

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 WATER ACTIVITY ENTERPRISE

MINUTES

Regular Meeting
January 12, 2017

CALL TO ORDER Bruce Smart, President, called the meeting to order at 7:00 PM

ROLL CALL Bruce Smart, President
Simon Martinez, Vice President
Don Schwindt, Director
Godwin Oliver, Director
David Frederick, Director
Wes Wilson, Director
Glen Fish, Director
Mike Preston, General Manager
Ken Curtis, Engineer
Lloyd Johnson, Maintenance Supervisor
Lisa Jordan, Office Administrator
Vern Harrell, Bureau of Reclamation
Adam Reeves, Attorney

INTRODUCTION OF GUESTS

Brandon Johnson, MVIC General; Eric Whyte, Ute Mountain Ute Farm & Ranch Enterprise; Jim Mimiaga, Cortez Journal, Ed Millard

Bruce welcomed Glen Fish as DWCD's newest Board member.

MINUTES

APPROVAL OF THE MINUTES

**MOTION: TO APPROVE THE MINUTES AS PRESENTED FOR THE
DECEMBER 8, 2016 ENTERPRISE MEETING.**

MOTION: WES WILSON

SECOND: DON SCHWINDT

**MOTION CARRIED UNANIMOUSLY GLEN FISH WAS NOT IN
ATTENDANCE AT THE DECEMBER MEETING THEREFORE HE DID NOT
VOTE.**

FINANCIAL STATEMENTS

Bruce asked about the User Fees column of the Budget Analysis. Mike explained that the Full Service Accounts Receivable as of December 29, 2016 was approximately \$317K. Mike explained that sometimes the irrigators pay the previous year's payments to turn on the next spring. Don asked if there are other revenues that have not been received. Mike stated that

there are other revenues that were received in December and will appear on the December Budget Analysis.

MOTION: TO APPROVE THE NOVEMBER '16 FINANCIAL STATEMENT AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.

**O&M: AP/CHECK #34372-34455 & PR/CHECK #121659-121706
\$152,617.44**

**MOTION: SIMON MARTINEZ
SECOND: GODWIN OLIVER
MOTION CARRIED UNANIMOUSLY**

O&M REPORT – Lloyd reported the following:

Laterals – Meter repairs are well underway. Approximately one-half of the meters removed this year have been repaired. This year the meters at Dove Creek, Pleasant View, Ruin Canyon and Sandstone fields are being repaired. (115 meters). Bruce asked if they were all McCrometer meters, Lloyd stated that there are a few meters that are Water Specialties meters but the majority are McCrometer. Don asked if the meters went back to the box they came out of. Lloyd stated that they do.

Pump Plants – The VFD (Variable Frequency Drive) replacements at Dove Creek Pump Plant are moving along. Approximately 600 ft. of 350 mcm power cable had to be replaced due to insulation failure. The old cable has been removed and the new cable is on order. Lloyd brought a piece of the cable which eventually had to be removed with the boom truck. David asked how long the cable had been in. Ken stated since around 1995.

The new excitation equipment for Great Cut Pump Plant is scheduled for delivery around the middle of February. Installation of the new equipment should get started soon after.

Dove Creek Canal – The tire mat installation was completed upstream of Rd. 22. The finish work and the ramp removals will be completed in the spring. Lloyd showed before and after pictures of the progress.

South Canal – The underground 25kv reliability improvement has begun. Intermountain Electric out of Cody, WY is the contractor doing the upgrade for WAPA.

Power Plants – McPhee Power Plant has been running steady at 25 cfs.

The normal scheduled winter maintenance at Towaoc Power Plant has been completed. The removal of the last five needles in the water injection nozzles is getting started. Lloyd showed photos of the needle valve in Towaoc Powerplant that is being repaired. This valve weighs approximately 700 lbs.

Towaoc Highline Canal – The repair on Siphon 7 is nearing completion. The repair collar was formed and poured the first of the month. The pipe will be backfilled in April, after the siphon is filled and leak checked. Don asked how the work was performed and what more was done on the repair. Lloyd stated that the gasket doesn't appear to have moved and suspects the crack was there all along and has moved back past the gasket. Ken stated that there is a rubber gasket that is designed to be water tight. If it was in the middle of the pipe you could buy a repair coupling to place on the pipe. Since this was on the bell you can't perform that same repair. In this instance, there was not a safe interior repair option. Ken stated that there is a product that is placed prior to placing the concrete to close off and seal the joint. David asked if they had to dig under the pipe. Lloyd stated that they did.

Other O&M – Lloyd stated that Gary Croke provided an information sheet with general information regarding how much power the powerplants produce. For instance, in 2016 DWCD produced enough green power to supply 25,394 average US households based on the US Energy Information Administration statistic of the average US household using 909 kWh per month.

ENGINEERING AND WATER MANAGEMENT REPORT

Set Water Petition Hearing (Brett Oliver) for February 2017 – Ken stated that all petitions for new Dolores Project irrigation water allocations require a petition hearing, which requires legal notice. If the Board would like to consider the petition, the Board should set a hearing date and time.

Brett Oliver approached DWCD about getting irrigation water on a 66.9 acre parcel on CR Y just west of CR 18 in Yellow Jacket. There was a map in the packet indicating 42.3 Class 1

(green) lands and 7.0 acres of Class 2 (blue) lands available for a DP irrigation allocation. The red areas on the map are Class 6 and ineligible for DP irrigation water. The western half of the parcel has 36.5 eligible acres, green & blue, and the eastern green area is 12.8 acres.

The DP construction plans show a tap to this parcel. The landowner has confirmed that the tap still exists and part of the installation would include a road bore in addition to the meter box. A two or four-inch meter should suffice based on a final irrigation plan. Although FVPP has the most acres, currently 1% above the original block design acres, this small amount would represent 0.6% of the total and is close to FVPP with large lateral capacity. Applicants historically have born the costs for new delivery installation.

The applicant would have to file a formal petition prior to the hearing.

Alternatives: Set a Petition Hearing date & time to continue the process that may accept additional FSA acres in the Fairview Block or stop pursuing now.

Staff Recommendation: Set a public Petition Hearing for a Brett Oliver Petition for February 9, 2017 at 7:30 PM at the next Board meeting.

Don asked where he can find the capacity on the 2" meter compared to the 4" meter. Ken stated that it was not presented here, Ken stated that the spec on the 2" McCrometer is 250 gpm. Don asked how this could be handled as a Board Policy and would like to have the discussion on the size of the line. Ken stated that he recommends not making a hard policy but the Board could determine in each case the size of the pipe. Godwin stated that he talked to Brett Oliver and urged him to go with the 4" pipe. The past Board practice was to place the cost on the irrigator. Godwin asked what position he should take since Brett is his nephew, with regard to voting on this issue. Adam stated that Godwin has a fiduciary responsibility to the District and Godwin needs to evaluate if he can make a fair decision on behalf of the District. Godwin stated that he is in favor of doing this but didn't want to begin voting without having asked this question. Bruce stated that he always likes flexibility but it is nice to have more water to the meter. Bruce asked if there were any other sizes of meters instead of a 2" or a 4" meter. Ken stated that DWCD has abandoned using a 3" meter. Ken will bring capacities of the meters back to the Board, noting that a 4" meter is 600 gpm. Godwin stated that if it is that close then he would suggest going with the 4" meter. David asked if the District has used the high wear stainless steel bearing meters. Lloyd stated that the District has begun using a lot of those. David stated that pressure would not be a problem in that area and the smaller meter would save Brett money. Godwin stated that he has a 3" meter and it is a push in that size meter as far as capacity. Ken stated that this is a life cycle decision over a 20-year period. Bruce asked if there was any talk about expanding here. Ken stated that there are two small deliveries to the north and one to the south.

MOTION: TO SET A PUBLIC PETITION HEARING FOR BRETT OLIVER PETITION ON FEBRUARY 9, 2017 AT 7:30 PM.

**MOTION: WES WILSON
SECOND: DON SCHWINDT
MOTION CARRIED UNANIMOUSLY**

Wes asked what the repair cycle was on the meters. Lloyd stated that it is three years

Water Accounting Information – Ken stated that with regard to the annual 30 year Dolores River flows, we were close to the average which has come down from the early DPR days. Ken stated that the runoff April-July is roughly 78.6% and historically the Dolores River is accounts for 82% of the inflow. Ken showed the annual low runoff for the past 30 years, average annual runoff is 58,175 AF and median is 40,350 AF. We have been much lower through the drought years. The 2016 Hydrograph shows the March through July changes to storage, spill, outflow and elevation. Ken noted that the back end slope on the storage is shallow, since everyone underused their irrigation water supplies in 2016. 2016 NRCS & CBRFC Forecast tracks the forecasted versus the actual runoff. It will be tracked in 2017 but the runoff often changes and drops from January through June. Ken stated that we are about to set records for snow fall on this date and California seems to be coming out of the drought. Ken stated that he normally doesn't talk about snow this early, but it's hard to avoid with all our shoveling and the potential records. Ken stated that he looks at the median peak, half the historical record above and half lower. High record inflows pull the average up, so over time records have switched to the median. The median peak is at the normal historical high snow date around April 1 and shows the current values compared to the peak and represents how much is on the ground. So even if it dries out, we should keep that amount. Ken stated that the other part of the story is the precipitation and the dry fall is a reason the forecasts are low compared to the amount of snow. We started the snow accumulation season with dry soil moisture and the forecast also recognizes that higher elevations didn't get the normal November snow. The low snow depths are not taken until February. It was noted that Danny Decker thought the basin was on a similar path to 1993. Ken stated that he looked at the 1993 year and we were at 140% of Snowpack on January 15, 1993 and are going to be higher this January 15th.

ANS Update – Ken stated that the ANS topic is being well received by water users. Ken stated that he went to the City of Cortez on Tuesday and he will talk to the Cortez Bass Masters on Monday. Ken stated that Stan who runs the boat dock understands the problem and wants to help. The boat rental business in Dolores is concerned about the funding and only having inspections four days a week at House Creek. Montezuma County has expressed interest in trying to provide funding to keep House Creek open 7 days per week, but will not be able to provide for 2017. There are preliminary discussions regarding the departure of boats from the reservoir after the inspection station closes.

ADJOURNMENT Dolores Water Conservancy District Water Activity Enterprise Board meeting adjourned at 8:02 PM

Don Schwindt, Secretary-Treasurer

Bruce Smart, President

DOLORES WATER CONSERVANCY DISTRICT

MINUTES Regular Meeting January 12, 2017

CALL TO ORDER Bruce Smart, President, called the meeting to order at 8:02 PM

Bruce Smart, President
Simon Martinez, Vice President
Don Schwindt, Secretary-Treasurer
Godwin Oliver, Director
David Frederick, Director
Wes Wilson, Director
Glen Fish, Director
Mike Preston, General Manager
Ken Curtis, Engineer
Lloyd Johnson, Maintenance Supervisor
Lisa Jordan, Office Administrator
Vern Harrell, Bureau of Reclamation
Adam Reeves, Attorney

INTRODUCTION OF GUESTS

Brandon Johnson, MVIC General; Eric Whyte, Ute Mountain Ute Farm & Ranch Enterprise;
Jim Mimiaga, Cortez Journal; Ed Millard

APPROVAL OF THE MINUTES

MINUTES

Don stated that as he read the corrected minutes he sees that everything he requested has been done however there are many incomplete sentences and asked that the minutes be changed to include quotation marks around the exact wording for clarification for future readers. Mike noted that there have been approximately 6 days spent correcting minutes recently and suggested simplifying the minute taking process, if correcting detailed minutes takes excessive time and conflicts with essential DWCD administrative duties.

MOTION: TO APPROVE THE MINUTES FOR THE NOVEMBER 10, 2016 REGULAR MEETING AS PRESENTED.

**MOTION: SIMON MARTINEZ
SECOND: DAVID FREDERICK
MOTION CARRIED WES WILSON AND GLEN FISH ABSTAINED.**

MOTION: TO APPROVE THE MINUTES FOR THE DECEMBER 8, 2016 REGULAR MEETING AS PRESENTED.

**MOTION: SIMON MARTINEZ
SECOND: WES WILSON
MOTION CARRIED GLEN FISH ABSTAINED.**

DECEMBER 8, 2016 EXECUTIVE SESSION Don had minor changes to the minutes. Adam suggested making the changes in executive session. No motion was made.

MOTION: TO APPROVE THE MINUTES FOR THE DECEMBER 8, 2016 (CONDUCT PETITION) EXECUTIVE SESSION MEETING AS PRESENTED.

**MOTION: DON SCHWINDT
SECOND: SIMON MARTINEZ
MOTION CARRIED GLEN FISH ABSTAINED.**

FINANCIAL STATEMENTS

Mike pointed out that \$150,000 was transferred to the O&M Budget from Administrative Budget. This shows on the Bills List and will appear on the December Budget Analysis.

MOTION: TO APPROVE THE NOVEMBER '16 FINANCIAL STATEMENTS AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.

ADMIN: AP/CHECK #10878-10890

\$162,975.28

**MOTION: SIMON MARTINEZ
SECOND: GODWIN OLIVER
MOTION CARRIED GLEN FISH ABSTAINED**

AGENCY REPORTS

BOR Report

Vern stated that **1)** There was an opportunity for a Basin Fund MOA contract to rebuild 16 of the fixed speed vertical pumps in the 5 plants. Vern explained that the money is available because we were below cost on the previous contracts. Vern stated that he is 99% sure this will be approved. Vern noted that this funding had to be approved by multiple parties, right now the last link is being built between the Upper Colorado River staff person and the CWCB staff person. There will be a spec put together and a contract request will be submitted. Vern stated that having control over the contracting and design helped to keep cost low. The new contract is approximately \$600K and will complete all of the pump repairs except the Great Cut Pumping Plant (GCPP) excitation. It was noted that the GCPP pumps are a lot bigger and slower turning, there is little to no wear, and they also have cleaner water going through the pumps. **2)** SCADA migration should go out to bid next week. Factory testing is being performed for GCPP excitation and scheduled to deliver January 19. Bruce asked when the SCADA migration will take place. Ken stated this work will be performed next winter. The equipment should be here by October 2017. Ken stated that there will be a system migration that a contractor will perform but control room staff will perform the PLC installations. **3)** Vern handed out a January 1, 2017 Operating Plan, based on the most probable, 285,000 AF, April-July, runoff. This would provide a 114,000 AF spill that would last for 54 days. Vern stated however that January does not count. Wes asked what is a good rafting release. Vern stated 800 cfs is acceptable however the boating community prefers 2,500 cfs. Ken stated that they say snaggle tooth gets dangerous with flows over 3,000 cfs. Don asked if the outlet works are 5,000 cfs. Vern stated that this is correct. Mike explained that with regard to the boating releases 2,000 cfs is fast and smooth. There is an amount in between 800 cfs and 2,000 cfs that is also acceptable but not as fast and smooth. David stated that he hears the Board say that a 28,000 AF is small but the spillway is designed for 40,000 cfs. Vern stated that we never spill over the gates. The spillway is designed for emergency situations. Vern stated that in this scenario the reservoir would fill on June 1 and stay full for 5 days.

Division of Water Resources Report

CDWR was not in attendance at the meeting.

T/H Committee Report

Vern Harrell reported that the Committee met on December 21, 2016.

The Committee discussed **1)** that work is complete on Siphon 7. **2)** The Committee discussed the 2017 Budget and 2016 carryover. **3)** MVIC has been placing rip rap and cleaning the canal on Reach I. There will be more rip rap placed when it the canal dries up in the spring.

Next T/H Meeting – The Committee will meet at the DWCD, Cortez Office January 18, 2017 at 2:00 p.m.

MVIC Report

Brandon reported that **1)** crews are still working on Narraguinnep bridge. **2)** MVIC performing maintenance. **3)** Saturday, January 21, 2017 is MVIC's Annual meeting.

Election to fill Vacant Board Positions

Adam stated that the two positions to fill are the Secretary-Treasurer and Towaco Highline Canal Committee representative. Adam stated that there will be Nomination Ballots, followed by Voting Ballots as this will be a secret ballot election. Adam will collect and count all of the ballots.

Election to fill Secretary-Treasurer Position - Adam stated that the nominees for Secretary-Treasurer are Godwin Oliver, David Frederick and Don Schwindt. The Vote for Secretary-Treasurer was a tie between Don Schwindt and Godwin Oliver. The Final Vote was for Don Schwindt.

Election to fill Towaoc Highline Committee Seat – Adam stated that the nominees for Towaoc Highline Canal Committee representative are Glen Fish, David Frederick and Godwin Oliver. The Vote for Towaoc Highline Canal Committee representative was a tie between Glen Fish and Godwin Oliver. The Final Vote was for Godwin Oliver for Towaoc Highline Canal Committee representative.

Designation of Location for Posting Meeting Notices –Open meetings law requires that the local governing body to designate where a notice of the meetings will be posted which has to be set each year. The meetings must be posted if there will be DWCD business conducted.

MOTION: DESIGNATING THE BOARD OUTSIDE THE BOARD ROOM DOORS AS THE LOCATION FOR THE OFFICIAL POSTING OF MEETING NOTICES.

**MOTION: WES WILSON
SECOND: DON SCHWINDT
MOTION CARRIED UNANIMOUSLY**

GENERAL MANAGERS REPORT/DECISION ITEMS

Colorado Water Congress – January 25 Workshops, January 26-27 Convention – Mike stated if anyone would like to attend the conference Gina will set up reservations. Wes requested that if someone was going to go to the State of the Compacts workshop he would like to know what happens. Mike stated we could download the presentation if necessary. Wes stated that if he is in Denver he may show up for part of the convention.

MVIC-DWCD Board to Board Meeting, January 17, 2017 – Mike stated that there isn't a topic ready to discuss so there will not be a January Board to Board meeting. There may be a meeting in February however it may be on an alternate date rather than the usual third Tuesday.

Set Brainstorm Meeting – Mike stated that typically the meeting begins at 9:00AM, break for lunch and wrap up between 3:00 and 4:00PM. The Brainstorm is for DWCD items with DWCD Board and Staff in attendance. Mike and Ken will prepare an agenda and try to make the meeting broadly informative for new Board members. The Board decided to hold the meeting on March 13, 2017 at 9:00 AM.

Distribute GM Evaluation Form and Set Time and Date for Evaluation – This meeting was set for February 9, 2017 at 5:30 PM.

Settlement of SJNF Federal Reserved Water Rights Case Using the Colorado Instream Flow Program – Mike, Barry, Bruce and Ken met with CWCB, AG, SJNF and Department of Justice Representatives in Durango on December 12. DWCD along with SSWCD articulated four primary concerns: **1)** The Rio Lado Creek and several other pilot efforts are proposed to determine if the Colorado Instream Flow Program can serve as an alternative to Federal Reserved water rights claims. The other item of concern is consumptive uses. We need to have a better understanding of who holds the water rights. Most of these are stock ponds above the reservoir. Most of the uses listed are in this Ranger District and in the Dolores drainage. Mike stated that what we are used to in the instream flow is called an R2 Cross which surveys for median flow calculations, the Forest Service wants to claim all unappropriated flows to meet the needs of wetland plant communities. DWCD and SWCD expressed strong concern about introducing new instream flow criteria which could in the future be applied further down in the river system, and have serious ramifications for water

users. The Forest Service is trying to use criteria other than the standard R2 Cross and PEHAB-SIM. This is a CWCB policy issue that needs to be evaluated and addressed thoroughly. If such criteria are ever developed and applied, their application needs to be tightly constrained so as to avoid conflict, injury and uncertainty to water users lower in the system. **2)** The wetland criteria that are being explored don't involve defined calculations or methods. The "take all unappropriated flows" approach is not an acceptable criterion for "the minimum amount necessary to protect the natural environment" as called for in the ISF law. **3)** As mentioned earlier the Settlement of Federal claims also includes a number of consumptive uses, mostly stock ponds. We now have a list of these stock ponds, but we do not know if or how the water rights were adjudicated, and what the Forest Service intent is with regard to any privately held water rights. **4)** If we are engaging in the effort to resolve Federal Reserve Water Rights claims, we need to know a lot more about the terms of settlement and who are other opposers in the reserved rights case. DWCD and SWCD argued that because the above four issues are going to take time to evaluate, March of 2017 is too soon for CWCB to notice their intent to appropriate Instream Flows on the pilot streams. Mike received a call from CWCB offering to push the instream flow Intent to Appropriate (including Rio Lado) to January of 2018, and offering a series of meetings on our issues during 2017, using video conferencing to control the time and cost involved in these discussions. CWCB still wants to proceed with two stream segments that are being done with standard R2 Cross and median flow criteria. Mike is conferring with Bruce Whitehead on the R2 Cross segments.

Bruce S. added that the Forest Service is picking pilot streams at the top of the basin where water is coming down with no uses at this time, keep in mind that this is for the Wilderness Area and will fill the wet areas. What worries DWCD is that if you accept riparian criteria there is the potential to use these criteria to accept riparian instream flows for uses lower in the river system. Adam stated that there are a few instances that the State has appropriated other ISFs with criteria other than R2 Cross. Bruce stated that this could provide too wide swath for accepting new criteria. Mike stated that once someone puts a stream under consideration with accepted criteria it becomes difficult to challenge or change. Mike stated that once you set precedent with wetlands criteria it becomes increasingly risky as you move down the river system. The shift was happening quietly anyway, but once we could see what was being proposed it was easier to see what could become a trend. This has to be considered judiciously and thoroughly for CWCB. Mike has talked to Bruce Whitehead, who agrees that getting a delay and having an opportunity to discuss the evolving policy is important and will allow for a year of discussions to decide on the ramifications of this and inform those who share DWCD concerns. Glen asked what R2 Cross is. Bruce stated that it is a formula for the stream taking into consideration slope, width, material (cobble etc.) and is used to determine what stream flows are needed to support fish. This is a ripple and run formula to allow the fish to move between feeding areas. It was noted that this method has been tested in court and accepted. Mike explored why we would be concerned if this is part of the prior appropriations system. The impact is on conditional water rights and future development. Adam stated that they have done R2 Cross and PEHAB Sim, which has not been tested in court. They would like to use geomorphology processes and overflow criteria. Even if wetland plants are not rare individually, there is an assemblage of wetland plants that together could be considered valuable. We need to argue this is a policy shift with no technical evaluation to justify new criteria. Someone can file on the ISF and go through the appropriation program. Don asked if this isn't more than policy a discussion. Adam stated that this is one of the tracts that Mike is working on. Adam doesn't know how the FS can quantify this and who they would get to testify to it. The FS is saying that they need all unappropriated water to protect an assemblage of plants even though the plants aren't unusual they aren't normally together. Mike stated that the agencies were persuaded enough to give thought to the process for at least a year, and this will allow the issue to get out in the open. Mike stated that they are trying to claim all unappropriated rights on the Rio Lado. Ken stated that they will calculate a number that is high for the period, and can make the numbers that will take all the water. Don stated that a delay of the year will provide time to build an argument prior to this being executed. Mike stated there will be updates to the Board as this topic unfolds.

MVIC Annual Meeting, January 21 – The DWCD proxy can be signed in and voted by the President, General Manager, or a Board member with MVIC shares. The Board was asked who should carry and vote the DWCD Class A Shares. Don, Glen and Bruce will be in attendance at the meeting. Don stated that in the past there is a letter that is left open and decided at the meeting who will carry the proxy. Mike will write a letter to MVIC on eligible DWCD Board members. DWCD holds 170 Class A shares. Registration begins at 10:00 AM.

Legal Discussions MVIC-DWCD – Groundhog, POD, 505cfs, Change in Use of MVIC 87.3 conditional water right – Adam will update the Board, as appropriate in open session, and identify any points of discussion that need to be taken up in executive session.

Activities and Meetings since Last Board Meeting:

December 12: Instream Flow Pilots and Consumptive Uses for Possible Settlement of Federal Reserved Water Rights Claims - San Juan National Forest, Department of Justice, Southwestern Water Conservation District and DWCD – Bruce, Ken, Mike, Legal Team, Steve Harris
December 12: Mussel Inspection Outreach to the Dolores Town Board – Ken and Partners
December 13: MVIC Board Meeting – Ken, Godwin, Bruce
December 14: DWaRF McPhee Fire Risk Reduction, Pilot Project Group - GM
December 21: Towaoc-Highline Committee
January 4: DWaRF McPhee Fire Risk Reduction Forest Health Meeting
January 5: Website Review and Training Session
January 6: LEMing Phone Meeting
January 9: Drought Plan Work Session, DWCD, 2:00PM
January 10: MVIC Board Meeting, 2:00PM
January 11: Webinar on Phase 2 of the West Slope Roundtable Risk Assessment – Roundtable Chairs including Mike
January 11: Weather Modification Workshop, DWCD 1:15PM
January 11: Southwest Basin Roundtable, DWCD, 3:00PM (2:30 Social Time)

Upcoming Meetings and Activities:

January 17: LEMing, MBSS, 10:00AM
January 17: MVIC-DWCD Board to Board Meeting (Tentative), 7:00PM, DWCD
January 18: Towaoc Highline Committee, DWCD, 2:00PM
January 21: MVIC Annual Meeting, 1:00PM, Lewis-Arriola Community Center
January 25: Water Congress Workshops
January 26-27: Water Congress
February 1: DWaRF, DWCD, 1:30
February 2: Federal Reserved Rights Meeting, Video Conference from CPW Durango
February 6: Drought Plan Work Session, DWCD, 2:00PM
February 14: MVIC Board Meeting, 2:00PM

LEGAL REPORT

New Groundhog Water Right, 12 CW 20 – MBSS is close to resolution. There are a couple of issues to work out with MVIC.

POD & 505 CFS Due Diligence – Adam stated that they have resolved the correction of the POD case this will protect MVIC from the downstream call. The 505 should be wrapped up soon as there is not strong opposition from MVIC or CDWR.

87.3 Conditional Water Right – MBSS received preliminary documents. There are some issues with MVIC to be worked through and some technical avenues that need to be explored.

CDWR Building Lease – The lease with CDWR is nearly complete. MBSS expects to get concurrence from all parties within the next week.

WQCC on Hydrologic Modification Report – There was a final report issued which removed all of the legal conclusions to the report.

Adam suggested having two executive sessions, one to discuss Groundhog 12CW20, Forest Service Reserve Rights Case and the Conditional Water 87.3 issue and correction of the minutes, the other to discuss the Board Conduct matter.

MOTION: TO MOVE INTO EXECUTIVE SESSION PURSUANT TO CRS 24-6-402(4) (e) CONCERNING MATTERS OF NEGOTIATION AND CONFERENCE WITH ATTORNEY CRS 24-6-402-(4) (b)

**MOTION: WES WILSON
SECOND: DON SCHWINDT
MOTION CARRIED UNANIMOUSLY**

RECESSED FOR A BREAK AT 9:50 PM

RECONVENED INTO EXECUTIVE SESSION AT 10:00 PM

RECONVENED REGULAR MEETING AT 10:45 PM

REPORT OUT OF EXECUTIVE SESSION

Adam reported that the Board discussed corrections to the minutes and heard legal advice on water cases. The Board will take action in open session to approve the minutes as corrected.

MOTION: TO APPROVE DECEMBER 8, 2016 EXECUTIVE SESSION MINUTES AS CORRECTED.

**MOTION: WES WILSON
SECOND: DON SCHWINDT
MOTION CARRIED UNANIMOUSLY**

Executive Session Concerning Matters of Negotiation – CRS 24-6-402(4) (e) and Conference with Attorney CRS 24-6-402-(4) (b) – Settlement Discussions: Director Removal Petition

MOTION: TO MOVE INTO EXECUTIVE SESSION PURSUANT TO CRS 24-6-402(4) (e) CONCERNING MATTERS OF NEGOTIATION AND CONFERENCE WITH ATTORNEY CRS 24-6-402-(4) (b)

**MOTION: DON SCHWINDT
SECOND: WES WILSON
MOTION CARRIED UNANIMOUSLY**

RECESSED MEETING FOR EXECUTIVE SESSION AT 10:46 PM

RECONVENED MEETING AT 11:28 PM

REPORT OUT OF EXECUTIVE SESSION

MOTION: TO PROCEED TO THE HEARING AND NOT TO ENGAGE IN SETTLEMENT DISCUSSIONS.

**MOTION: SIMON MARTINEZ
SECOND: GODWIN OLIVER
MOTION CARRIED. GODWIN OLIVER, SIMON MARTINEZ, WES WILSON AND BRUCE SMART VOTING YES. DON SCHWINDT, GLEN FISH AND DAVID FREDERICK VOTING NO.**

NEXT DWCD BOARD MEETING – Thursday, February 9, 2017 - 7:00 P.M.

ADJOURNMENT Meeting adjourned at 11:29 P.M.