

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 May 11, 2017

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**CALL TO ORDER** Bruce Smart, President, called the meeting to order at 7:02 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  
Doug Pickering, Colorado Division of Water Resources

### INTRODUCTION OF GUESTS

Brandon Johnson, MVIC General Manager; Ed Millard, MVIC Shareholder

### MINUTES

### APPROVAL OF THE MINUTES

**MOTION: TO APPROVE THE MINUTES AS PRESENTED FOR THE  
APRIL 13, 2017 ENTERPRISE MEETING.**

**MOTION: GODWIN OLIVER**

**SECOND: GLEN FISH**

**MOTION CARRIED. WES WILSON WAS ABSENT AT THE TIME OF THE  
VOTE.**

### FINANCIAL STATEMENTS

**1)** David asked about an amount transferred for \$168,000. Mike stated that this is a budgeted amount and no transfer has been made. David asked if a number was in parentheses if it has gone unspent. Mike stated that in this instance, the budgeted number is \$168,000 and the variance column shows (\$168,000) this means the money has not been transferred. When the transfer is made the variance will be zero. Mike pointed out that the reason the numbers in the Employee category are budgeted as a credit is for offsets that we receive from Power Plant, Towaoc Highline and Dove Creek Lawn & Garden system. Mike explained that the Budget Analysis is the summary of the Statement of Operations detail. **2)** Don asked why DWCD is paying Basin Hydrology. Mike stated that this is payment for the Iron Fens study for the River Protection Workgroup which is pass-through money. **3)** David asked if DWCD has always done business with Mountainland Supply or was this a new

vendor. Lloyd stated that DWCD has done business with them for a good amount of time, this is where DWCD gets pipe fittings and pipe supplies.

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

**O&M: AP/CHECK #34776-34898 & PR/CHECK #121882-121935  
\$321,803.56**

**MOTION: DAVID FREDERICK  
SECOND: GODWIN OLIVER  
MOTION CARRIED UNANIMOUSLY**

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

**Pump Plants** – All Pump Plants are on and running at minimum.

**Laterals** – The new box installation for Brett Oliver was completed. A leak on an 18” pipe located west of Hwy 491 at the county line is being repaired this week.

**South Canal** – Electrical power from Pleasant View Plant to Ruin Canyon Plant has been holding with no problems at this time.

**Power Plants** – McPhee Power Plant has been running at 75 cfs since late March. Towaoc Power Plant has had some start up delays due to operating program problems. Lloyd stated that Towaoc Power Plant was started on Thursday, May 11, 2017. David asked if there could be more water running in McPhee Power Plant. Lloyd stated that McPhee Power Plant can only run 50 cfs or 25 cfs individually or together 75 cfs. David asked if the water at the stilling basin was metered. Ken explained the measuring process, including how DWCD reads the DWR gages. Doug stated DWR also reads the gage often. Mikes stated that the Cortez Journal website has a good video and photos of the river. Ken stated that DWCD relies heavily on the State gage and stated that staff watches it constantly. There are also checks on the piezometers at McPhee Power Plant. Ken stated staff looks for trends by watching the gages. Don asked if Ken would guess 5% on the stream gages. Ken stated that he thinks they are better than that but 5% is what they were set up for. David asked if the gage downstream is more structured and the gage upstream is more of a natural river gage. Ken stated that this is correct.

**Totten** – A gate and barriers were installed on the boat ramp.

## **ENGINEERING AND WATER MANAGEMENT REPORT**

**Water Accounting Information** – **1)** Ken reviewed the Inflow/Outflow Sheet highlighting the Inflow & diversion column. The biggest new is the release going on during a cool, wet spring with very few diversions. The release started in March which is unusual. Ken noted that the spill column shows 79,994.6 AF spilled for April and, so far, there has been 57,085.1 AF spilled for May. The reservoir started to pick back up after the recent cold front. The Forecast Center is predicting peak flows the weekend of May 13 and 14 although temperatures remain fairly low. **2)** Plateau & House Creek are still running water. **3)** The Utes began running consistently at 3K-5K AF per month. **4)** The DCC is just starting to see some use. **5)** The Cahone lateral along the county line had a leak and everyone in that area is shut off. **6)** Ken stated that between starting early and the up and down forecast it has been a rollercoaster for operations. Ken showed a summary of the history of the April monthly Inflow. David asked what May's normal runoff is, Ken stated that it is not complete yet however the projection for May is 135 KAF. Staff will continue to track the runoff months. Ken stated that Scotch Creek and Lone Cone have zeroed out in the Hi Low snowpack numbers. Ken stated that he ground checks on the forecast that include Lizard Head and Sharktooth. Lizard Head has 10” of SWE and Sharktooth has 20” of SWE. There is still very deep snow at Black Mesa, it hasn't started to melt. The release is at 800 CFS with a small upward bump for the weekend. We will wait and see when the irrigation diversions finally increase. Ken stated he predicts at least 80-90 KAF of runoff in June from Sharktooth. Lizard Head is usually at 110-170 KAF after it zeroes out. Ken stated that he thinks there will be 335 KAF by the end of the runoff and will bring the final numbers back to the board. The forecast numbers have been changing rapidly this season. Ed Millard asked if the release stops the week of May 21st would there be a late fill in June and dump the MVIC call water. Ken stated that we want to keep the spill going and is hoping to extend the spill but it is not guaranteed. Ken doesn't want to shut down the spill and reopen if we don't have to, but stated that we will do it to fill the reservoir. Ken stated that there was a little double dip in 2008, which is not uncommon. Mike stated that if there is a second dip then you are essentially releasing what you are not diverting. Ken stated that it depends on how fast the melt is coming down as inflow and wet years runoff differently than dry years. Ken stated that at this time, to fill McPhee still needs approximately 53,000 AF. **8)** Ken

presented notes on a new Narraguinnep Operations Following "Extended Fill" Analysis. Ken's anticipation is that DWCD will sit on this for the summer and Brandon will work with Marty. DWCD will get the accounting into Exhibit A. Ken stated that MVIC will decide what will work for them and then there will be an operations discussion on how it will take place. There are operational issues that we need to work through before the Boards discuss next winter.

**ANS Update** – Ken stated that the ANS inspections remain a moving target. Vern has taken the lead on how to control boat launching at Sage Hen. Ken stated that there has been at least one boat found with mussels on it at the McPhee boat ramp. There were adult mussels found on the outboard motor. David asked why there wasn't water hooked up for the high pressure hot water and Ken stated that there is water at the restrooms that fills the mobile unit. Ken stated that the boat inspection area is set up differently this season, with the inspection area on the top paved parking lot. The worst anticipated scenario was dealing with the congestion when there are big crowds on busy weekends. Ken stated that we need to dig sump pits to contain the contaminated water to avoid it draining back to the reservoir. On site CPW only has small mobile decontamination units for preventative decontaminations, a mussel boat would be removed from the boat ramp area. Bruce asked if funding from the State continues will they eventually take over the oversight. Mike stated that their funding will support our cost share. The State has set up a separate fund which is a permanent fund but will have to be appropriated annually. This will be a continued discussion at CWC and other venues throughout the year. Ken stated that we'll continue coming back to the Board to discuss future options. Mike stated that DWCD has the biggest stake in this effort to protect McPhee and that DWCD needs to stabilize the cost arrangements so that we can continue the protection. Mike noted that it appears the federal funding for McPhee is secure for 2018.

**WAPA SOUTH CANAL POWER LINE** – Ken stated that we know that Ruin Canyon and Sandstone would go down from another line short. There have been transfer switches installed on the gates allowing them to be operated by a portable generator. The gate changes for Hovenweep can be manually changed without WAPA power. Ken stated that he talked to the generator vendors who would lease large generators in emergency situations. These companies are ready for emergency situations and can be on location within 48 hours. Ken referred the Board to a summary of costs. Ken stated that generator costs for one week at Ruin Canyon Pump Plant would be \$39,900 and the cost at Sandstone Pump Plant for one week would be \$14,200 for a total one week cost of approximately \$54,000. Ken noted that in those same areas the average total value of 100% crop production would be close to \$3.4 million. Therefore, there is significant money riding on the line should the WAPA powerline go down. Ken stated that historical summary indicates that we WAPA's involvement goes back to the Project contracts. The BOR did an early study and looked at all of the available power lines to run the Dolores Project. WAPA is required to supply power to the Colorado River Storage Projects. The rest of the available power lines were the Empire Electric 46KV lines. Ken stated that Empire is getting rid of 46KV as it is no longer the industry standard and going to the more common 25KV. A 46KV line could supply the power needed by the pumping plants. Somewhere along the line someone decided, or negotiated, that Pleasant View would be upsized and linked to the other pump plants. Ken stated that the canal gate power locations were turned over to Empire. These decisions had been made and the report was complete by the time Dave Rightly began working for Empire around 1987. Lloyd stated that after the latest problem, WAPA is going to procure the money for a thumper to assist in locating problems in the future. Ken stated that Empire is always cooperative and will back us up, but will not act without WAPA permission to avoid trespass. We have not located contractors that could step in as this is not normal contractor electrical work. Ken stated that if the Board wants to give guidance, staff knows how to get generators but don't want to put precise hours on response time. Ken stated that staff tends to not go out on the canal at night unless there is imminent danger from a problem. Lloyd noted that switching orders for WAPA can take several hours. The response time for WAPA can vary as staff people come from Shiprock or Montrose. Ken stated that on the last WAPA line break the communication was good but the results were not the best. WAPA has referred DWCD to the SLC Administrator. Mike will be contacting that office to see if something can be done to streamline these emergency power outages. Ken stated that DWCD staff will perform at the direction of the Board. Wes asked if DWCD has touched base with Empire. Ken stated that he has and Empire will commit first to their constituents then to the O&M contract on the UMUT owned power line, then they would help us. Wes asked where Kinder-Morgan was in that link and Ken stated that they probably don't fit in to this scenario. Ken stated that it takes 24-48 hours to troubleshoot problems. Ken stated that there could be an emergency meeting called to decide what steps to take. The last time there was an outage it was a matter of WAPA personnel not finding the problem, the actual repair was performed in a day. Ken stated that DWCD has the funding in reserves however any spending would be a Board decision. Ken stated that the control room will know immediately when the power goes out at a plant and DWCD staff now knows to look at the fuses first.

Mike stated that the problems with WAPA have been an ongoing problem since 2007 when there was a 17 day outage. The 2017 outage also lasted 17 days. Mike stated that he has drafted a letter to Lynn Jeka, who is the Senior Vice President of the Colorado River Storage Project, who may be able to direct a solution to solve the problem. Mike stated that Brent Rhees, Ed Warner, Talmage Oxford and Pat Tease from the Bureau of Reclamation and Mike

Korhonen and Nicholas Klemm with WAPA are cc'd on the letter. Mike summarized the letter stating DWCD's needs for short-term and a long-term solution. Mike stated that we don't know what type of response there will be but we feel that this is aimed at someone who can help us address the problem. Mike stated that Christine Arbogast has agreed to take the signed letter to our congressional delegation also. If we get bogged down with WAPA, Christine will communicate to our congressional delegation that will already be apprised of the issue. Don asked if Ken would add an addendum to the letter. Ken stated that he could send something aimed more toward the maintenance side as Lynn Jeka would not be involved in the daily O&M. Mike stated that staff will get all the information organized for a meeting. Don stated that he thinks that staff is on the right path and needs to develop the short-term solutions and alternatives. Ken recommends that if there are questions from the Board, please call staff to chase the information prior to any emergency. Don stated that Dan Keppen, with Family Farm Alliance, may also have contacts within WAPA's organization. Mike stated that they will come back to the Board with updates.

**Farm and Ranch Irrigation Lease** – Ken stated that DWCD has at least 4,000 AF of DP M&I allotment that can be leased on an annual basis. A copy of the Reclamation approved form of lease was mailed to the Board. In full supply years prior to the 2013 shortages, the total 4,000 AF has been leased to the UF&RE. This year the UF&RE has again requested a firm 2,000 AF. The UF&RE may request to lease additional M&I later in the season if water is still available. The price has generally been increased the same as FSA rates and therefore is proposed at \$32.08 same as last year which yielded \$64,160 in revenue from UF&RE. The UF&RE lease as written has a variable amount to allow adjustments as the season unfolds, mainly the monsoons, and amounts available to lease may change if unusable to FSA.

Ken recommends approving the UF&RE lease for a minimum 2,000 AF guaranteed. Allow leasing up to 4,000 AF maximum. Set the price at \$32.08/AF.

Ken stated that the history of some discretion is for response time as to why Ken would make the decision knowing that the FSA would not need the water. David asked about the date on the payment of the lease. Water is charge out after the water season is over and the payment is due December 31.

**MOTION: APPROVE THE UF&RE LEASE FOR A MINIMUM OF 2,000 AF. ALLOW LEASING UP TO 4,000 AF MAXIMUM. TO SET PRICE AT \$32.08/AF.**

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

**2017 Full Service Irrigation Caps** – Ken stated that it is time to consider the Full Service Irrigation caps for the 2017 water season.

The Table below show expected FSA diversions as measured at GCPP.

WY	April	May	June	July	August	September	October	Total
2000	685	12,530	13,598	13,015	14,661	2,722	74	57,284
2001	550	11,368	13,467	13,349	10,642	5,487	248	55,111
2002								
2003								
2004	302	8,051	11,780	12,772	11,504	5,173	0	49,582
2005	257	4,114	7,621	14,388	10,106	6,383	0	42,869
2006	368	10,457	9,975	12,496	9,443	3,422	42	46,203
2007	264	7,311	11,042	14,470	9,189	7,051	100	49,427
2008	372	6,936	13,020	14,924	11,088	9,253	341	55,933
2009	404	10,856	8,882	15,916	13,837	7,234	0	57,129
2010	356	6,181	11,471	14,785	6,216	9,590	945	49,545
2011	381	4,584	13,740	15,664	12,318	8,533	436	55,655
2012	623	14,117	14,091	13,690	11,873	7,143	553	62,090
2013								
2014	656	7,077	12,399	12,950	8,579	8,202	219	50,082
2015	747	4,519	6,046	10,487	10,665	9,513	627	42,603
2016	517	7,341	11,554	12,944	11,429	6,393	143	50,321
<b>Average</b>	<b>463</b>	<b>8,246</b>	<b>11,335</b>	<b>13,704</b>	<b>10,825</b>	<b>6,864</b>	<b>266</b>	<b>51,702</b>
<b>Median</b>	<b>393</b>	<b>7,326</b>	<b>11,667</b>	<b>13,520</b>	<b>10,877</b>	<b>7,097</b>	<b>181</b>	<b>50,201</b>
<b>75th Percentile</b>	<b>605</b>	<b>10,756</b>	<b>13,355</b>	<b>14,706</b>	<b>11,781</b>	<b>8,450</b>	<b>413</b>	<b>55,864</b>
<b>Std. Dev.</b>	<b>164</b>	<b>3,134</b>	<b>2,434</b>	<b>1,438</b>	<b>2,139</b>	<b>2,134</b>	<b>285</b>	<b>5,927</b>

We would conservatively target diversions at the 75th Percentile of 56KAF at the irrigator meter. With delivery losses the GCPP diversion amount would be near 59KAF.

Looking at the Irrigator Pool side the table below, if everyone uses their maximum amount, the 3rd column "Max W/Losses" shows the required water volumes. Realistically, based on historical irrigator metered uses, only about 50% of our irrigators use the maximum cap based on a variety of factors. This adjustment is shown in the right column.

1. FSA Maximum Use Possibilities			
Total Allocated Acres:		28,985.2	
CAP In/Acre	Max Allocated Water (AF)	Max W/Losses (AF)	Adjusted for past use (AF)
22	53,618	56,835	53,000
24	58,492	62,001	58,000
25	60,929	64,585	60,600
26	63,366	67,168	63,200
28	68,241	72,335	68,300

FSA Irrigators have indicated we should start by setting the Cap conservatively and raise the cap as the year goes forward and we see actual diversions and climate conditions. Although this may limit their ability to plan ahead it avoids an early shut down and loss of pool to those managing their water for late season needs.

The FSA Pool includes:

55,282 AF	DP Allocation
985 AF	3900 Re-Alloc.
2,000 AF	Available M&I
6,000 AF	Class B
<b>TOTAL 64,267 AF</b>	

An additional 1,000 AF of Cortez M&I may be available also for diversion if needed

Conservation pricing 2008 – 2012 for FSA had been an additional \$5 to \$10/AF added to the delivery price, currently \$13.10/AF. Last year we charged \$13.10 + 18.98 for a total of \$32.08 to match the lease rate. The conservation pricing kicks in above a Board set base allocation (minimum 22") set at 26 & 24 inches/acre in previous years and charged up to a maximum cap. The main variable cost is energy, which runs about \$9-\$10/AF depending on how you assign the fixed power costs.

If the Cortez M&I is necessary to fulfill DP user needs, staff will bring back a proposed lease at the same rate set for the UF&R.

Ken recommended setting the cap at setting the initial FSA Cap at 25 Inches/Acre (27.4 In/Ac HOV). Allow staff to raise cap to 28 inches per acre if conditions allow as the irrigation year

plays out. Charge conservation pricing above 22 inch/acre allocation (24.1 In/Ac HOV) at the rate of \$18.98/AF (in addition to the \$13.10/AF delivery).

Don stated that he liked how this worked last season and would like to have it as a monthly agenda item to deal with Class B and water supply changes. David stated that there were concerns last year as to why DWCD was not selling water and instead were turning people off. Godwin stated that some of those people hit 32" which was the cap. Godwin stated that there is an education process and there are water management practices that some of the area farmers need to learn. David stated that they shouldn't be shut off if the availability of water is there. Bruce stated that there have been many discussions with regard to this. Bruce stated that the Board would really like to see farmers use less water and have them conserve. Bruce stated that in some cases if extending the inches would mean a better crop then the Board would like to help the farmer. Don stated that it depends on the land on which the water goes stating that alfalfa has a straight line production relationship to the water available to it. Godwin cautioned that the Board doesn't want to lower the supply in the next year by over allocating in the current year. Bruce thinks going to 28" is a good step. Godwin also thinks that it needs to be looked at monthly and look at it again if there is any thought of going over 28". Mike stated that 2012 is a good example that set up 2013. All of the water was placed in the pool and utilized and then there was a poor winter that set up a shortage in 2013.

Bruce asked how staff sees when to increase the inches per acre. Ken stated that there are patterns to FSA diversions which become apparent over several months and why we increase upward incrementally throughout the season. This could mean information being garnered through the maintenance technicians or trends noticed from monthly meter readings. The long-term average delivery is approximately 50 KAF. The history, use and monsoon trigger are the three areas that are looked at to set the caps. Ken stated that he would advise the Board to set the maximum cap up for discussion at the next Farmer Advisory Committee meeting. Ken stated that he will continue to get the data to the Board monthly.

**MOTION: SET FSA CAP INITIALLY AT 25 INCHES/ACRE (27.4 IN/AC HOV), TO ALLOW STAFF TO RAISE THE CAP TO 28 INCHES/ACRE IF CONDITIONS ALLOW AS THE IRRIGATION YEAR PLAYS OUT. CHARGE CONSERVATION PRICING ABOVE 22 INCHES/ACRE (24.1 IN/AC HOV) AT A RATE OF \$18.98/AF IN ADDITION TO THE \$13.10/AF DELIVERY CHARGE. THE BOARD WILL MONITOR MONTHLY AND REVISIT IF THERE IS ANY CONSIDERATION OF RAISING ABOVE 28 INCHES.**

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

Ken stated that the Board will need to decide if they would like to use MVIC Class B water. There are some costs involved with this. DWCD did not use Class B water in 2016. This will be a subject for the upcoming Board meetings.

### **Projects Update**

**ADJOURNMENT** Dolores Water Conservancy District Water Activity Enterprise Board meeting adjourned at 9:30 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 May 11, 2017

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**CALL TO ORDER** Bruce Smart, President, called the meeting to order at 9:30 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  
Doug Pickering, Colorado Division of Water Resources

### INTRODUCTION OF GUESTS

Brandon Johnson, MVIC General Manager; Ed Millard, MVIC Shareholder

### APPROVAL OF THE MINUTES

#### MINUTES

**MOTION: TO APPROVE THE MINUTES FOR THE APRIL 13, 2017 MEETING AS PRESENTED.**

**MOTION: DON SCHWINDT  
SECOND: DAVID FREDERICK  
MOTION CARRIED UNANIMOUSLY**

### FINANCIAL STATEMENTS

David stated that there was a check to the attorney that is on the Bills List but is not showing up on the Statement of Operations. Mikes stated that the Statement of Operations is a month behind the Bills List due to the timing of the bank statements, and this expense will appear on the April Statement of Operations.

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

**ADMIN: AP/CHECK #10953-10968**

**\$18,939.98**

**MOTION: DAVID FREDERICK  
SECOND: GODWIN OLIVER  
MOTION CARRIED UNANIMOUSLY**

### AGENCY REPORTS

#### BOR Report

Vern stated that **1)** Purchasing contracts for the SCADA migration system equipment is stalled in the Salt Lake City office. Vern is working to get them moving. **2)** The pump repair contract to update the fixed speed pumps is being drafted and will be presented to the Salt Lake City office for finalization. **3)** Vern has been preparing operating plans.

## **Division of Water Resources Report**

Doug stated that **1)** Summit turned water on for irrigators May 5<sup>th</sup>.

## **T/H Committee Report**

Godwin reported that the Committee met on April 26, 2017.

The Committee discussed **1)** DWCD has been monitoring the leak at Siphon 7/Ute Fairgrounds. It is currently running approximately 4gpm. **2)** DWCD worked on an emergency repair on a leak at Siphon 12/Check 524, the repair is holding. **3)** Montezuma County staff was in attendance at the meeting requesting access to pump water for road maintenance. It was recommended by the Committee that the County make their request to MVIC as historically the Towaoc Highline is MVIC's canal. **4)** The Committee paid two bills (DWCD and MVIC).

**Next T/H Meeting** – The Committee will meet at the DWCD, Cortez Office May 24, 2017 at 2:00 p.m. at the Cortez Office.

## **MVIC Report**

Brandon reported that **1)** The MVIC Board voted on the two reservoirs with regard to boating. Narraguinnep will remain the same with the nine exemptions, no motors will be allowed. There was a fence and gate installed at Groundhog. The concessioner has agreed to inspect the boats. All boats need to be inspected. They will allow 18' simple boats with a max of 20HP outboard motor. The concessioner will provide two pontoons for use at Groundhog only. **2)** MVIC Board decided that Montezuma County cannot pump water out of any MVIC ditches or canals as it is against their bylaws. **3)** There was a rockslide in the ditch at Groundhog that has been cleaned up by MVIC.

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

### **Draft Drought Contingency Plan, Distribution to Board and Schedule for Comments and**

**Completion** – The Draft Drought Contingency Plan was distributed along with a schedule for comment and completion of the plan. Board comments will be due by June 23 with acceptance of the Plan by the Board scheduled for July 13. This will come back to the Board by September. Mike stated that the final plan must be turned into the BOR by September 29, 2017. Mike stated that one of the areas of emphasis is to get cost share money for on-farm irrigation efficiency.

David stated that with regard to the irrigation efficiency, the biggest thing out of the NRCS variance process was that after it was not approved they were given guidance on how to proceed further and how to evaluate better. David stated that the emphasis is to apply and allow NRCS to analyze the project that is being proposed. David stated that the good things that have happened are that there have been pilot installs on 3%, 5% and 8% slopes. Farmers can go to NRCS now to apply. Wes asked how the slopes were determined. David stated that there are several ways, but they start with ARC GIS based on the contours. ARC GIS is not precise, if there is any question the land will be surveyed. If the field is over 8% then it is not likely to be funded. Mike stated that this is great progress. It was stated that the salinity barrier has come down, and the slope criteria have been adjusted based on Full Service irrigator cooperation on efficiency tests. Mike asked David to convey our appreciation to Joel at NRCS.

Ed Millard asked if there would be one final draft of the Drought Contingency Plan or many drafts. Ken stated that there is a schedule set up in the contract. Ken noted that DWCD is the contract holder. Ken stated that he would like to see controversial issues pushed up and resolved. Mike stated that discretion still resides with each entity and their water. It is up to them how they want to go at the items in the Plan on their behalf. Mike stated that the comments will aggregate towards one entity or another and we should be able to handle the issues and will be interacting closely with the Boards. Ed Millard asked if there the draft would be made in red-line form and would the draft be made public. Ken stated that the draft will be made available on DWCD's website. Ken will provide Ed with a schedule at the end of the meeting. Ken stated that after the Boards have approved, the draft the Plan will be sent to BOR for review. Ken stated that public comments should be made through the individual Boards. Ed asked if the public comments would be made public. Don stated that the schedule is pretty tight but would be interested in seeing public comments and feels it is probably appropriate that comments be made to the Boards. Ken stated that this document would be delivered to the DRD and the McElmo users either by email or US Postal Service. Ken noted that Bernard Karwick wrote the letter from the McElmo users, so Ken will also mail him the draft Plan. Ken stated that there aren't rigorous guidelines regarding public comments. Don asked who on the DRD would receive the Plan. Ken stated probably the whole list, Ken stated that if they are in the DRD they have a water connection. Ken stated that the thought was that this is the most broad spectrum of people who may have an interest. Ken stated that there is a requirement for outreach, although the focus of the plan is on the agricultural water.

**Water Rights Protection Act, Letter of Support** – Congressman Scott Tipton is introducing legislation known as the Water Rights Protection Act. The Title summary of the bill makes the intent very clear: “To prohibit the conditioning of any permit, lease or other agreement on the transfer of any water right to the United States by the Secretary of Interior and agriculture and for other purposes.” The Draft Bill was mailed to the Board with a Bill Summary and a Dear Colleague letter from Congressman Tipton seeking cosponsors. The Board was asked to authorize the drafting of a letter of support to Congressman Tipton for the Water Rights Protection Act.

Adam stated that the legislation does three things 1) it precludes the United States from requiring transfers of water rights in the course of its permitting decisions. 2) It precludes any authority the United States might have to require a bypass flow in its permitting decision. 3) Requires the United States to consult with the States when they are making their claims for water. Adam stated that there are a couple of things the attorneys have suggested would be nice in the bill if there is an opportunity to amend, that would be to extend the bypass flow concept to reservoirs and lakes and preclude the

United States from placing operational criteria on reservoirs in the course of its permitting activity. It would also be nice to limit the authority of the United States to expand the implied reservation of rights doctrine to include geomorphological claims that are advancing in the San Juan National Forest. Adam stated that the Board would be well served to support the legislation. Adam stated that it would be good for water users to support this. Don stated that FFA has supported Congressman Tipton and supports the legislation. Don also liked the suggested additions Adam referred to and would recommend sending the letter of support with the additions and also send an extended version of the suggestions to FFA. Mike stated that one way to do this is to write a clean letter of support and transmit the letter by an email in a separate piece then share all of this with FFA.

**MOTION: TO AUTHORIZE STAFF TO DRAFT A LETTER OF SUPPORT TO CONGRESSMAN TIPTON FOR THE WATER RIGHTS PROTECTION ACT.**

**MOTION: DON SCHWINDT**

**SECOND: WES WILSON.**

**MOTION CARRIED UNANIMOUSLY**

**Industrial Hemp Production** – In April the Board saw a letter of support from the Mike for Hemp Legislation introduced by State Senator Don Coram. In addition to supporting Senator Coram’s efforts to advance State recognition of hemp production, the DWCD letter requested expansion of the Yellow Jacket Experiment Station hemp trials to on-farm trials, and removal of the misclassification of hemp by the Federal Government that complicates hemp growing with water from Reclamation Reservoirs.

Senate Bill 17-117 sponsored by Don Coram and Mark Catlin was passed in House and Senate and is awaiting the Governor’s signature. In addition to recognizing hemp as an agricultural crop that can be grown in Colorado with a decreed water right, the bill sites 2014 Farm Bill authorizations for hemp research, and the Omnibus Appropriations Act of 2016 which provides some degree of federal protection for “transport, processing and sale of industrial hemp. The SB 117 as sent to the Governor for signature was mailed to the Board.

When Staff for Senator Michael Bennet conducted a listening tour on the upcoming re-write of the Farm Bill and met with constituents at DWCD on April 14, the need to have industrial hemp

reclassified at the Federal level was raised. Bennet's staff confirmed that this issue has come up all over the State and they would try to advance protections for hemp production in the Farm Bill rewrite.

Mike stated that he placed an email in the packet from Gus Westerman who did some graduate work on the process of what it would take to make hemp legal on a federal level. Mike stated there is a YouTube link for a Department of Agriculture video information regarding federal water for hemp.

**State Legislation, ANS and Wildfire Mitigation Fund Transfers** – As discussed with the Board in April, there is a critical need to develop alternative sources of funding for Aquatic Nuisance Species (ANS) inspections, since there are no Tier 2 Severance Tax funds available to provide this funding. The legislature responded with SB 259 transferring money from the general fund for protection of natural resources which passed both houses and is on the Governor's desk for signature. Section 6 of the Bill transfers a total of \$3.6+ million to two funds for CWP to continue with ANS inspections. This funding is critical to keeping the inspection program going that has kept Colorado reservoirs free of damaging and very expensive mussel contamination. Ken stated that there will be another meeting set up in the spring for more discussion. Ken stated that it is written in that DWCD have recreation and the Board needs to stake their ground as to where they stand on this issue. The public seems to be behind DWCD access restrictions are always sensitive.

Another piece of State legislation addressing ANS is House Joint Resolution 17-1004 which lays out the devastation created by the mussels and calls upon Federal Agencies including Forest Service, Reclamation and Corps of Engineers to provide funding to CPW for mussel inspections. DWCD is fortunate to have a cost share agreement with CPW, Reclamation and Forest Service for McPhee. Many other high-risk reservoirs around the State are scrambling to get something similar in place. It is important to encourage and support funding for all high-risk reservoirs in Colorado to have effective inspection programs. If the clean bill of health in Colorado deteriorates, the risks and pressures at McPhee will intensify.

SB 259 makes other general fund transfers that align well with DWCD natural resource objectives. Sections 1 and 2 of the Bill Transfer funds for a "Forest restoration and wildfire risk mitigation grant program" in the amount of \$954K and a Healthy forests vibrant communities fund the amount of \$1.86+ million. These funds are a potential source for the DWaRF (Dolores Watershed and Resilient Forests) effort that DWCD is active in. Our local DWaRF has garnered significant planning funds and is working toward pilot projects that could benefit from these State funds. Mike has been appointed

by the Colorado Senate President to serve on the Forest Health Advisory Council which will likely provide advice and input on the management of these funds. The purpose and membership of the Advisory Council was mailed to the Board.

SB 259 transfers also include creating a fund for conservation of native species in the amount of \$4.1 million. At some point this fund may be useful in work with the native fish on the lower Dolores River.

**Colorado Water Quality Control Division Rule Making Hearing, DWCD party status for June 12 hearing** – The hearing will take place at the Doubletree in Durango to 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. The Board reviewed the Pre-Hearing Statement and a public overview of this process, and what it means to DWCD, in April. There will be one more update at the June 8 Board meeting before the June 10 Hearing. Board members are encouraged to attend the hearing if possible.

Adam stated that all the prehearing statements are in and everyone is broadly supportive of the Water Quality Control Divisions approach of the proposed refinements for temperature criteria. The biggest concern is that the EPA, Trout Unlimited and Upper Gunnison Water Conservancy are all telling the Division that when the temperature is attainable there needs to be something done about that. The attorney’s will respond to this issue.

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

Waiting for backup on acreage from MVIC no action on the cases while awaiting this information.

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

April 14: Senator Bennet Farm Bill Listening Tour, DWCD – GM, Ken

April 18: DWaRF – GM, Ken

April 20: ANS Inspection Implementation, Dolores Public Lands Office – Ken, GM

- April 21: Meeting GM and Keith Fox, Tres Rios NEPA Staff, to discuss ACECs (Areas of Critical Environmental Concern) with regard to DWCD participation as a Cooperating Agency.
- April 24: Drought Plan Work Session – GM, Ken
- April 25: Meeting with Small Reservoir Owners: Summit, Puett, Joe Moore, Jackson, and federal, state, county law enforcement to discuss ANS risk management on these smaller, lower risk reservoirs – GM, Ken, Patt Dorsey, CPW Area Manager
- April 26: Towaoc-Highline Committee
- May 5: Meeting at Sage Hen to Discuss ANS Protections – Vern, Ken, Montezuma County Commissioners, Darlene Marcus for Congressman Tipton
- May 5: Memorial Services for former Congressman Ray Kogovsek, Legislative Champion for the Dolores Project, and long-term advocate for DWCD, Pueblo – GM
- May 8: Meeting, Dolores Town Board, 6:30, ANS protection barrier at cemetery to close an informal boat put-in area.
- May 9: Meeting Concerning Sage Hen Area – Vern, GM, Ken, Reclamation, Dolores Public Lands Office
- May 9: MVIC Board Meeting, 2:00PM

**Upcoming Meetings and Activities:**

- May 12: 5th Grade Classes (60 students) Farm and Irrigation Education Field Trip, Lewis
- May 18: Mancos Library Series, Colorado and Basin Water Plans, GM, 7:00PM
- May 24: Towaoc Highline Committee
- May 25: Forest Health Advisory Council - GM

**LEGAL REPORT**

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

**ADJOURNMENT** Meeting adjourned at 10:31 P.M.

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Don Schwindt, Secretary-Treasurer

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Bruce Smart, President