

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

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### MINUTES

Regular Meeting  
March 9, 2017

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**CALL TO ORDER** Bruce Smart, President, called the meeting to order at 7:10 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  
Barry Spear, Attorney  
Jeff Kane, Attorney  
Doug Pickering, Colorado Division of Water Resources  
Marty Robbins, Colorado Division of Water Resources

### INTRODUCTION OF GUESTS

Brandon Johnson, MVIC General Manager; Danny Wilkin, MVIC, Director James Snyder, MVIC Director; Ed Warner, Tyler Artchocker, Bureau of Reclamation; Jimmy Porter, Dorothy Porter, Steve Wallace, McElmo Irrigators, Ed Millard, MVIC Stockholder, Jim Mimiaga, Cortez Journal

### MINUTES

### APPROVAL OF THE MINUTES

**MOTION: TO APPROVE THE MINUTES AS PRESENTED FOR THE  
FEBRUARY 9, 2017 ENTERPRISE MEETING**

**MOTION: SIMON MARTINEZ  
SECOND: GODWIN OLIVER  
MOTION CARRIED WES WILSON ABSTAINED**

Don had a correction to the Public Hearing minutes. Don stated that the minutes do not list the people who made the motion and the second. It was agreed that Don Schwindt made the motion and Simon Martinez made the second. Don would also like the motion to reflect that he moved what staff recommended and to include in the motion that the staff was directed to install a 4" diameter meter.

**MOTION: TO APPROVE THE MINUTES AS CORRECTED FOR THE  
FEBRUARY 9, 2017 PUBLIC HEARING ON BRETT OLIVER PETITION**

**MOTION: DON SCHWINDT  
SECOND: SIMON MARTINEZ  
MOTION CARRIED WES WILSON ABSTAINED**

### FINANCIAL STATEMENTS

**MOTION: TO APPROVE THE JANUARY '17 FINANCIAL STATEMENT AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.**

**O&M: AP/CHECK #34590-34637 & PR/CHECK #121779-121804  
\$134,361.61**

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

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

**Pump Plants** – The new VFD installation at Dove Creek Pump Plant is nearing completion. Several new valve operators were installed at Pleasant View Pump Plant. The number two pump at Ruin Canyon Plant is scheduled to be reinstalled next week. It was removed for impeller replacement. Two of the five new exciters are being installed at Great Cut Pump Plant. The other three will be installed this summer.

**Towaoc Power Plant** – The last needle was rebuilt and installed this week. All six needle valves have now been upgraded, resealed and reinstalled. The Power Plant should be ready for operation the first part of April.

**Dolores Tunnel and Forebay** – The Dolores Tunnel will be shutoff Tuesday, March 14th and Wednesday, March 15th for inspection of the tunnel and the 5'x7' regulating gate. The forebay will also be cleaned while the water is shutoff. Ken and Lloyd stated that as long as people attend the safety portion of the inspection they are welcome to attend.

**South Canal** – The South Canal power line reliability upgrade will not be totally completed this spring. The contractor was not able to complete the project before pumping season. The contractor is scheduled to come back in this fall and complete the upgrade.

## **ENGINEERING AND WATER MANAGEMENT REPORT**

**McElmo Water Lease from Totten Reservoir** – Ken stated that If DWCD Board wants to continue the McElmo lease trials, they must set parameters for 2017 leases from Totten Reservoir to McElmo irrigators. These include cost per acre foot, minimum and maximum quantities and similar operational criteria for 2017.

In 2016, DWCD operated a fourth year of McElmo leases from Totten under trial conditions with the specifics in the first table below. There was no use in 2015 or 2016. In both years, McElmo ended up with plenty of early water and never pulled on their available contracted Totten supply.

We currently operate 8' between 6145' to 6153' with 1,403 AF. Reservoir evaporation is approximately 48" or 613 – 790 AF, about 700 AF. Leases are predicated on a call on McElmo, which means we won't gain reservoir storage during that period. Later in the season, we may be able to collect additional inflow and re-fill like 2013 & 2014 based on monsoons and return flows, but this is not guaranteed. 700 AF of lease could effectively drain Totten while the dam elevation restriction remains in place. From our 2013 & 2014 experience, in consultation with DWR, operations will be controlled by reservoir elevations controlling inflows, gaged outflows & evaporation.

With a full irrigation supply recognized in the area it is unknown what interest there may be in Totten leases for 2017. DWCD did not meet with the McElmo irrigators in 2016, but on March 6th, 2017, staff spoke with Jimmy Porter who expressed interest in leasing if conditions turn out drier than 2016, and suggested that a few McElmo irrigators may attend the March 9th DWCD Board Meeting. It has been observed that the McElmo irrigators view the Totten leasing more as an insurance policy than a direct water supply.

In 2016, the Board chose to adopt a split pricing method similar to costs within the Full Service Area, with a base fee of \$11/Acre-Foot paid at the signing of the contract, and a delivery fee of \$11/AF based on actual quantities released from Totten. It was discussed that although this would take additional administrative time and would probably reduce total revenue, it may appear more equitable and encourages longer term interest in the program.

Ownership costs for Totten are approximately \$15,000 per year for normal operations.

Staff recommendation is to continue the trial leases on an annual basis for 2017 as have been run for last four years. Maintain the charges at \$11/AF Base Fee due at time of contract, with

an additional \$11/AF charge for release from Totten. Total delivered cost would be \$22 per acre foot for total AF leased including required losses. Set a minimum of 100 AF to run the program. Allow a maximum of approximately 700 AF to be leased. Require Base Fee payment on firm amounts up front to the District. Only provide refunds for water that DWCD is unable to deliver. A potential Board motion covering staff recommendation is below.

**Discussion:** David stated that the income is cut in half at the \$11 base fee. Ken agreed depending on the exact operating costs each year. The \$11 base fee does not cover the cost to ultimately perform all of the long term maintenance needed at Totten.

Jimmy Porter stated the water is important to him and he would like to have a contract in place prior to a call. He stated that he appreciates the program. Steve Wallace reiterated Jimmy's statements and noted that he too appreciates the availability when water is needed.

**MOTION: TO APPROVE LEASING WATER OUT OF TOTTEN RESERVOIR TO MCELMO USERS WITH A 100 AF MINIMUM AND A 719 AF MAXIMUM. DWCD TO BEGIN ACCEPTING LEASE APPLICATIONS AT 9:00 AM ON TUESDAY, MARCH 14, 2017. PRICING IS SET AT \$11 PER AF BASE FEE, PAID AT TIME OF CONTRACT. AN ADDITIONAL \$11/AF WILL BE CHARGED ON WATER ORDERED AND RELEASED FROM TOTTEN. DWCD WILL BILL FOR DELIVERY AMOUNTS AFTER WATER SEASON. ALL QUANTITIES INCLUDE THE MANDATORY DWR ESTIMATED LOSSES. IF DWCD IS UNABLE TO DELIVER ANY CONTRACTED WATER, COSTS WOULD BE REFUNDED TO LESSEE. IF THE WATER IS AVAILABLE AND UNUSED THERE WILL BE NO REFUNDS FOR THE BASE FEES. ALL LEASES WILL BE ON A FIRST COME FIRST SERVE BASIS.**

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

**Water Accounting Information** – Ken stated that **1)** the weather has been warm and dry and the river should start coming up. **2)** The SWE indicates a substantial amount of water in the mountains as of the first of March and appears to be above average at the low snow sites. **3)** Ken stated that there is no difference in the High 4 and High 5 Snowpack Sites versus the River Runoff Comparison. Ken stated that this season appears to be similar to 2008, which ended with a large spill and plenty of water.

**ANS Update** – Ken stated that there will be meeting on the ANS. There will be a press release in a couple of weeks. The online news is that MVIC has closed Narraguinnep and have installed a gate. DWCD will install one-way parking lot spike strips which will allow someone to exit the reservoir but will not allow entry to the reservoir without having a mussel inspection. Stan, the owner of Docs Marina, has agreed to help with April boaters. Wes Wilson stated that he heard a comment that there were no more partners needed that there was plenty of money. Ken stated that he did not say that. Any extra money would definitely be utilized to allow more access to the reservoir. Mike stated that we are one of the few reservoirs that have partnerships in place to help with the costs associated the ANS. Ken stated that there have been suggestions to charge boaters. Ken stated that historically there has not been a charge. To get House Creek open full time it would cost around \$42,000 per season, this would be approximately \$10 per boat each trip. Ken stated that there is no mechanism in place to take money for entry to the reservoir at this time. Mike thanked Wes for bringing this information forward and allowing for the correction of mis-information. David asked if there could be something DWCD could pursue in the enterprise to place a gate to pay with a credit card. Ken stated that they had looked into this and those gates are very expensive. Don asked how many boaters there were over a year. Ken estimates approximately 4,500 boats utilize the reservoir every season. Don stated that it may be worthwhile to get volunteers. Ken stated that in the short term this is not feasible, longer term possibly. Ken stated that the ANS team has been ad hoc this season and he needs to get access control taken care of for this season and then work towards moving forward in the long term.

**Potential Totten Closure** – Ken stated that Totten remains open to motorized boats and subject to potential Quagga mussel infestation. Ken stated that the board will have to decide if they want to close it like other area reservoirs, primarily MVIC's Narraguinnep.

DWCD has focused exclusively on McPhee based on DWR risk analysis and existing practices. Recently MVIC has decided to close Narraguinnep to all boating to assure protection from potential mussel infestation. Swimming and shore fishing will be allowed, but a gate will close the boat ramp. CPW currently holds the surface lease to both reservoirs, but will work with owners to protect from mussels including an emergency closure if necessary.

CPW bases risk on two factors. The first is the water environment conditions that address whether the mussels can survive and further thrive. The second is based on boating traffic, both number of boaters and where they may be coming from. Totten is connected to the other Dolores & Montezuma valley water sources, mainly McPhee which has been tested and is expected to support mussels. Therefore, Totten probably could also support mussels. Boating traffic is light, just a few fishing boats or less per day, as swimming and skiing are not allowed. Logically they are probably local, but we have no data on where they may travel to and from on other fishing trips.

Alternatives: Close Totten to all boats, just motorized boats or leave open as it currently is.

Staff Recommendation: Close Totten to all boats in 2017. This action can be re-considered annually as new information becomes available.

**Discussion:** David stated that there are a lot of people who like to fish on Totten. David stated that mussels can get in the small gas powered motors. Ken stated that hand launched boats generally dry out and are lower risk as they are likely kayaks and canoes, but by no means zero risk. Glen stated that tightening up the large reservoirs will push people to the smaller reservoirs.

Brandon stated that there were so many variables that went into the discussion and enforcement would be very difficult. Brandon noted that for example canoes can be trailered or placed in the back of a vehicle. MVIC has not determined what to do about Groundhog. The enforcement falls on the Sheriff's office and CPW. Danny Wilkin stated that MVIC struggled with closing Narraguinnep but in the end this is an irrigation company the risk is too great and could be detrimental to the community in a massive way. Mike stated that the fishing public also needs to realize that if there are mussels in the reservoirs then there will also be no fish. Wes asked if mussels were affected by altitude. Ken stated that they need calcium and other trophic minerals. Ken stated that he has a report that states why most of our lakes would support mussels. They are all over the Great Lakes even though the Great Lakes freeze, they live in the upper reservoir reaches. Based on CPW testing and information we believe that quagga mussels would survive in our reservoirs.

**MOTION: TO CLOSE TOTTEN RESERVOIR TO ALL BOATS.**

**MOTION: DAVID FREDERICK  
SECOND: GLEN FISH  
MOTION CARRIED UNANIMOUSLY**

## **Projects Update**

### **2017 Adjustments to FSA Payment Policy**

Ken stated that based on last month's Board discussion staff has focused on the base fee and delinquency cutoff date for modifying the FSA Payment Policy to offer flexibility to our farmers.

The proposed ideas included:

Extend Base Charges over more months. Instead of 5 equal payments, April - August, at \$6.06/AF, could spread over 6 months at \$5.05/AF, 7 months at \$4.33/AF. Delays would lower revenues by about \$57K more per month.

Suspend water delivery cutoff for delinquent payments from 60 days to more, 90 or 120 days. Standard District 1% per month simple interest would continue to be charged.

Part of the District's concern revolves around cash flow. If too much flexibility is given then the District carries additional receivables through to the following year. To fund operations the District would borrow from cash reserves on hand and in the worst case liquidate some investments.

Billing is sent out the first week of the month after the first. The examples use the 1st of the month, but it could vary a few days based on the calendar. Based on April 1st invoicing for the first base fee payment, then the current 60-day policy would cut off water near June 1st. 90 days would yield cutoff just after July 1st and 120 days about August 1st. At what point would the District end up carrying too many accounts through the winter? The 1% simple interest per month on outstanding balances will be in effect and incent some farmers to pay and avoid additional interest charges higher than may be available from other sources.

Ken stated that if the Board goes with the 120 day shut off the winter carry over could potentially be over a million dollars in the worst case scenario. Typically, DWCD carries \$250K in accounts receivable at the end of each calendar year. In 2016 the carry-over into 2017 was higher at \$331K that has been paid down to \$262K at this time. Ken stated that there is more money at risk if 100% of the people carry over the winter and don't pay up.

Ken stated that he recommends extending cutoff to 90 days (Option 2). Keep base charges to current 5 payments for administrative simplicity. Institute changes for one year, all amounts would be due before turning on in the 2018 season. There are other riskier options this is what the Board needs to contemplate. Bruce stated that he likes Option 2 that gives a trial with fewer rules to explain. Ken stated that the letter was mailed out and there were no comments. Wes stated that he also likes Option 2. David asked if the 90 days was going to help over the summer. Ken stated that there are not many long-term delinquencies. Godwin asked when the decision needs to be made. The first bill goes out in April. Ken stated that if they need time to think about the delinquency then that could be delayed for a short time. Don stated that he would flip between the 90 days (Option 2) and the 7 payments (Option 5).

**MOTION: TO ACCEPT OPTION 2-TO EXTEND THE SHUT OFF PERIOD TO 90 DAYS, KEEP BASE CHARGES TO CURRENT 5 PAYMENTS AND INSTITUTE CHANGES FOR ONE YEAR. ALL AMOUNTS WILL BE DUE BEFORE WATER DELIVERY IN 2018.**

**MOTION: WES WILSON  
SECOND: GODWIN OLIVER  
MOTION CARRIED UNANIMOUSLY**

**ADJOURNMENT** Dolores Water Conservancy District Water Activity Enterprise Board meeting adjourned at 8:25 PM

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Don Schwindt, Secretary-Treasurer

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Bruce Smart, President

# DOLORES WATER CONSERVANCY DISTRICT

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## MINUTES Regular Meeting March 9, 2017

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**CALL TO ORDER** Bruce Smart, President, called the meeting to order at 8:25 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  
Barry Spear, Attorney  
Jeff Kane, Attorney  
Doug Pickering, Colorado Division of Water Resources  
Marty Robbins, Colorado Division of Water Resources

### INTRODUCTION OF GUESTS

Brandon Johnson, MVIC General Manager; Danny Wilkin, MVIC, Director James Snyder, MVIC Director; Ed Warner, Tyler Artchocker, Bureau of Reclamation; Ed Millard, MVIC Stockholder, Jim Mimiaga, Cortez Journal

### APPROVAL OF THE MINUTES

**MINUTES** Don stated that he had corrections to the minutes. Don stated that there are two typographical errors to be corrected "Traying to Trying" in the financials section of the minutes and "loose to lose" in the BOR Report. Don stated in the BOR Report in the last paragraph, he would like to clarify a sentence. To change the sentences that states "...AF came out of storage and start talking criteria. The criteria release was not much different and it was one 1 day that didn't match." To "...AF came out of storage without taking ramp down criteria into account. He said his theoretical release was not much different than the actual release but tried to follow the ramp down criteria." Don also asked that the word "as" be removed from the last sentence of the same topic. Don asked Ken if the spelling of the word "veligers" was correct in the minutes. Ken stated that this is the correct spelling.

**MOTION: TO APPROVE THE MINUTES FOR THE FEBRUARY 9, 2017 MEETING AS CORRECTED.**

**MOTION: DON SCHWINDT  
SECOND: SIMON MARTINEZ  
MOTION CARRIED WES WILSON ABSTAINED**

**EXEC SESS** Barry stated that John Justus was misspelled throughout the Executive Session Minutes.

**MOTION: TO APPROVE THE MINUTES FOR THE FEBRUARY 9, 2017 EXECUTIVE SESSION WATER RIGHTS AS CORRECTED. TO APPROVE THE**

**MINUTES FOR THE FEBRUARY 9, 2017 DAVID FREDERICK MATTER AS PRESENTED.**

**MOTION: SIMON MARTINEZ  
SECOND: GODWIN OLIVER  
MOTION CARRIED WES WILSON ABSTAINED**

**FINANCIAL STATEMENTS**

**MOTION: TO APPROVE THE JANUARY '17 FINANCIAL STATEMENTS AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.**

**ADMIN: AP/CHECK #10922-10931**

**\$19,243.85**

**MOTION: DAVID FREDERICK  
SECOND: WES WILSON  
MOTION CARRIED UNANIMOUSLY**

**AGENCY REPORTS**

**BOR Report**

Vern stated that 1) The MOA contracts are moving along well. The excitation is partially installed.

2) Vern stated that he would like to discuss the ramp down criteria. The question is when you ramp down from a high flow, where does the water come from? How do you know when it is the right time? If you ramp down at the perfect time you can pull almost all of the water out of the spill without using storage. Vern stated that if you ramp down without using storage it was pure luck thus you are going to have to use some storage to ramp down. The only other option is to go into the surcharge which is anything above 6,924' in elevation and Reclamation will not allow any use of the flood surcharge. Vern stated that in the past this has been done and it was a mistake. Vern stated that Reclamation will be sending DWCD a letter stating that BOR does not condone going above 6,924' and will do the best they can utilize spill water during a ramp down. Vern stated that if we are spilling and ramping down then all parties are getting a full supply of water in that season, no one carries water over in the reservoir since it is all divvied up the next year as carry-over storage. Vern stated that he would like to get this cleared up in the operations and keep it cleared up for the future. Vern stated that there is monitoring 24/7 during this time and adjustments are being made all the time.

**Discussion:** David asked if DWCD is not under a fill and spill management criteria. Vern stated that we are always to fill if possible. Vern stated that this is operational and there is no way to get around using some storage to ramp down. The ramp down has many purposes, such as public safety, the river can't go from 1,000 cfs to 700 cfs without risking someone on the river getting hurt. It does benefit fish and vegetation, however the main reason is to keep people from getting hurt. Vern stated that you can't provide whitewater boating and just shut it off, there is also a commitment to the boaters and you can't leave a boater stranded.

Don commented that he didn't want the only solution to be going above 6,924'. He understands that if you match exactly it is luck. Don stated that the other side of the coin is that there are other benefits to the river by pulling from storage and meeting the ramp down criteria. Don stated that people will get a full supply when the reservoir is full but the corollary is that carry-over storage is a feature of the project. The hydrology of the project and the way BOR wrote the contracts planned on when Mother Nature allowed it to be full it was full. It wasn't acknowledged in the 1990's when the BOR came to DWCD, when the project was being completed, and keeping the reservoir full and not taking out of storage for a ramp down criteria, they acknowledged that to meet their NEPA commitment to change from the flow to the pool, 3,900 AF, so less than twice what we lost out of storage this year, was lost to the project supply. DWCD was paid \$3.9M in a settlement that is still sitting in DWCD's reserves. That was an acknowledgement, at that time, from the Bureau that that was a contractual obligation. Don stated that the next example, that Ed Warner and Vern were involved in, was when the other 3,900 AF was decided as a matter of discussion between operators and the Bureau and other interested parties that there was no need to keep the 3,900 AF to meet the downstream senior water rights. So DWCD took a lesser amount and called it a new project water supply. Don stated that it is those two precedents that have driven him to raise the issue as very important. Don stated that a letter from the

Bureau should also say that not only will we try to match 6,924' but also say that we will hope to get lucky every year and not have to pull from storage and if we take any then there needs to be a written record as to the reason why water was pulled from storage. Don stated that he wants to have a substantive discussion so DWCD doesn't get bit in the future. Don stated that it needs to be catalogued so that we aren't setting a bad precedent.

Ed Warner stated DWCD now performs the accounting and all parties are working together to improve the accounting. Don would like to see the fine accounting on the source(s) of ramp down water. David asked Vern to answer the ramp down criteria of 175 cfs in June versus the 600 cfs in April. Mike stated that there will be significant discussion in the Brainstorm on criteria. Ken asked if the Board wants to discuss the 2016 season at the Brainstorm to try to answer ramping questions. Don stated that if Ken sees value in bringing back last year's numbers that is fine.

**3)** March 1<sup>st</sup> Operating Plan – Vern stated that the forecast should be used as a planning tool. Vern referred the Board to the hydrograph, showing the spill beginning on May 9<sup>th</sup>. Vern stated that he wants to wait until the reservoir gets to 6,920' and at that time operators will have to run on elevations and release enough to stay safe downstream. Around the 15<sup>th</sup> of May there appears to be a spike. Vern stated that if we don't get as much water as predicted the reservoir will fill and be at 6,924' when all is said and done. Vern also noted that there will be a lot of natural channel maintenance during the spill. There was a question as to whether 4,000 cfs was dangerous for boaters. Vern stated that the boaters say that it takes a different skill set to float the river at 4,000 cfs than at 2,500 cfs, but it is safe. The fish sampling will be conducted at the end of the spill. Vern stated that he doesn't remember ever having a spill this large however he believes that there were spills this large before the project was in full production. Ed reminded everyone that this is a March forecast and March is warm and dry so far and predicted to stay that way. Ken stated Vern's report is a planning document. It was noted that at this point anything can happen, there can be dust on snow, the spill may begin early depending on the weather. It was stated that the melt is starting and could already be accelerating. Ken stated that staff will show at the Brainstorm on Monday that Groundhog will fill and the upstream users will not use water until May. Ken stated that cold and cloudy days hinder the calculation process and recalculations must be performed. Ken stated that once the snow melts completely on Lizard Head we know we still have Sharks Tooth to go and in June when we are looking for the last spike. Ken stated that he does have to follow the 6,920' unless there is nothing left in the mountains. Ken will bring graphs to the Brainstorm and will sit down with David separately since he will be unable to be at this portion of the Brainstorm session.

**4)** Vern stated that he will be retiring on July 1, 2017. Mike stated that DWCD will miss Vern's contributions, particularly over the past 4 or 5 years with all of the project that have been accomplished.

### **Division of Water Resources Report**

Doug stated that **1)** Friday, March 17 there will be a Water 101 seminar at the Ag Expo at 1pm. Then there will be a discussion by Rob Genualdi at 3pm on the Probable Impacts on the Instream Flow Call.

### **T/H Committee Report**

Godwin reported that the Committee met on February 22, 2017.

The Committee discussed **1)** the brass valves on jet flow gates at the EDS on Reach 3 need to be replaced. These parts will be fabricated by Frontier Welding the estimated cost is \$6,500 for both valves. **2)** The Durango BOR office is working on a Letter of Acknowledgement for a pipe bore located at Siphon 7 in Towaoc. **3)** Trautner reported that the soil at the Siphon 7 leak location is a weathered shale and doesn't see a problem with swelling. That project will not exceed the \$20,000 estimate. **4)** The Committee will perform the annual inspection while on the annual tour on March 22. **5)** There has been no date of completion set for a new SOP regarding cathodic protection. **6)** Eric Whyte is the representative for UF&RE and Simon Martinez will be their alternate. **7)** MVIC will have a stock run on April 3 for individuals on the THC.

**Next T/H Meeting** – The Committee will meet at the DWCD, Cortez Office March 22, 2017 at 8:00 a.m. for the annual tour the meeting will follow at the Cortez Office.

### **MVIC Report**

Brandon reported that **1)** crews are performing maintenance. **2)** Brandon stated that MVIC would like to begin stock water delivery on March 27, 2017. **3)** Narraguinnep is almost full. **4)** There is a Board to Board meeting scheduled for March 21, this meeting will be held at DWCD at 7PM.



## **GENERAL MANAGERS REPORT/DECISION ITEMS**

**Resolution Honoring John Porter** – A resolution was presented to the Board for adoption. Mike stated that this will likely be delivered at the SWCD seminar in April. Mike stated that this will be put on letterhead with the new logo and presented. David asked why the District needs to vote on the resolution. Mike stated that this is a tradition among water Boards and this is typically the way a person is recognized in the water community. James Snyder asked if the resolution identifies John as being a “Certified Water Buffalo”. Mike stated that the resolution does address this quality and it was definitely a signature of who John Porter is in the water community.

**MOTION: TO APPROVE THE RESOLUTION 17-01, A TRIBUTE TO THE LEADERSHIP OF JOHN PORTER.**

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

**DWCD Administration of SWCD Grant for David Robbins NCA Work** – With MVIC prohibited by a shareholder proxy vote to administer the David Robbins Contract, DWCD has been asked to assume this responsibility. Southwestern Water Conservation District granted \$25,000 to be matched by approximately \$4,200 each by DWCD, MVIC, Montezuma, Dolores, Montrose and San Miguel Counties for a total budget of \$50K. To date \$36,346 of the \$50K budget has been spent, leaving \$13,654 (50% from SWCD = \$6,827, with the remaining \$6,827 from the remaining cost share parties).

If the Board approves DWCD assuming the completion of the administration of these funds, Southwest will be asked to make \$6,827 in remaining grant funds available for DWCD administration. The remaining cost share parties (DWCD, Dolores, Montrose and San Miguel Counties) would provide up to \$1,706 each if the full \$25K grant from Southwestern is needed. DWCD has spent \$3,338 in cost share to date.

**Discussion:** Bruce stated that since MVIC is unable to administer the remainder of the grant it makes sense to him that DWCD take over the grant administration. Bruce stated that he is a strong supporter of the NCA and would like to see the written document finalized and he feels that it would be beneficial to continue with this work. Bruce requested a motion to make a request to SWCD to assume the grant administration from MVIC. Don stated that he doesn't know if this is the appropriate procedure to use with SWCD as this was a grant to MVIC. Don stated that this may need to be a different (new) grant made to DWCD from SWCD. Bruce stated that that may be but he would like to proceed with asking SWCD and if this cannot be done then they can tell us no. Bruce stated that he knows that Dolores County has also considered performing the duties. Mike stated that he asked Bruce Whitehead about this issue and Bruce W. indicated that it would take some sort of action on the part of the SWCD Board. Don stated that he still feels like MVIC will have some say in whether DWCD could take over this grant as they are officially the grant holder. Bruce stated that there are six entities involved in this grant and feels that even though MVIC no longer wants to be part of the process, the other entities should not be hindered. It was stated that if MVIC would like to oppose this to the SWCD Board they can. Brandon stated that MVIC closed the contract with David Robbins as of January 31<sup>st</sup>. James Snyder stated that this should be an agenda item for MVIC's meeting on Tuesday, noting that there seems to be mixed information on what the stockholders motion was. The MVIC Board has not had an official meeting of the Board regarding this particular issue. Bruce asked if DWCD taking over would be a problem for MVIC. James stated that for him personally it would be hard to pass grant funding to another entity. Don stated that a cleaner way to go would be with a new application. Bruce stated that he would like to proceed if possible.

**MOTION: TO TABLE THIS DISCUSSION FOR A MONTH.**

**MOTION: DAVID FREDERICK  
SECOND: GLEN FISH  
MOTION CARRIED 4-3 GODWIN OLIVER, DON SCHWINDT, GLEN FISH  
AND DAVID FREDERICK IN FAVOR WES WILSON, SIMON MARTINEZ  
AND BRUCE SMART VOTING AGAINST.**

**Discussion after the motion:** Simon asked why David wanted to table this item. David stated that MVIC needs to have their Board meeting prior to this decision being made. Glen

Fish agreed. David called for a vote. Bruce asked for a show of hands for and against the motion.

**2017 Brainstorm** – The 2017 Brainstorm will be held on Monday, March 13 from 9:00AM to 4:00PM. An agenda was circulated at the Board Meeting. Mike went through the agenda that is set for the Brainstorm. David asked if items listed as 4-Infrastructure Management, 5-Financial Management and 6-Managing Risks and Opportunities could be switched to the beginning of the meeting so he can attend. Mike stated that it is likely these items won't be discussed due to time constraints. Mike explained that the agenda was set to allow the attorneys to provide overview in executive session. David stated that he is familiar with items A-G on the agenda. Don stated that the agenda makes sense to go through in the order that is presented instead of changing the agenda.

**Southwestern Annual Water Seminar** – The SWCD Annual Seminar will be held on April 7, 8:30AM, Double Tree, Durango. The Board will be asked who wants to be registered for the Seminar. Those interested in ride sharing should meet in the DWCD parking lot for 7:30 a.m. departure. Mike stated that the focus of the seminar is regarding the cost of maintaining funding water projects in Colorado.

**Settlement of SJNF Federal Reserved Water Rights Case Using the Colorado Instream Flow Program** – A second meeting including Mike, Adam, Bruce, Ken and SWCD met with CWCB, AG, CPW, USFS and Department of Justice Representatives via video conference from Durango on February 2. In response to the concerns expressed by DWCD and SWCD in December, the only streams that will go forward as Instream Flow Pilots in 2017 are Little Sand Creek and Lower Vallecito Creek. Both of these are trout streams in which standard R2Cross and median flows are being used to determine the “minimum flows necessary for reasonable protection of the natural environment.”

In the Rio Lado Creek Pilot, in the Dolores drainage, the USFS is attempting to use the Instream Flow program to protect a wetland complex. Wetland protection is also the focus of other pilot reaches on Himes Creek and Upper Vallecito Creek. This would involve a different set of criteria that have not been fleshed out by CWCB. The concern of DWCD and SWCD is that if new ISF criteria get established to accommodate the desire of the Forest Service to protect wetlands, these criteria could invite ISF filings lower in the river system that would involve appropriations of water far beyond those resulting from ISF methods that water users are familiar with. The fact that Rio Lado and the other wetland oriented pilots have been deferred until 2018 gives us time to be informed and continue to raise and resolve DWCD and SWCD water user concerns.

The consumptive uses, mostly stock ponds and springs are also linked to the Settlement of Federal Reserved Rights. Attorneys for DWCD and SWCD will evaluate the status of these uses and any impact on private water rights holders. Background work will continue and another meeting is anticipated sometime in May or June. Barry added that this was listed as an item to address for Monday, but will likely not address it much at that time. Barry will provide a memo that was presented to the Board 18 months ago for background.

**Colorado Water Quality Control Division Rule Making Hearing, Request for Party Status, Due March 30 for June 12 Hearing** – The June 12, 2017 WQCC Hearing will address proposed changes to water quality standards for streams and lakes in the San Juan and Dolores River basins. This is DWCD's opportunity to continue to advocate for ambient temperature standards on the lower Dolores River. A legal team memo prepared by Jeff Kane was mailed to the Board. Jeff was in attendance at the meeting and presented his memo. Jeff stated that WQCC standard is designation of uses of streams and for lakes and reservoirs. They are for protecting aquatic life, irrigation drinking water. One of the main standards set for aquatic life is water temperature. They set a temperature they would like to set the streams at and will review segments and designations and will set the standards for uses. They will also look to see if the previous standards are relevant. The Division is looking at temperature data for an appropriate ambient temperature. This is consistent with what the State did 5 years ago on the lower Dolores. Don asked where the data is gathered. There are some environmental groups, USGS, and there are also measuring devices used that are battery operated and when they are recharged the information is downloaded. Jeff stated that a new development was that the State adopted nutrient standards. Dams tend to lead to higher levels of nutrients. Jeff stated that what they are proposing looks consistent with what they have been doing. Jeff stated that he doesn't know what the impact of the proposal will be. Don asked Jeff what he expects to get if party status is requested. Jeff stated that he wants to make sure they have the data correct. To make sure they get the correct information on what they are trying to garner. To make sure from a policy standard it is of interest and to focus in on the issues directly related to DWCD. Jeff stated that the dynamic he experienced is that EPA is pushing the State to regulate the nutrients. There is some potential to have some policy changes with the new staff in place. It was asked if the Board wants the attorneys to request party status. The other role the District can have in a hearing is that they can counter any statements that are not accurate. It was noted that party status must be requested for every hearing.

**MOTION: TO DIRECT STAFF/ATTORNEYS TO OBTAIN PARTY STATUS AT THE WQCC HEARING.**

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

**Legal Discussions MVIC-DWCD** – Groundhog, 505cfs, Change in Use of MVIC 87.3 conditional water right – Barry will update the Board, as appropriate in open session, and identify any points of discussion that need to be taken up in executive session. The legal team memo overviews DWCD cases was mailed to the Board.

**Activities and Meetings since Last Board Meeting:**

February 9: General Manager Evaluation, 5:30 – Board, GM  
February 10: Native Fish Monitoring and Recommendation Team (M&R Team), DWCD  
February 11: Southwest Livestock Association Annual Meeting – GM, Ken Reported on Mussel Prevention and 2017 Water Supply  
February 13: ANS Technical Meeting – Ken, GM, Vern  
February 14: MVIC Board Meeting  
February 21: MVIC-DWCD Board to Board Meeting, DWCD  
February 22: Southwestern WCD Legislative Phone Conference  
February 22: Towaoc-Highline Committee  
February 23: GM Interviewed as an Appointee to the Colorado Forest Health Advisory Council  
February 28: West Slope Roundtable Chairs and Conservation District Directors Phone Conference to Discuss Negotiations Concerning West Slope Assessment of Hydrologic Risk Scenarios regarding upper Colorado Basin Supplies  
March 1: DWaRF, DWCD, 1:30  
March 3: Workshop on Spill Hydrographs, Monitoring and Recommendation Team Representatives, Grand Junction – GM, Vern Eric  
March 6: Drought Plan Work Session, DWCD, 2:00PM  
March 7: Dragon Line Workshop, Irrigation Efficiency, DWCD, 10:00AM

**Upcoming Meetings and Activities:**

March 10: ANS Technical Team Meeting, 10:00AM, Conference Room, Dolores Public Lands Center  
March 13: 2017 Brainstorm, DWCD 9:00AM - 4:00PM  
March 14: MVIC Board Meeting, 2:00PM  
March 16: Native Fish Monitoring and Recommendation Team (M&R Team), DWCD 12:30AM to 4:30PM  
March 21: Board to Board Meeting, DWCD, 7:00PM  
March 22: Towaoc Highline Tour, 8:00AM, RSVP to Lisa  
March 30: Farmer Advisory Committee, 5:30, DWCD  
April 3: Drought Plan, 2:00PM, DWCD  
April 5: DWaRF, DWCD, 1:30  
April 6: Legislative Subcommittee, 5:30PM, DWCD  
April 7: Southwestern Annual Water Seminar, 8:30, Double Tree, Durango  
April 11: MVIC Board Meeting  
April 12: Southwest Basin Roundtable, Durango Recreation Center, 3:00PM (2:30 Social Time)

**LEGAL REPORT**

Barry suggested holding executive sessions, to discuss water case update and the items in the water case update and the workplace safety investigation.

**MOTION: TO MOVE INTO EXECUTIVE SESSION PURSUANT TO CRS 24-6-402-(4)(b) RECEIVING ADVICE FROM AN ATTORNEY AND CRS 24-6-402-(4)(d) PROVIDING DIRECTION TO NEGOCIATORS.**

**MOTION: DAVID FREDERICK  
SECOND: WES WILSON  
MOTION CARRIED UNANIMOUSLY**

**RECESSED FOR A BREAK AT 10:21 PM**

**RECONVENED INTO EXECUTIVE SESSION AT 10:25 PM**

**RECONVENED REGULAR MEETING AT 11:01PM**

**REPORT OUT OF EXECUTIVE SESSION**

Barry reported that the Board discussed water cases that the District is involved in and heard legal advice on those cases. The Board also heard a summary of an investigation into the workplace. There is no action to be taken by the Board in open session.

**NEXT DWCD BOARD MEETING** – Thursday, April 13, 2017 - 7:00 P.M.

**ADJOURNMENT** Meeting adjourned at 11:02 P.M.

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Don Schwindt, Secretary-Treasurer

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Bruce Smart, President