

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

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### MINUTES Regular Meeting June 9, 2022

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**CALL TO ORDER** Godwin Oliver, President, called the meeting to order at 7:04 pm

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

### INTRODUCTION OF GUESTS

#### In-Person

Brandon Johnson, MVIC General Manager; Rusty Crangle, CDWR

#### Via Telephone/Teleconference

Rich Landreth, City of Cortez; Steve Garchar, Dolores County Commissioner

### MINUTES

#### APPROVAL OF THE MINUTES

**MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE MAY 12, 2022, ENTERPRISE MEETING.**

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

#### FINANCIAL STATEMENTS

**MOTION: TO APPROVE THE APRIL '22 FINANCIAL STATEMENT AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.**

**O&M: AP/CHECK #40452-40527 & PR/CHECK #125252-125302  
\$192,488.14**

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

**O&M REPORT** – Rob reported the following:

**Operations and Maintenance for May**

All of the pumping plants and Dove Creek Lawn & Garden are up and running. We've repaired the leak in the Pleasant View lateral, and we're working on a couple of small leaks at Full-Service boxes and M&I's. We'll also be working on a couple of air vacs as time allows. The field techs have completed their first round of meter readings, and Frank has been spraying the canals/ROW's. He has just finished Reaches 1, 2 & 3 of the Towaoc Highline.

We have a couple of new M&I's to install, but we're taking care of the existing users first.

We are meeting with the Bureau of Reclamation's cathodic specialist out of Denver during the last week in June. They will be here for three days mapping and testing our cathodic system. They will also be training our electrician and crew to perform the testing so we won't have to employ an outside contractor.

Robert & Shannon have been working with Woods Canyon Archaeological and the BOR office in Durango on the Dolores Tunnel Forest Fuels Reduction Project. This project involves thinning brush and overstory trees on BOR lands around the Dolores Canal. Once we have a clear project description, DWCD will write a proposal estimate for completing the work. We hope to have our crew involved with most of the project this fall, as the funding comes from BOR.

**Power Plants** – McPhee Powerplant was tested last month at 25, 50, and 75 CFS. Lane Electric and Cross Canyon Engineering are happy with the testing, and we are currently running at 25 CFS until June 29<sup>th</sup>. We will release 15 CFS from July through mid-September, then drop to 5 CFS for the remainder of 2022. Lane and Cross Canyon Engineering said it sounded better now than a lot of brand news they've experienced. Towaoc Powerplant is running at 132 CFS.

We had another pressure problem downstream of the pressure-reducing box. Ben went out and talked with the farmer, and Godwin talked to the farmer. Ben put a pressure recording device on the box and can expand on it.

Godwin asked if we have sent employees to training on the Cla Val valves. Ben stated that we have not, but they do offer training at their factory in California. Ben stated that he hadn't found any design manuals. We don't use them the way they are typically designed. They are not designed for the slower flows that we are using. Godwin stated that we need to get some employees trained in this issue. Don asked if the surge was sporadic or erratic in nature. We might consider putting a pressure recorder on it. Don said that without a recorder, we don't know what's going on. Don stated that he is for training in this area. Wes asked if they would come here for troubleshooting and training. Ben said he wasn't aware of that option. Board was in favor of additional training for the field technicians.

**WATER MANAGEMENT REPORT**

**Forecast & Water Accounting** – Ben presented the Inflow/Outflow **1) May:** The reservoir peaked on the 30<sup>th</sup> at 6892.85, 31.15 feet below full active capacity. Peak active capacity volume was 105,949 AF, which is 46% of the total active capacity. The Dolores River peaked on the 8<sup>th</sup> at 1950 cfs. It fell from there and by the end of the month, was at 448 CFS. Ute Farm and Ranch had a low flow of 2.2 CFS at the end of the month. The highest was 26.8 CFS on the 8<sup>th</sup> and bounced throughout the month. The Lone Pine started low and increased, and so did the U Lateral. MVIC's highest diversion for a day was 428.1 CFS. MVIC call water stored is at 24,352 AF. Total diversions were at 70,537 AF for the end of the month, including storage. Dove Creek Canal bounced up and down as the season kicked off. A high flow of 157 CFS was recorded. The fish pool was at 7.4 CFS and fell to 5.9 CFS on the 10<sup>th</sup> and then by the 28<sup>th</sup> it was at 27 through to the end of the month. There was no registered rain in May. The daytime high temperature hit 86 degrees.

**2) June:** The reservoir elevation is down to 6,891.53, and the active capacity is at 101,389 AF. The Dolores River is down under 400 CFS for the first part of this month. You will see the river increase because MVIC is draining Groundhog. Ute Farm and Ranch had a high flow of 14.5 CFS and a low of 4.1 CFS. The Lone Pine started the month at 154 CFS and is up to 208 CFS, the U Lateral had a high of 72.9 CFS and a low of 69.5 CFS. You will see a change because they will move Groundhog water through McPhee into Narraguinnep through the Loneline. Total diversions for MVIC is up close to 500 CFS. MVIC call water and direct diversions reached the limit of 72,000 AF from April-June. For the rest of the month of June, MVIC's demand will come out of storage. The Dove Creek Canal is running at about 150 CFS. Below McPhee is at 27 CFS. The fish pool is going down slowly. No rain. High-temperature yesterday of 91 and hotter today with a low of 41. It has been extremely dry. Don asked what we put in for project storage. Ben stated that at the end of May is just under 30,000 AF for project storage. Wes asked in a normal year whether the DC canal would be running around 250 CFS. Eric stated that was about right. Glen asked about the call storage and if it will decrease at the end of the month? Ben stated yes, since MVIC has hit the limitation of 72,000AF, their use will come from storage till July 1.

Forecast Summary – Increased Full Service to 7.2" and Hovenweep at 7.9". April came in at 41,000 AF and May at 71,000 AF for a total of 118,00 AF, with June at 6,000 AF already. We are more

confident in the forecast. We are anticipating the river producing at least 10,000 AF for June. Project supply of 26% on the 70% Exceedance Forecast Summary. That attributes to a supply of 19,958 AF for FSA, 8,257 AF for UF&R, and 9,975 AF for the Fishery. MVIC supply will be around 126,651 AF with this forecast. Ben provided a forecast summary and bar chart showing the DWCD project water used to date. Full Service is around 37%, Fishery at 17%, and UF&R at 18% at the new 7.2" and 7.9" with early August shutoff. A hard shutoff comes down to usage. Ben stated that he and Eric have talked to a few Full-Service users who say they will cut back after they get the first cut. Eric and Ben have received calls and have a good idea of the late-season water needs.

Ben stated that a block summary is included, but it was at 6.4 inches allocation. Landan asked about the block summary and what the max cap on the sheet is referenced to? Eric stated it's based on the allocation for users off of that plant.

Ben stated they would continue to monitor the river and, depending on what June produces, will send out another update in 1-2 weeks. Upcoming weather is below normal and temp above. The 3-month outlook is better for precipitation.

### **Projects Update**

Working on the bids for water-screen projects and will know better by the next meeting. Grants for new valves & actuators at the plants were submitted and are in the State's hands.

### **Hydrograph Review, Reconciliation - 2 per year for 5 years.**

Hydrographs – Ben started by saying If the Board has ideas or any changes, please let us know. It is essential to state that DWCD is not trying to take away call water from MVIC; that is not the conversation we are having. We are talking about what the O&M charge should be for this water. Ben stated that they would look at the graphs first and then go to the tables. Starting with the 2021 Hydrograph, the graph starts on April 1<sup>st</sup> with Narraguinnp being stored in McPhee (the dark pink color), and the gap between the pink and blue line is stock water. The blue line is the inflows of the Dolores River. Once Narraguinnp fills, the Totten Exchange fills (orange). The dotted red line represents MVIC diversions, which we consider their demand. Below that line is the green shading which represents their direct diversions. Eric stated that he tried to make the legends consistent on all graphs. Eric stated that the blue line is the river, any shading below that line came from the river flows directly and any shading above that line is water coming from the storage. In other words, wherever you see green, that is direct diversions by MVIC taken from the river to the diversion structure on the same day. The dark pink is where Narraguinneep is being stored in McPhee. Not all years have that, but recently that is becoming more common. The little bit of white above the line is where the stock run is also coming out simultaneously, so it doesn't quite match the river. Everything beneath the blue line and above the green (colors dark pink, orange, and light pink) is where water is being stored. After the blue line falls below the dashed red line, the stored water makes up the difference between the river and MVIC's usage (colors yellow, red, light pink, and light blue). The stored water allows MVIC's usage to be above the river flow after the runoff season. Eric asked if that made sense. Ken stated that yes, other than the dashed red disappears against the red. Eric stated that maybe he should use designs instead of colors. The dashed line follows the top of the shaded areas.

Ben stated the light pink below the blue is the call water being stored up to a limit of 795 CFS of river flows. If the river produces more than that, the water is stored as project water. On June 10<sup>th</sup> the river falls below the usage of MVIC, so direct diversions are no longer sufficient to meet MVIC's demand, and call water begins to make up the difference (yellow). Once call water runs out around July 15, MVIC utilizes Narraguinnep (red) until September 5<sup>th</sup>. The last water used by MVIC is the Totten exchange and the upstream exchange, which runs out around September 14<sup>th</sup>, the end of their season. Adam asked why they didn't take any project water? Ben stated that MVIC did not use project water because there was no project supply. Ken stated that there was no irrigation/fish pool project water, but the water that went to the Fishery was M&I water.

The second 2021 hydrograph is a comparison showing how the reservoir would have operated under the 1977 Contract with the same usage demands. The Totten exchange is still in there, even though it is a caveat of the T/H Canal. Initially, Narraguinnep and the Totten Exchange fill similar to the previous graph. The main difference is where call water was in the last Hydrograph; it is white space in this one, so that volume would have gone to project water. As the river dropped below MVIC's demand, the gap between the river and demand is filled by Narraguinneep being stored in McPhee. Once that runs out, a little bit of project water is utilized (+/- 4,000 AF), and then the exchanged water is used. The dashed red line is how the season did operate, and the MVIC storage would have run out about August 17 in this scenario. Either operation would have to change, or they would have ended their season early. You see how the red line continues, highlighting how the season operated. The gap in white is the volume missing. Eric pointed out that the red dashed line on both graphs is the same, keeping MVIC's demand/usage equal in both scenarios. Eric stated that there is a white space below that dashed red line, representing that there is nothing to fill it in with. Ken stated that we had one idea: naming the second Hydrograph 1977 Contract Operations.

Don asked why is there project water available with no call. Ben asked Don if he was referring to the Table? Don stated yes. Eric stated that number includes things that ended up going other places, and it is not the same as project water that gets distributed to other places it consists of the M&Is that were leased back into Full Service and Ute Farm and Ranch. Don asked about the 4,138 AF listed in MVIC Project Water in the Table. Eric stated that looking at the white space in the Hydrograph that is being collected above the river; it would have been call water; if no call water is collected, then project water is collected instead. Ben stated that the project water was zero, but without call water, it is actually 14,546 AF. Ben stated that the 4,138 AF is MVIC's portion of the available project water with shortages. Don stated that it definitely needs explanation. A label of MVIC project water verbally. Don stated that is what got him. That is why he called Ken and forgot there was zero supply that year. Glen asked how you know the difference between project water and call water. Eric stated there is no project water in one scenario and no call water in the other. So the first Hydrograph, you can see where call water was collected during high flows and spent later in the summer. Eric stated that per the 1977 Contract, MVIC doesn't get to collect call water. They only get direct diversions. Glen asked what happened to the 77 contract, then what happened to that water, the +/- 13,000 AF of project water? Eric stated that those are estimates from the DPR. Ken stated that it was the 4,138 AF, that is what it turned out to be. Don stated that in the 1977 contract, anything that MVIC didn't get used would get stored in McPhee for project water supply. Without the T/H Contract, all the water stored above MVIC's direct diversions would have been project supply water and distributed to all parties proportionately. The 4,138 AF is MVIC's share in all of it, and the 10,000 AF would have been for other project users. Glen asked if those percentages come from someplace? Don stated that It came from the same Hydrograph when the T/H contract wasn't in place. The project gained the project supply since MVIC chose not to use it, and they chose to take this diversion. Ken told Glen to continue with questioning. Ken stated that the DPR estimated MVIC would need 0 – 60,000 AF of project water any given year for MVIC to have a full season. If MVIC didn't divert the call water, it would have been pooled and divided between Ute Farm and Ranch, MVIC, Full Service, and the Fishery. MVIC gets a calculated number, which would have come out to over 100,000 AF of need in 2021. There were only 14,000 AF to meet the need, so it would be divided proportionately to each of the parties. Glen, so there lies the difference that project water is divided proportionately, call water is not. Don stated that shows part of the sweet deal we are struggling with. Don stated the 100% available for MVIC for use if they stored as call water once they had the T/H Contract in place. So instead of what MVIC did get in 2021, they would have only got 4,000 AF. The T/H allowed them to get extra. Adam stated that by virtue of the T/H they get about 10,000 AF that they wouldn't have got this year, but it depends on a year-by-year basis. Don stated that if they didn't have the T/H Contract, MVIC might have pulled more in diversions. That's what both sides must remember as well to look year by year at the comparison. MVIC would have operated differently if the T/H Contract did not exist. Adam stated that MVIC might have taken the water historically, which is considerably more early in the season during peak runoff. Adam stated that they would have taken as much as they could as soon as possible. Don said it would have been considerably more. Don stated that is the discussion they try to have at the last Board to Board. Don stated that they put water in places in the early years because they knew it wouldn't come later. Adam stated that they could still operate that way. Don stated that we were trying to communicate that at the Board to Board and did not explain it well.

Glen asked if MVIC had diverted most or all of the water that went to call water storage, how would it have affected the reconciliation bill last year? Eric said if they used direct diversion and hadn't taken the call water, they would have been more project water available they would have paid less because they would have taken less water. Eric stated looking at the dotted line at the end. That is how much water they didn't get. Ken stated he thinks Glen's question is if they take a direct flow, it is under the historical charge. It doesn't matter what the number is. Their season gets shorted, but it doesn't go into shared facilities, and they must take it the day it shows up, and they have to take it. The minute they store it in McPhee it falls into the other category. Don stated that is the really good answer and what we need to communicate to MVIC clearly. Don stated that calling it the 77 operations is good with a footnote for operating differently today. Ben stated that the table is in the same format on each graph. The first row is MVIC water that passes through McPhee and would not normally include Narraguinnep. It has Narraguinnep when it is being stored in McPhee. Next is the direct diversions and is not affected by the call water dialogue. The total MVIC McPhee water includes Totten exchange, upstream exchange, and project water is what we are debating.

Don asked if the titles in the table could consist of more of the details. Eric agreed it would be helpful. He kept them short due to space issues on the page. Ken asked Glen that this is a place in the inflow/outflow, and Eric has to manipulate the numbers; Narraguinnep is not charged in the reconciliation, but because he has to manipulate that number to make the graphs work, it's added to water coming out of McPhee. Ee could take it one step further and draw out the uses that might be subject to your prorated solution once the Board decides. Some of this is just the mechanics of taking lots of data and boiling it down to graphs. We'll try to make the titles expanded with footnotes. If you see something else you want to add, let us know.

Brandon said it might be helpful to have a graph not showing Narraguinnep stored in McPhee and showing the elevation of McPhee. That way, it can be compared to a typical year and show the benefit of having Narraguinnep in McPhee. I think that will be helpful for the total picture. Ken said, In 2021, it still would have looked like this on the filling side, except the water would not have stopped in McPhee. Adam said, Yes, but the reservoir elevation would change. Ken said, yes, but Brandon,

in 2021, what are you trying to show? Brandon said, that the elevations would go down, and the red volume at the end of the Hydrograph would disappear.

Don stated that how we send the bill is really important. We need to highlight the part of the bill for the original 77 direct diversions and storage, showing there's no proportionate charge for it. We also need to break apart the bill to show the call water and project supply charge. We need to highlight that once the water is turned into call water, there's a charge for it. Ken stated that it is separated but might not be as clear as what Don wants. Don noted that the chart on the Hydrograph should become a spreadsheet on the side. The spreadsheet should make the billing clear. Glen stated that the benefits of storing Narraguinneep in McPhee also saved DWCD money, so could MVIC charge for that savings? Wes and Don stated that no, it saved MVIC money. Ken stated that raising the elevation saves the pumping cost for everyone. Adam asked if there is a critical elevation or an elevation where pumping costs go up dramatically? If so, show that relative to McPhee's elevation and have it in a table. The graphs are already busy, and that would help get at what Brandon is talking about. Adam and Don stated that pulling the tables off and into a spreadsheet might be better. Ken stated that putting the elevation on it isn't difficult, and we can pull Narraguinneep out, but what happens at the end of the year? We don't know how MVIC would operate Narraguinneep. We can put elevation lines on for sure. Adam stated maybe to be just looking at the table on one page because they are the same. Wes stated that based on the table, what is the project water that MVIC will be charged? Well, 2021 is in the past, so, based on Ken's billing, we would charge for shared project facilities of 14,546 AF and the Totten portion of 3,400 AF. We have agreed that we will roll the cost out longer, so the estimated bill produced late last year is out the door. This Board has to direct staff on where to go with these; it is not yet done and will be later in the conversation tonight. Don stated that he wanted to leave Totten for a separate discussion. There's an argument that it shouldn't be charged and potentially has more nuance than Narraguinneep. Ken stated that the follow-up question is lining up the total cost and putting in the other little bits that went to the other users, which is in the 50% range. Glen asked if the blue color water called upstream exchange is project or non-project water? Eric stated that it comes from a different exchange and is project water and comes from a separate contract. Ken stated that the upper Dolores is fully developed. If you go for a use, DWR says they need to join our program, and MVIC dropped some water for the users, and we turn around and make it up in McPhee. It is not in the reconciliation. It is a trade. We have to account for it; it is not part of MVIC's project water, but it has to show up in the graph. Glen stated that the separate billing would then be helpful.

2020 – Ben stated that the main difference is the Narraguinneep fill is taking a little longer to fill and is not being stored in McPhee. Totten exchange still fills. Call water is being stored up to 795 CFS, light pink area. Above the pink and below the blue line, between 4/28 – 6/1, project water is stored. As the river falls (blue line) and crosses the red dashed line, call water (yellow) is being spent to satisfy MVIC's demand. The call water runs out around 8/19, and the Totten and upstream exchange is utilized afterward. The last bit is the grey shaded area, which is project water being used until the end of the season on 10/15. Don asked why the table has two different numbers for project water? Ben and Eric stated that if MVIC doesn't store call water, that water goes to the project supply and is redistributed to all parties. MVIC's demand for project water increased in the 1977 operations, and there would be more water to distribute. If you go to the other chart, the grey is all project water needed without call water. Adam stated because of call water in this particular year, MVIC got an additional 20,000 AF of water and extended their season. Don asked if the 72,000 AF was used that year. Eric said not in 2020 and will see it hit in 2019 and 2016. Don asked if MVIC used all their project supply in 2020? Eric stated no, but close. Don stated that knowing MVIC had some water they didn't use and adding it to the spreadsheet may be helpful. Don stated that we need to flag the unused water. Ken reminded Don that DWCD didn't include any unused water in the pull, just the water used. Don stated that the value shows that the shareholders had plenty and left some water in the McPhee. It's going to the concept that we are taking their water. Don stated that we should also show if MVIC chose to leave water in Groundhog because they didn't need to bring it down with the other water they already have. Glen asked about what the river makes and what MVIC receives? He asked in 2020 where the river spikes in late July due to monsoons; what goes to MVIC and water to project? Ben and Eric stated that MVIC only gets what they divert from the river. MVIC/DWCD contracts allow MVIC to store water above their direct diversions between April and June. After June 30, they can't store the difference between what the river produces and what they are diverting.

2019 was a full year, and McPhee spilled. Call water is the first water spilled out of the reservoir. The row is zero for call water in both scenarios because it completely spills. Eric further explained that MVIC is collecting Totten exchange first (orange), and once it fills, call water (pink) begins storing up to 795 CFS limit. Once reached, it stayed flat until mid-May, when the spill started. The black line is the spill. Because call water spills first, they began losing it, not using it. In 2019, every drop of call water got spilled. Robert asked if there was a way to chart the call water spilling? Even calling it out with an arrow. Adam asked if, in 2019, all of the call water spilled, why is there a difference between MVIC project supply under call and no call. Eric stated that when he started, Don wanted to see a graph where MVIC used project water before call water. The second version of the pink (call water) comes after the gray (project water), which is confusing. Ken stated the Totten exchange is lower because of the priority that Eric took it in. Don stated that this is the first one that Totten and upstream exchange are not the same. The reason is that it is buried in the project water, said Eric. They didn't use or need all the Totten/ upstream water to complete their season, which is why they are not the same on both sides. From the mechanics of building the sheet, we could force the use of all Totten water then they would use less project water. It's a balancing act. Eric said in the future

graphs, he'll make it more uniform. Don stated that it would be valuable to look at the project water they didn't use and left in the reservoir.

2016 is another year where call water hit 72,000 AF, and the spill occurred after that happened. Eric stated that there is another typo that they will fix. Until May 20<sup>th</sup>, call water is collecting until it hits the 72,000 AF limit and drops off suddenly. There is a small spill at the end of May and the first two weeks of June. Adam asked if our interpretation is that the 72,000AF limitation is a maximum in the reservoir, not maximum total storage at any time. For example, on May 20<sup>th</sup>, they hit the 72,000 AF limitation, so they quit storing call water. Ken stated that the diversions could go up to 72,000 AF. If they divert it all as call water, how can they divert more? What actual happens in the accounting is we can take it from the call water instead of the river. DWR will book it as the river because it's a true direct diversion right. Don stated that it is like Pueblo Reservoir. If and when storage is available, and that is the same concept. Ken said they could store call water again because they spilled enough to get below the 72,000 AF limitation. Eric stated that it is the volume in the reservoir. Eric stated the volume is also decreased by their direct diversions. If 72,000 fills, there is room, and if the river is making enough, they can collect. Adam stated that it sort of allows a call refill. The Hydrograph is still high at the end of June. June 24 collected up to 72,000 AF again, and then it stopped. Eric said there are two points where call is recollected but doesn't make it all the way back. The corrected versions are both the same; Don stated he is still trying to wrap his brain around the difference in project water between the two scenarios. Adam stated that it doesn't matter this year because MVIC's maximum demand was 21,963 AF. It is met with call water in the first graph and with project water in the no-call scenario. Don asked if they saved any project water that year? As it operated that year with call, Eric stated that MVIC didn't need project water. Without call water, though, they needed project water. It is an important nuance.

2013 was another shortage year, and it looked weird at the end because of late-season inflows from monsoon weather. The spring runoff was relatively low, and call water was collected in all three of the spikes. This is the first year Narraguinep water was stored in McPhee. Call water was stored through early June till the river fell below MVIC's diversions. It didn't make it to June 30. The yellow is call water, followed by the exchanges, Narraguinep in McPhee water, and the last grey chunk is the project supply used. MVIC shut off around September 23. The second version looks different. Call water is not collected. Narraguinep is still stored in McPhee. Don asked that the 15,000 AF project supply their demand? Eric stated it wasn't their demand but their allocation. The demand is what they took, which could have been more than the proportionate amount. The project water allocation did not make up the difference for the entire season. The gaps between the red and blue lines that are not filled are MVIC's unmet demand. Adam stated it's roughly the difference between 30,000 AF with call and 15,000 AF without call. Don noted that year shows the value of the call water.

Eric stated that he only did five years and only looked at specific years that were more valuable. He would also like to look at 2012 and 2014. Adam stated that he thinks that the graphs are exceptional. He believes they are really good at showing the advantages of call water. They tell the story nicely because it shows what it would have been like if you only had project water or the river to rely on.

Ken stated that we would discuss the timeline and potential special meeting for review later in the meeting.

Glen stated that they are great. Eric noted that the more questions the Board ask, the better they can be.

**ADJOURNMENT**      Dolores Water Conservancy District Water Activity Enterprise Board meeting  
adjourned at 8:49 pm

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Donald W. Schwindt, Secretary-Treasurer

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Godwin Oliver, President

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 audio tape.

## DOLORES WATER CONSERVANCY DISTRICT

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### MINUTES

Regular Meeting

June 9, 2022

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**CALL TO ORDER** Godwin Oliver, President, called the meeting to order at 8:49 pm

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

### INTRODUCTION OF GUESTS

#### In Person

Brandon Johnson, MVIC General Manager; Rusty Crangle, CDWR

#### Via Telephone/Teleconference

Steve Garchar, Dolores County; Rich Landreth, City of Cortez;

### MINUTES

#### APPROVAL OF THE MINUTES

Wes stated that in the audience of the May 5, 2022 Special Meeting it should be Ken Erickson instead of Harrison. Landan stated that Harrison was correct. Staff will check the sign in sheet.

**MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE MAY 5, 2022 SPECIAL MEETING.**

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

**MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE MAY 12, 2022, REGULAR MEETING and EXECUTIVE SESSION MEETING.**

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

### FINANCIAL STATEMENTS

Simon asked about the vendor Tiger by the Tail that was charged to project promotion. Gina and Ben stated that it was for promotional products purchased for staff. Ben stated that we had ordered a choice of sweatshirt or rain jacket. There are extras if the Board would like one.

**MOTION: TO APPROVE THE APRIL '22 FINANCIAL STATEMENTS AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.**

**ADMIN: AP/CHECK #12179-12193**

**\$24,507.73**

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

## **AGENCY REPORTS**

**BOR Report** – Robert Stump stated that Rob and Ben covered most items in the Enterprise meeting.

Robert said Rob mentioned the MOA for the water screens and the solicitations are due the 23<sup>rd</sup> of June. We should have some quotes soon to review. Cathodic specialist from Denver will be here the last week of June and at Reclamation costs. They are working on a project to map the test stations and the rectifiers in the GIS and offered the training to the District and do additional testing on siphon 3 of T/H canal. Concerning fire fuels mitigation at the tunnel, Reclamation has a contract with Woods on a test order of IDFQ to do the archaeological part of NEPA that the BOR that will be completing. This will help DWCD with scope of work around cultural sites. The thinning work will be done under a grant funded by the Bureau. Had a someone from region come down to the control and he is going to help on the IT security and monitoring of the network to identify the issues with T/H canal fiber communication interruptions and outages. Data that has been collected over the last couple of days by the control room to start the investigation. Robert will also have input on the discussion for the potential loan to the T/H, when that item comes up.

**Division of Water Resources Report** – Rusty Crangle introduced himself and stated that he took over for Doug this spring. He is doing some training with Doug on the Dolores. He swapped over from the Mancos drainage as commissioner and has been with DWR since 2010. Rusty provided information on the current calls. They have a call to the 14 priority on the McElmo and 13 priority on the Mancos. He stated that he will answer any questions, but is still in the learning process on the Dolores.

**T/H Committee Report** – Godwin stated that the Committee met May18, 2022 **1)** The Committee paid DWCD and MVIC. Did transfer \$50,000 out of reserve to cover expenses. Godwin asked if we were going to wait until the GM report section for discussion on the potential DWCD Loan to THCC. Ken stated that he needed to put it somewhere, but it could be discussed now.

**Next T/H Meeting** – The Committee will meet at the DWCD, Cortez Office June 15, 2022 at 2:00 p.m.

**Potential DWCD Loan to THCC – Discussed above at the T/H. T/H meets next Wednesday .** Brandon presented the 2 handouts that are in the Board packet. T/HCC is faced with the funding shortfall where the Utes have not paid. The chart explains how T/HCC expenses have been trending. On an average around \$50-60K per month. During the winter months we do most of the maintenance and during the season there are costs with the control room operations and emergency maintenance. The T/HCC started 2022 with \$300,000 in reserve and the committee is down to \$150,000. The Utes recently paid \$50,000 and may receive funding from BOR. By August T/H will have exhausted the reserve account based on current trending. Robert stated that the handouts project through the end of the year based on the current operations from this year's budget and work. The committee has cut back on the maintenance to stretch the dollars without the Ute payment. They took 2020 and 2021 numbers to project through the end of this year. Spent more in January and February so far this year. These are just numbers for information, should the District provide a loan to the committee later this year. The contract points out that additional administrative costs incurred with the loan could be charged back to the Utes. Simon stated that last week they paid \$50,000 and they are willing to pay \$50,000 a month. He is working with the BOR and the Tribe on solutions. The UF&R is having to import corn to keep mill running. They sold the first hay cutting to keep the T/H from having to borrow from the District, Utes could make the \$50,000 a month, and barring emergencies should be able to cover the T/HCC expenses. Robert stated that the committee is not asking for a loan yet, but just to keep the Board informed in case it is needed later. Don said what he heard is for \$50,000 for each month except for December. Don wanted to know if the ask was \$50,000 for 8 months for a total of \$400,000? Robert stated that they are just wanting to prepare the Board in case a loan is needed, but don't know the exact amount yet. They are thinking \$50,000 per month right now. Simon stated that they could pay it as long as there are not any wrecks on the T/H canal or UF&R. Simon stated that they are committed for \$50,000 each month and could even go \$60,000 if that is what is needed. Simon stated that they are not going to invoice the T/H for the work done even though they are doing work. Simon stated that they will make an investment on their end to be prepared for 2023. He knows the District is trying to keep things going through the season. There are a lot of people working behind the scenes with the Bureau on funding. Robert stated that the Tribe does have 2 assistance proposals submitted



through the Bureau of Reclamation, one is for Native American Affairs Technical Assistance for sectionalizing valves and the other is drought response related to fallowed fields. They are both under review for technical assistance. With strong BOR support he hopes that both are awarded and funded and to eliminate financial stress on the Farm and Ranch. Probably looking at the first of September before funded. Wes asked Don and Ken if it is a possibility that we have the money in our reserves and Ken acknowledged that we have funds available at Colotrust.

Brandon added, for information, that the T/HCC is looking at projects, possibly a liner, eligible for grants that might be available. They may be able to go thru the Bureau, but the District would have to apply for the grant. Don stated that the District is the entity/fiscal agent, because the T/H Committee can't apply as an entity for a grant through the T/H. Godwin stated that the Board should keep it in the back our mind in case something catastrophic happens the T/H Committee might be back.

Don asked if there were any legal considerations. Adam stated that you could create a line of credit that the District could use with the T/H. If there is something catastrophic happened the District could address quickly. Adam stated that Don was talking about acting as fiscal agent for the T/HCC where it is outside funds like a grant. This is different, it is District money moving out as a loan to the T/H Canal. Don asked if we need to set up a contractual arrangement. Adam stated that you would want a proper note with terms and have to be fair to the tax payers and think that you need to be careful of setting up something too far in advance. Adam is hopeful that everything will work out ok, but if an emergency happens, we will work to resolve quickly. At some point Utes will pay the bill. Ken asked if a motion by T/H and the DWCD Board with loan details worked out would be sufficient? Would formal actions recorded in both minutes be sufficient? Robert said it is the District providing funds to the O&M committee on behalf of the Tribe's payment, not a loan and just covering a portion of the Utes share of payments. It is an inhouse transaction. Adam said it is a forbearance of an outstanding bill payment. Ken stated that they have done what was asked in bringing the issue to inform the Board. We will bring it back next month for an update.

**MVIC Report** – Brandon reported that **1)** Flows are up and running smooth. Parts in for Groundhog this week and starting to work on a time schedule with the contractor, Weeminuche Construction Authority. Want to have it drained and start work by July 18<sup>th</sup>.

## **GENERAL MANAGERS REPORT**

**Colorado River Basin Issues – DCP/DROA** – A lot of grim news about the current crisis. DROA releases this year from Flaming Gorge will keep Powell up temporarily. Ken reviewed BOR modeling projections that show potential chances of certain elevations for Mead and Powell looking out 5 years. The BOR expects Powell to go back down next spring driven by historical numbers. The first 24 months comes from their monthly study that drives LB release decisions annually in August and April. The next 3 articles all start with some generic CR background. Clearly, BOR & WAPA are getting more concerned about the loss of power production along with those using that power. One comment points out that WAPA provides transmission backbone stability for the intermountain west grid. Someone is responsible for balancing the co-ops and other provider needs via the backbone transmission system. We are connected to CA and Midwest, but not Texas or east. WAPA intends to go out and buy outside replacement power, likely at higher cost.

**Legislation Update – Federal, State** – SW had a really good legislative update yesterday at their meeting. A lot of Senators are packaging individual water bills together to get passed. Steve Wolff seemed to think things are cooling off in Washington and bill may not get traction. Don stated that came from Christine. A lot of the individual bills are specific to other western area water problems. The big one for us is the Upper Colorado Recovery Program support. We sometimes provide letters of support as needed.

SW provided a state legislative update from SW lobbyist and the details on where the bills ended up and they are sent to the governor. Turf replacement is coming our way, ground water issues and others. Interim water resources committee and Cleve Simpson, Rio Grande Manager and will be speaking at the RT Subcommittee. Don Coram has left and is term limited. Will be meeting at the Summer CWC.

Ken stated that they received the directors report from Family Farm Alliance, handed out to the Board only. Ken also handed out the tour/schedule of the field trip with the State of Utah students and the papers they had to write. It was really valuable that Landan and Bob Neely participated on our local tour. If nothing else you see what the State of Utah Students produced from the tour. We put a lot of time on for promotion of the project and Ken thinks it does have impact.

Don asked that John Norton and Mike Preston presented a verbal narrative and written materials to the SW Colorado changing climate story. It should be shared with the Board as something that our staff can build on. It is something that we can copy their format with more specific DP data.

Ed Warner came by the office and introduced the new Deputy, Lee Trainum.

## LEGAL REPORT

**Water Rights Cases** – In 3 upstream cases Statements of Opposition were filed. About Don's question on the Rico change in point of diversion, it has an 1880 appropriation date. Adam stated that it didn't get to court until 1968 general adjudication, so they lose the first date and it is 1968 priority right. Those are filed and we'll see what happens and we will work through the new upstream augmentation plans, different model than before.

**MVIC 87.3cfs Water Rights Filing** – Adam stated that he has spoken with John and working with him on final issues with AG's office and will wait to hear back from him.

**NCA** – Adam stated that he provided a very brief articulation of the Board's position and expressed the Board's disappointment that there were no benefits to the water users. There was a motion to approve and seconded, but didn't receive enough votes to pass support for the NCA. Don stated that Ken provided some comments also. Adam stated that he thinks it will come back. Don stated that he also provided some comments also. Don stated that he hadn't heard that Montezuma County had a letter of support and Mike voiced Ute Mountain support and that was the first he heard of it. Don stated that Ken went into a dialogue with John and it probably went farther than they wanted to go. Don felt compelled still in spite of where the counties were, if the motion came to a vote, he was not going to support it. Adam stated that he is not surprised that the counties supported it, they are significant beneficiaries. Don stated that it is a bill that solves land use problems and not water problems and for those reasons, with SWCD as a water agency that supported getting the DP & DWCD started, he didn't think SWCD should support. It is a bill that supports land issues, but not water issues. It was interesting that it took the chairman to find a second and then put it to a vote and the vote didn't pass. We need to have these dialogues and let the senator know where we stand. Don stated that he was not pleased with the whole group continuing to characterize the bill as being built by us and having our support. They wanted to have us be neutral and he doesn't think that was fair. Adam stated that everyone involved acted with honesty and integrity advocating for their issues. We shouldn't be shy or apologize for our advocacy on our issues. Don stated that it was not an easy place to be as a Montezuma County appointee going against their support. Ken stated that as to advocacy, the NCA has 3 counties and the Tribe supporting it. They are trying to get a water agency so if nothing else, since we understood the water issues best, that SW didn't become a rubber stamp or white wash of how the water was dealt with by the NCA. The 3 counties and the Tribe could get it passed, but they wanted a water agency. Ken stated that he appreciates the SWCD support for the water entity was on the front line. SWCD respected and backed up the work that that DWCD has done. Don stated that he doesn't know where SW will end up when it comes back.

**MVIC Reconciliation – Reply to MVIC** – Adam stated that he had some discussion on the topic with John letting him know that there would be a letter coming from us. We were putting together some exhibits for a better understanding of our position. Adam stated that there is some information from Glen in the packet that is useful. That could be discussed in executive session or open session based on the Board's desire. Nothing else other than reconciliation to discuss in Executive Session. Ken stated that we had a rewrite by Glen to hand out. It is up to the Board on how to discuss these issues. Glen stated that when we start getting close to strategy, we bump up against not going there in public session. Adam stated that it is subject to negotiation and could be in litigation and the Board could receive advice in Executive Session.

**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: RESPONSE TO MVIC'S LETTER ON THE TOPIC OF RECONCILIATION.**

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

**RECESSED FOR EXECUTIVE SESSION AT 9:57 P.M.  
RECONVENED REGULAR MEETING AT 11:10 P.M.**

## REPORT OUT OF EXECUTIVE SESSION

Adam reported that in Executive Session the Board discussed potential negotiations with MVIC over contract obligation and advice was given to negotiators and no decision were made.

## OTHER

Ken mentioned that we have a new auditor that wants to present the audit to the Board in person. They are coming next month and will be taking up 20 minutes. It is 48 pages and it will come in the mail out. It could be up to 20-30 minutes discussion.

**NEXT DWCD BOARD MEETING** – Thursday, July 14, 2022 - 7:00 P.M.

**ADJOURNMENT** Meeting adjourned at 11:11 P.M.

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Donald W. Schwindt, Secretary-Treasurer

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Godwin Oliver, President