

Sheldonna asked about the Atlas fee raising each year in the proposal. Ken stated that yes, it is \$500 per year, whereas Zink is a flat rate of \$13,500 annually for the entire 5 year period.

Bruce stated that if the firms are equal, he would go with the least cost. Ken stated that Atlas is beginning at \$10,000 and going up to \$12,500 over five years and we don't anticipate any extra costs. Bruce asked if there was any personal communication to have a better idea, but Ken said there was not time other than checking with local clients.

Wes stated that he would rather go with the company that is lesser in cost due to not knowing what the water year will hold and Sheldonna agreed.

MOTION: TO CONTRACT WITH ATLAS CPA'S AND ADVISORS AUDITING FIRM.

MOTION: WES WILSON

SECOND: SHELDONNA IVES

MOTION CARRIED UNANIMOUSLY

2022 Brainstorm, February 21, 9:00AM-3:00PM – This workshop will allow the Board to dig deeper into some select topics than regular meetings allow. The Board has had a continuing conversation that starts with the drought and ripples through District finances and affects other DP partners. Staff and your attorney will pull together support material. Ken is trying to find an opening of about an hour for Christine and there is enough time at the Brainstorm, if not then another special meeting or the next Board Meeting to address the Board on the NCA and other general federal issues and this meeting provides one opportunity. **Suggested topics:** Colorado River issues, DWCD positions on CR issues, long-term financial impacts from drought and DWCD response, Reclamation funding, reconciliation, MOA projects, NCA, Operating Agreement or other federal/state legislation. Ken asked the Board for topics that are wanted to be discussed.

MVIC/DWCD Board to Board: 6:00 PM February 15, 2022: MVIC did ask us to move the meeting to February 22, 2022 a week later and the DWCD Board agreed. Also change the time on the March 15, 2022 to 7:00 p.m. due to time change. We will continue Reconciliation discussion. The Boards agreed to review the 1977 contract next week. Please bring your contracts for review & discussion at the Board meeting.

CAWA SW Meeting, 11:00 AM February 17, 2022 at the Montezuma County Annex. Just a reminder. If we see the value and continue to support CAWA, we should help guide their topics and schedule going forward. Unfortunately, there is a competing program in Dolores County on the same day, flyer in your packet. On February 18, CAWA is also presenting in Mancos, with some different agenda items, flyer was in the mail out.

Save the Date Reminder – SWCD Southwest Seminar scheduled for **Friday April 1, 2022** at the DoubleTree in Durango at 8 AM, as a hybrid event. Let Gina or Ken know for registration if you plan on attending

DWCD Board Workshops: 5:30 PM February 16, 2022 (3rd Wed) The Board decided to cancel this next session, but would leave 3rd Wednesday on the calendar as a reminder for March 16 & April 19, 2022.

2022 WIP Funding – DWCD was a founding sponsor and has supported \$5,000 per year for many years through 2020. Though the educational mission is important, Ken said he plans to lower DWCD contributions going forward as not part of our core mission. Last year we paid \$4,000. This year he is proposing \$3,500, unless the Board has opinions otherwise. Don stated that he agrees with where Ken is going. Don has briefly visited with Elaine about where the water education programs are going and what they do. There seems to be short shrift given to water users and a lot of emphasis with everyone else who has other interests in that water. If we could get the stronger water rights story out there, we might change our mind. We have heard it before about WECO too. Elaine is really good and we should let her know our story. We need to figure a better way to communicate that with her to get the water user's story out. Maybe getting her out into the field. Godwin asked if everyone was okay with that. Glen asked if Elaine would come to a meeting? Adam stated that Gigi had asked him to speak on the prior appropriation system at the FLC. Adam stated that he would do what he could to bring prior appropriation back up. Don stated that we need to push our story out there better. Gigi has a good format platform to do a better job. The Board was okay with the \$3,500 contribution to the Water Information Program for this year.

Colorado River Basin Issues, DCP & DM – The primary action appears to be around the Drought Response Operations Agreement (DROA), a separate link was emailed out with a recent webinar. The documents at the site can be provided if requested. They are trying to settle on a framework and rules. The draft DROA Framework is out and the detailed operations numbers will kick in with the April 24 month study. The framework provides rules on how much and fast you may release and how long you let them refill. Don asked Ken about the intake to the NAPI versus Navajo Gallup Pipeline level on the reservoir, if it was the same or different. Ken stated that they use a common outlet. Don stated that is a big deal for keeping Navajo full versus the Aspinnall and Flaming Gorge. Ken stated that they are very protective of the levels and dropped no water out of Navajo last year. Don pointed out that it was because of the intake level to protect older water contract requirements. They are not buckets that can freely empty to flow to Lake Powell.

CWC has started a Water 2022 campaign in part due to the 100-year anniversary of the Colorado Compact. This campaign will be geared towards public education around multiple Colorado water issues including the CR Compact. As I peruse the news articles they tend to focus on drought, continued shortages and how new or alternative water sharing may work out through the 07 Interim Guidelines renegotiation. The lower basin continues to work to secure their complete 500+ plan to keep Mead above 1030', but they have not yet secured the full amount, but continue working with LB Tribes and water users. The CWC had a panel with our CR Compact team and UC River Commissioner that did not get into specifics, but indicates some future shrinking supplies all around the basin. As our local position solidifies and our story gets documented we can have some input as the opportunity arises.

We'll hear more about the water campaign, maybe on April 1st. There might be an opportunity to get our message out. At the CWCB meeting Michelle Garrison gives a hydrology update that Ken can provide to the Board, but he is mostly observing how conditions unfold. We will see more fallowed areas based on the articles that he put out tonight. Sooner or later, we will balance the supply and demand. One way or another we must match demand and use. It was the Lower Basin that may push the lower water supply planning numbers that after you take off the lower basin numbers do not leave much water for us to use in the upper basin. We can't readily agree to that. Colorado is looking out for existing users. All parties want to avoid a lawsuit and at the same time the LB will push the lower basin rights, delivery or non-depletion obligations. They will try and box in the upper basin. The UB will try and avoid it and learn what the diet would be on it. These are just Ken's observations.

There are two upcoming regional events/conferences. Family Farm is going to have some good talks. Ken stated that he is going to try and attend the one in SLC. The University of Utah is sponsoring a workshop The Colorado River Compact: Navigating The Future Thursday March 17 and Friday

March 18 on the Utah campus in Salt Lake City and virtually. Price is only \$125 and they have a good agenda set that I can provide if anyone is interested. The Water Law Institute is sponsoring Law of the Colorado River, 100 Years of the Compact in Santa Fe, NM May 19-20 and happens every year with the cost at \$1,000. Planning is not yet done so no set agenda. Either would allow one to get much more in depth on CR issues.

Don stated that the Alliance sets its policy goals at its annual meeting every year. Last year the policy goal was to work on updating the Colorado River Policy and roll out a summary of it in Reno. Ken and Don have been on a policy making committee and wanted to flag it to the Board so they pay attention to that policy. The Alliance is a good source for agriculture messaging. He thinks Elaine could grab some of those messages and use the policy and papers that the Alliance is developing. Ken learned how the Alliance worked to bring upper and lower basin agriculture voices together on CR issues. There is potential for agriculture to be a sacrificed for water and FAF is pushing back. We could use their message as part of the local story.

UC Region Basin Studies and Water Management Options Pilots – We have to do a basin study before moving on to operation pilot studies. Ken would like to at least get our name in the queue. We have good recognition at the State and all the way to Washington, which should support our request. Ken shared his Letter of Interest with the Board that he is going to submit by tomorrow. He included the Reclamation Policy WTR 13-01 Basin Studies & Appendix A Evaluation Criteria for later use should we go forward. I believe we could secure this work, but that would require active participation to guide the study as we want for local needs. It would be guided by our on-going drought discussions and related problems. A Study is opportunity to bring to light some information with our usual stakeholders. We may at some point have a subcommittee or committees to help guide how it goes together. From staff we would have Ben, Eric and myself. We would enlist Brandon, the Utes Ken caught Bernard at the MVIC Meeting, who could represent McElmo. The Bureau would be heavily involved, including Robert, and would need CPW. It will take more thinking of how it would go together if we are selected. Ken doesn't have any timeline information for the BOR selection.

Legislation Update – Federal (incl. BOR funding), State, NCA & DWR Rule Making – Ken put the latest notes from the CWC State Affairs in tonight's packet. Ken brought up that the originally proposed legislation was an expansion (RICD) recreational in channel diversion, like the water park in Durango. The proponents had brought this around the state last year and water entities like SWCD weren't very supportive. So, they came up with the recreational in channel values, RIVR name. They want to add a value to water in the stream. It is not a water right, but has similarities. They have tried with many contortions to make it look like it is not a water right. There was some healthy skepticism at the State Affairs meeting. The proponents want to make sure DWR can administer the values in the river reach, that sounds like a right. Ken doesn't know where this one is going to go. It seems to be a continued effort by some not satisfied with the status quo. Don agreed that it did not look good. The newest bill under discussion is for turf removal funding, on which Steve Harris was a pioneer several years ago.

Don commented that Ken didn't mention Senate Bill 22-029 which is the water speculation bill. Don had flagged it as he listened at last summer's CWC conference. The anti-speculation work group reported back to the legislative Water Resource Review Committee without a firm recommendation on changes to prevent water speculation. The bill was introduced by Coram as a co-sponsor. The concept of speculation will be an ongoing discussion for Colorado water. As we talk about our local issues and how we try to solve our local community issues, we might have some useful input on the water speculation discussion. Don flags it right now to see if we can come up with solutions to put on the table. He thinks our local experience could have a place in the water speculation discussion. Ken stated that it might not even make it this year. Adam stated that it would be a strike below and all current language completely replaced. Adam stated that he knows some of the discussions around a more modest proposal.

State affairs is generally supportive, but on the side lines on the forest health bills. A coalition seems to be working through the details on the fire protection ponds that will allow historic ponds existing as of 1972 to remain without causing too much turmoil to existing water rights. CWC State Affairs supported the Rio Grande & Republican ground water well retirement programs for compact compliance.

Adam will provide NCA updates in his report. Most of the federal news is about Reclamation's implementation of the infrastructure bill. Existing BOR programs are seeing early roll outs as discussed last month with 4 more funding years remaining. No news from DWR on measurement rules.

Other - Godwin stated that Bruce would like to speak. Bruce stated that he does not plan on reapplying for his position after March after serving for 16 years. Bruce stated that he has enjoyed his time serving on the Board.

Glen stated that he enjoyed water congress and had a great time and he commented on some of the highlights that he remembered including on the political landscape outlook in Colorado and the Wyoming and Colorado AG's talk. He thought federal funding overshadowed the CR issues. The Compact discussion was for those new to the topic. Glen said that he attended the session on

mediation and thought it was a good presentation on how to communicate. Glen said he wanted to see Chairman Manuel Heart and he had a really good message. There was a lot information and pictures of the corn mill and some of the farm. Chairman Heart also addressed how the tribes could improve their standing in the CO River. Glen said he was glad that he stayed.

Glen stated that for the MVI record he was disappointed and surprised at Gerald Koppenhafer though he made up for it. In his opening comments at MVIC's annual meeting, it seemed that he was stirring up the crowds to go at it with DWCD and then he got up later and said there is more to the story. There was a water shortage and distribution issue, which kind of made up for it. MVIC stockholders did vote to raise the share assessments two dollars.

Unrelated, Randy Carver is Montezuma County's water representative and Glen was able to visit with him at the CWC conference.

Don missed not catching up with Glen to have good conversations about different opinions though Don enjoyed the CWC virtual sessions and wasn't disappointed. Don said that we are in interesting times, it may be really hard to not fight like hell, but it won't make more water. He still makes the point in his written policy that often gets jerked that you can't generate water with the law. If the water isn't there then the law tells us how to allocate. It came through to him that we are in a really tough time and the discussions were how are we going to get through the tough times. There are going to be winners and losers. The fights started right after we got McPhee, too much water is going to ag. Everybody's after ag water because they don't appreciate ag to the degree they need to. They think they can grow cities forever; have all the environment they want and have all the votes they want. The loser in the long term to that vision is all of us. That's what he heard come through at water congress.

Godwin commented he attended the MVIC Annual Meeting and he was really disappointed with Gerald and his comments. Sheldonna asked where the rest of the MVIC Board is sitting on this issue. Godwin said he really didn't know.

LEGAL REPORT

MVIC 87.3cfs Water Rights Filing – Adam stated that there were no changes and John still working with folks on opposers.

NCA Update – Adam stated that did meet with John Whitney, Dolores River Boating Advocates, Wilderness Society and Dolores County. We had a good discussion and still have some different understandings. We should discuss this information in Executive Session.

Water Rights Protection & Supply Discussion - Adam stated that he had information involving legal advice and/or negotiations subject to Executive Session.

Adam asked for an Executive Session to discuss the following: NCA legislation negotiations and Negotiations on Reconciliation of the MVIC billing under the contracts. Don asked if Adam had any reports on Colorado River Issues. Adam stated that he did not, but it could also be included in the Executive Session discussion. Don suggested that CR issues be added and the Board agreed.

MOTION: MOVE INTO EXECUTIVE SESSION PER CRS 24.6.402(b) TO OBTAIN ADVICE FROM COUNSEL AND CRS 24.6.402(e) MATTERS OF NEGOTIATION FOR DISCUSSIONS ON NCA LEGISLATION AND WATER RIGHTS PROTECTION & SUPPLY.

**MOTION: SHELDONNA IVES
SECOND: WES WILSON
MOTION CARRIED UNANIMOUSLY.**

**RECESSED FOR EXECUTIVE SESSION AT 8:55 P.M.
RECONVENED REGULAR MEETING AT 10:19 P.M.**

REPORT OUT OF EXECUTIVE SESSION

Adam reported that in Executive Session the Board discussed the Colorado River Issues, pending NCA legislation and the disagreement with MVIC over the interpretation of the contracts and reconciliation. Instructions were given to negotiators and no decisions were made.

NEXT DWCD BOARD MEETING – Thursday, March 10, 2022 - 7:00 P.M.

ADJOURNMENT Meeting adjourned at 10:20 P.M.