

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
January 11, 2024

CALL TO ORDER Godwin Oliver, President, called the meeting to order at 2:00 pm

ROLL CALL Godwin Oliver, President
Glen Fish, Vice President
Don Schwindt, Secretary-Treasurer
Wes Wilson, Director
Landan Wilson, Director
Ryan Gray, Director
Ken Curtis, General Manager
Eric Sprague, Water Manager
Jed Martinez, Maintenance Supervisor
Lisa Jordan, Office Administrator
Robert Stump, Bureau of Reclamation
Adam Reeves, Attorney MBSS
Lindsey Ratcliff, Attorney MBSS-Via Teleconference

INTRODUCTION OF GUESTS

In-Person

Brandon Johnson, MVIC

Via Telephone/Teleconference

Tony Tanner, FSA Irrigator

MINUTES

APPROVAL OF THE MINUTES

MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE DECEMBER 12, 2023, ENTERPRISE MEETING.

MOTION: LANDAN WILSON
SECOND: WES WILSON
MOTION CARRIED UNANIMOUSLY.

FINANCIAL STATEMENTS

MOTION: TO APPROVE THE NOVEMBER '23 FINANCIAL STATEMENT AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.

O&M: AP/CHECK #42020-42104 & PR/CHECK #126235-126280
\$174,281.96

MOTION: LANDAN WILSON
SECOND: RYAN GRAY
MOTION CARRIED UNANIMOUSLY.

O&M REPORT – Jed reported the following:

Field Work and Winter Projects – Crews are currently finishing replacing full service butterfly valves up north. Current update on Sand Stone Pumping Plant: Lane Electric has five motors torn apart and are currently working on the rebuilds. They are also working on the rebuilds for the two motors for Dove Creek Pumping Plant. DWCD is working with Circle Z and the Ute Farm and Ranch on a future fiber project along Reach 3 of the Towaoc Highline Canal.

Power Plants – Crews are draining the penstock at Towaoc Power Plant in preparation for Hastings to sandblast and paint the 90" discharge. Crews are also working on the guard gate.

Personnel Committee – Jed thanked the Personnel Committee for rescheduling a meeting date around the holidays. Ken asked if they want to schedule a personnel committee meeting. They decided to meet at Great Cut Dike on January 16, 2024 at 8:00 am.

Employee Training - DWCD has hired a new SCADA Operator and Plant Mechanic. With new employees at DWCD there is a lot of training to go over to get up to speed on future projects and operations.

WATER MANAGEMENT REPORT

Water Supply – Current Conditions – Eric stated that he didn't prepare an inflow outflow spreadsheet for the Board this month since there isn't much changing at this time. Eric projected the CBRFC SNOTEL tracker, comparing 2024 to 2020 and 2019. Eric noted that we have had more mild storms this year and are still waiting on the season to evolve. Eric stated that there is some forecasted upcoming weather that should help the snowpack. Eric stated that he and Nichol went to Lizard Head and there is roughly 22" of SWE at that location. Eric showed a graphic of the barometric pressure and wind speed at 8,000 feet. One thing CBRFC is forecasting is that the storm track is remaining active over the next 30 days. Eric also showed a graphic of the same information from NOAA. Eric noted that we are not out of the woods and have a ways to go to achieve a full supply in 2024. Eric noted that in 2023 the river was over 400K AF inflow. The last time it was over 400K AF of inflow was in 1997.

ADJOURNMENT Dolores Water Conservancy District Water Activity Enterprise Board meeting adjourned at 2:16 pm


Donald W. Schwindt, Secretary-Treasurer


Godwin Oliver, President

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DOLORES WATER CONSERVANCY DISTRICT

MINUTES Regular Meeting January 11, 2024

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ROLL CALL Godwin Oliver, President
Glen Fish, Vice President
Don Schwindt, Secretary-Treasurer
Wes Wilson, Director
Landan Wilson, Director
Ryan Gray, Director
Ken Curtis, General Manager
Eric Sprague, Interim Water Manager
Jed Martinez, Maintenance Supervisor
Lisa Jordan, Office Administrator
Robert Stump, Bureau of Reclamation
Adam Reeves, Attorney MBSS
Lindsey Ratcliff, Attorney MBSS-Via Teleconference

INTRODUCTION OF GUESTS

In-Person

Brandon Johnson, MVIC

Via Telephone/Teleconference

Tony Tanner, FSA Irrigator

MINUTES

APPROVAL OF THE MINUTES

MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE DECEMBER 12, 2023 REGULAR MEETING.

**MOTION: WES WILSON
SECOND: LANDAN WILSON
MOTION CARRIED UNANIMOUSLY.**

Godwin noted that there was a mis-spelled word in the Executive Session minutes that was corrected prior to the meeting.

MOTION: TO APPROVE THE MINUTES AS CORRECTED FOR THE DECEMBER 12, 2023 EXECUTIVE SESSION.

**MOTION: LANDAN WILSON
SECOND: GLEN FISH
MOTION CARRIED UNANIMOUSLY.**

FINANCIAL STATEMENTS

MOTION: TO APPROVE THE NOVEMBER '23 FINANCIAL STATEMENTS AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.

ADMIN: AP/CHECK #12455-12470

\$81,965.64

**MOTION: GLEN FISH
SECOND: WES WILSON
MOTION CARRIED UNANIMOUSLY.**

AGENCY REPORTS

BOR Report – Robert stated that 1) they are waiting for a tear down inspection report from the contractor on water screens. 2) Robert is waiting for the initial submittals on the valves and actuators, he does not have an estimate on delivery for those yet. 3) McPhee Dam is scheduled for a comprehensive review this year. They will hold the mechanical inspection soon. The inspections will likely be completed throughout the year in pieces. 4) Region hired a contractor to perform building assessments throughout the region; the Dolores Project buildings being assessed are the Cortez Office, Great Cut Dike and Great Cut Pumping Plant. 5) Robert is sorting out the inclinometers, they were having issues with the readings. Hopefully they will get back on schedule for surveys soon.

Division of Water Resources Report – no report

T/H Committee Report – Godwin stated that the Committee met December 13, 2023 1) The Committee paid DWCD, MVIC and UF&RE. The Committee discussed the proposed fiber alignment for UF&RE on Reach 3.

Next T/H Meeting – The Committee will meet at the DWCD, Cortez Office January 17, 2024 at 2:00 p.m.

MVIC Report – Brandon stated that 1) MVIC crews are performing regular maintenance. 2) Brandon is preparing for the annual meeting that will be held January 20, 2024. Brandon noted that there are two key items that will be discussed at the meeting: a) the guard gates at Groundhog, the seal failed but is under warranty and will need to be repaired this season and b) there is a restriction on Narraguinnep. Water elevations will be 25% less until they can get increased seepage flows repaired.

Discussion: Don asked if there was a chance of filling Narraguinnep this year, Brandon said that it will not fill in 2024 which hampers the late water storage for MVIC.

ELECTION OF BOARD PRESIDENT, VICE PRESIDENT AND SECRETARY-TREASURER

Election of Board Officers: Pursuant to the DWCD By-laws, officer elections are held in January on even numbered years.

Godwin turned the meeting over to Adam. Adam stated that in the past this has been done in two different ways. 1) by Board acclamation to retain Board officers. 2) by nomination and ballot election. Any Board member is welcome to make a motion to retain officers at any time. If not, Adam stated that he would proceed with a secret nomination and secret ballot election.

The Board has traditionally appointed the DWCD Representatives to the SWBRT, currently Glen Fish. Monitoring & Recommendation Team, currently Wes Wilson, and the MVIC Board liaison per the Class B contract, currently Godwin Oliver. This has generally been done through Board discussion and consensus. The THC representative was decided in December with Wes Wilson as the new DWCD THC representative and Godwin Oliver as the alternate.

Adam opened the nominees for President. Adam stated that the Board can nominate any member.

President – Nomination for President: There were two nominees, Godwin Oliver and Wes Wilson both accept the nomination. Adam handed out secret voting ballots. Adam stated that Godwin Oliver has been re-elected President.

Vice-President – Nomination for Vice President: There were two nominees, Glen Fish and Jeremy Redshaw were the nominees. Adam handed out secret voting ballots. Adam stated that Glen Fish has been re-elected Vice-President.

Secretary Treasurer – Nomination for Secretary Treasurer: Don Schwindt was the only nominee, Adam stated that Don Schwindt has been re-elected Secretary Treasurer.

APPOINT DWCD REPRESENTATIVE TO SOUTHWEST BASIN ROUNDTABLE

Glen stated that he would like someone else to be the representative of the SWBRT. Landan asked who they were and what they discuss. Ken explained the format of the SWBRT. There are representatives from Counties, municipalities, water districts, NGO's and there are at-large members. The SWBRT awards grants throughout the SW basin. They meet four times per year, two times at DWCD and two times in Durango. The meetings run from 3:00-6:00 pm. It is an opportunity to meet other water folks throughout the basin. Don stated that it was set up by the legislature and there are nine basins that line up with CWCB directors. The IBCC is the key component of this to help solve the state's water problems. Formerly the state water plan was prior appropriation. It is a place to bring the NGO's to the table and helps shape the water community. Don stated that it is critical to have a representative. Water users need to stand up for their water rights. Glen said that he does not communicate by email which is the preferred method of communication and communication in this group is key. Brandon said that it is a good place to network and to learn about the way the water around the state works. Ryan asked how long the appointment is. Ken said that it can change at any time. Don said that a 2-year cycle is a good amount of time to be on the SWBRT. There are 10 at-large seats and the group is approximately 60 people. Landan stated that he needs a couple more years to learn before representing DWCD on the Roundtable. Ryan Gray expressed interest in the position. There was Board consensus that Ryan Gray will be the new representative for DWCD.

APPOINT DWCD REPRESENTATIVE TO MONITORING AND RECOMMENDATION TEAM

Wes Wilson is the current representative on the M&R Team. This group hasn't been super active lately but they are an important group. Wes stated that he is willing to represent DWCD for a couple more years. There was Board consensus that Wes Wilson be the representative for DWCD.

APPOINT DWCD REPRESENTATIVE TO MVIC BOARD

Having an MVIC Board liaison came from the Class B contract. DWCD has needed interaction with the MVIC at their Board meetings in the past and this is also led to the board-to-board meetings. Don stated that when the Class B stock was negotiated the concept was an ex officio board member, but anyone is allowed to participate in MVIC board meetings. Don said that DWCD is a different type of stockholder since we have Class B Stock and this why certain language choices were made in the Class B contract. We should continue to acknowledge that history and may want to reinvigorate discussions with MVIC if it is useful. Don thinks it is valuable that Brandon and Ken go to each other's board meeting. Don has attended MVIC board meetings as a CWC representative and as a CWCB board member as well as a stockholder. Don stated that we need really good relationships with each other with all our contracts. Godwin stated that if there was someone who could take over to begin working on the relationships between the boards. Godwin said that Jeremy has worked with some of the Board members at MVIC, but he is not here tonight. Godwin said in light of the work Jeremy has done he would like to see him in this position. Ryan asked if this could be tabled until next month to discuss with Jeremy since he is absent. Ken stated that it could be taken up next month. Don stated that he and Glen and Ryan are shareholders and that gives them some relationship with the MVIC board. Don said there is value in a board member attending a meeting along with the GM. This item was tabled until the February meeting.

GENERAL MANAGER REPORT

Miscellaneous Updates: A flyer for the CSU Extension: Master Irrigator Class was included in the packet. This class includes four Thursdays starting on January 18.

Proxy for MVIC Shareholder Meeting, January 20, 2024: DWCD Board needs to decide who will carry DWCD proxy for the annual MVIC meeting. It's a simple form if proxy holder is a current shareholder and has traditionally been carried by shareholder or the president, which may require a letter.

Glen said that he plans to go to the meeting but he is fine with someone else carrying the proxy. Ryan and Don are also going. It was decided that Don will carry the proxy. Ken will turn the proxy in for Don for the DWCD shares. Godwin stated that the meeting is open to the public and Landan and Wes are welcome to attend.

Colorado River Basin Issues – DCP / DROA / Drought Resiliency/ CRDTF: CRWUA ended on December 15, 2023 with the signing of Lower Basin conservation agreements. There were some tough stances presented as covered in some of the articles that were included in the mailout. Most news then pivoted to the dry winter and low snowpack that is hopefully changing with today's snowfall.

UCRC is trying to make an agreement with the Tribes for their participation. Chairman Heart spoke and made good comments. Reclamation Commissioner Touton attended. All of the Upper Basin representatives were there, there was a whole lot of showing support and representation. The other item of importance is that UCRC is going to fund the ASO flights this year. The normal leaders showed up, Commissioner Mitchell showed up as a leader for the Upper Basin (UB). Commissioner Entsinger tried to capture the middle basin ground. the Commissioner from Arizona and the Commissioner from California both had important positions. Some folks from other states were a bit taken back by Commissioner Mitchell's passion, but we appreciated from Colorado. Ken said he thought it was a good event. Don stated that he appreciated being there and learned a lot, he liked being at the UCRC meeting where he had some good constructive conversations. Don said he thinks the players have a shot at fixing this. Ken said that he saw Pat from Family Farm Alliance (FFA) and noted that there wasn't a lot of ag discussion in 2022 so there was a much more robust presence and panel this year (2023). The commissioners talk about prior appropriation, and the commissioners are pretty well versed in the UB, the Lower Basin (LB) does not seem as informed in our UB practice of prior appropriation. Ken noted that contrast always surprises him. Don said that he knows a little about the UCRC members; JB Handby is a board member from IID and is bringing meat to the table. The FFA link has been really valuable in both basins between JB and others like Andy Mueller. Don said that the prior appropriation discussions between the UB & LB are important because prior appropriation is huge to Imperial. The opportunity to communicate across basins is valuable to every one of us.

Adam reported that there is a subtle recognition, thanks to Becky Mitchell, that this isn't an UB problem. The LB is slowly coming to recognize that even if they could get what they wanted out of the UB is that there is just not enough water. The discussion is shifting to how are they going to solve the problem? There is not going to be curtailment. There will be a lot of checks written to get water off the books and moving it down to the LB instead of a legal solution. Both AZ & CA have said they are going to address the structural deficit problem. The other issue they will have to dance around is matching supply and demand. Ken presented an article regarding *Colorado River Basin Reservoir Storage at the End of 2023*. Ken noted that we are in better shape than we were a year ago and the LB has agreed to conservation over the next two years. Ken said that the BOR did their scoping work and per Steve Wolff the seven states have been given until March to turn in a joint proposal. After March the BOR will perform modeling. Reclamation will come out with something toward the end of 2024 and will try to beat any administration change with a signed document.

The CRDTF finished their report to the legislature and accomplished their "do no harm" principle. Now we will monitor through the legislative session.

Ken stated that he had a power point included in the packet from the UCRC / SCPP kick-off webinar. Listed are five things they tried to correct for 2024, 1) Timing 2) Pricing 3) Conserved Consumptive Use (CCU), 4) Consistent and Clear Messages and 5) Greater Transparency on Approach, Purpose and Review. Ken stated from a process manner they did fix most of these and selected a narrower focus for 2024 SCPP to projects that implement recommended SCPP improvements, inform Demand Management feasibility questions, support innovation & local resiliency resulting in water conservation. Ken is a little pressed to know what is different from one year to the next. There is a timeline and pricing were a big concern. Ken said that applications need to meet certain criteria like getting estimates on CCU up front. Ken said that in December DWCD heard from Simon Martinez regarding plans for UF&RE to apply to the SCPP with 800+ acres and 2,100 +/- AF of conserved consumptive use. Similarly, Ken has heard that 9 FSA irrigators applied with close to 800 acres and 800+ AF. We also had 10 FSA irrigator applicants to CAWA for 800 +/- AF. The Board had many questions in December that DWCD staff will be pursuing. Ken will draft some questions from the minutes to clarify and focus potential policy or actions. Ken said that they are taking public comment on the SCPP program and that the irrigators were made public based on tonight's handout with the specifics. There was concern with DWCD revenue to run the project and what would happen with the DWCD water right? Ken thought that applicants or UCRC needed to have approval of the water right owner. Ken said that DWCD was aware of Greg's recruiting and thought that DWCD agreed with SCPP. Jeremy had previously asked what the Board position was on this. Ken said that it has been the Board position that SCPP is the gateway to Demand Management which they don't agree with. Last year SCPP was rolled out ad-hoc and the Board didn't want to get in anyone's way of what they wanted to do on their farm after three drought years. Ken based on DWCD principles that we are not excited about SCPP and are not supportive but did not want to stand in anyone's way. The Board has had multiple discussions about having control of the water but not what an irrigator does on their property. Adam said that one issue we face as a district, is that part of the billing is based on the delivery of water and how do you backfill that revenue if there is no delivery. Other districts are saying that the irrigator has to pay as if they took delivery of the water. There has been very little compensated non-use and how we should address that as far as billing and finance is an open question. Ken questioned districts getting funds from SCPP and Adam said that they are getting it from the irrigator not SCPP. Adam said that the district should create a policy and adopt it in the near future.

Discussion: Don said that DWCD needs to be putting time into this sooner rather than later. Don's opposition is that once you put something on the table to use less water you can pretty much

guarantee that you will never get it back. Don thinks that we need to get a strong position and get there pretty quickly. Don said that they may need to discuss this further in executive session.

The board will continue policy and position discussions further down the road.

DWCD Board Workshops – January 17, 2024 (3rd Wed): The Board should set the workshop and help line out topics. Topics could be along the lines of SPPP. Wes said that he is curious about the acre feet of water UF&RE took through the canal in a full supply year, 2019, and what was their cost. Try to get at the lost revenue. Ken agreed staff can drill deeper into that. Don said that he would like to discuss the outline that was given to Ken a couple months ago. Ken said that that could be one of the topics. Don said a conceptual discussion rather than an in-depth conversation would be fine. Landan asked about a brief background regarding the Dolores Carriage Contract.

Select Date and Discuss Topics for Brainstorm (9 AM – 3 PM) – Week of February 12, February 26, March 4 or March 18: This meeting will have to be considered in light of the other meetings under consideration. It generally runs 9:00 AM to 3:00 PM and is a chance to have a deeper discussion on several items. Staff and attorney generally prepare some background and/or introduce the directed topics and then the Board can discuss and provide staff direction and other follow up assignments. Topics have generally been related to hydrology, financial matters, legal (contracts/water rights) or infrastructure. Infrastructure is probably out for this year, but others are possible. Staff & attorneys will have some ideas for discussion. The board decided to hold the brainstorm session on February 14, 2024 from 9:00AM-3:00PM.

GM Annual Review: To be led by Godwin with staff assistance as requested. Godwin said that he will get this information out and would like to plan the review for after the February 8 board meeting.

LEGAL REPORT

MVIC change case – Adam thinks the MVIC change case is done but the decree hasn't been entered yet.

Water Rights Protection, Water Supply and Project Land Use discussion involving legal advice and/or negotiations subject to Executive Session

Adam requested an Executive Session to discuss the following: Main Canal 1&2 Due Diligence, 2000 Operating Agreement Contract No. 99-WC-40R-6100, DWCD/BOR Carriage Contract no. 02WC-40-7060, Water Rights Protection and Colorado River Issues.

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 MAIN CANAL 1&2 DUE DILIGENCE, 2000 OPERATING AGREEMENT CONTRACT NO. 99-WC-40R-6100, DWCD/BOR CARRIAGE CONTRACT NO. 02WC-40-7060, WATER RIGHTS PROTECTION AND COLORADO RIVER ISSUES.

**MOTION: LANDAN WILSON
SECOND: RYAN GRAY
MOTION CARRIED UNANIMOUSLY.**

**RECESSED FOR EXECUTIVE SESSION AT 4:04 P.M.
RECONVENED REGULAR MEETING AT 6:04 P.M.**

REPORT OUT OF EXECUTIVE SESSION

Adam reported that in executive session the Board discussed matters related to Main Canal 1&2 Due Diligence, 2000 Operating Agreement Contract No. 99-WC-40R-6100 and associated DWCD/BOR Carriage Contract no. 02WC-40-7060, Water Rights Protection related to the project and Colorado River Issues. No decisions were made.

OTHER –

NEXT DWCD BOARD MEETING – Tuesday, February 8, 2024 – 2:00 P.M.

ADJOURNMENT Meeting adjourned at 6:04 P.M.


Donald W. Schwindt, Secretary-Treasurer


Godwin Oliver, President