

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 October 11, 2018

CALL TO ORDER Bruce Smart, President, called the meeting to order at 7:04 PM

ROLL CALL Bruce Smart, President
Simon Martinez, Vice-President
Don Schwindt, Secretary-Treasurer
Godwin Oliver, Director
Glen Fish, Director
Wes Wilson, Director
Sheldonna Z. Ives, Director
Mike Preston, General Manager
Ken Curtis, Engineer
Lloyd Johnson, Maintenance Supervisor
Gina Espeland, Accounting Clerk
Robert Stump, Bureau of Reclamation
Adam Reeves, Attorney
Dan McCarl, Attorney
Marty Robbins, CDWR

INTRODUCTION OF GUESTS

Eric Sprague, Engineering Technician DWCD, Brandon Johnson, General Manager MVIC; Greg Black, MVIC Director; Ben Lanier, Full Service Irrigator

MINUTES

APPROVAL OF THE MINUTES

MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE SEPTEMBER 13, 2018 ENTERPRISE MEETING, PUBLIC HEARING ON FULL SERVICE ASSESSMENTS AND EXECUTIVE SESSION.

**MOTION: GLEN FISH
SECOND: DON SCHWINDT
MOTION CARRIED UNANIMOUSLY WITH WES WILSON AND BRUCE SMART ABSTAINING.**

FINANCIAL STATEMENTS

MOTION: TO APPROVE THE AUGUST '18 FINANCIAL STATEMENT AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.

**O&M: AP/CHECK #36452-36538 & PR/CHECK #122854-122909
\$234,540.14**

**MOTION: SIMON MARTINEZ
SECOND: GODWIN OLIVER
MOTION CARRIED UNANIMOUSLY WITH BRUCE SMART ABSTAINING.**

O&M REPORT – Lloyd reported the following:

Canals

Dirt work on Reach II of Dove Creek Canal will begin as the canal bottom dries, in preparation for 1600 ft. of tire mat installations.

Laterals

The laterals are being drained and delivery boxes winterized. The 10" line repair on the 300 Lateral of the Dove Creek system is being completed this week. HDPE pipe was used for the repair.

Pump Plants

All pump plants were shut down for the season on October 24th. The plants are currently being winterized. All three variable speed pumps at Cahone Pumping Plant were uncoupled and removed. Lloyd provided pictures of the pump removal. The pumps will be sent to All American in Farmington for rebuild. This is the last phase of a three year variable speed pump repair MOA contract. All five fixed speed pumps at Ruin Canyon Pumping Plant are scheduled for removal and shipping the 23rd and 24th of this month. This will be the first phase of the fixed speed pump repair MOA contract. This contract was awarded to Brimhall Industrial out of Monte Vista. Pleasant View and Cahone are scheduled for 2019, Dove Creek and Fairview in 2020. This will complete the three year project.

Great Cut Dike

The Lone Pine discharge chute was pumped out for inspection Oct. 18th. Major concrete damage was discovered. Robert Stump with USBR was notified. Temporary and permanent repair options are being discussed. A temporary repair is being planned with a completion date of mid-November, in time for MVIC's stock run. Lloyd provided some pictures of the damage that was discovered.

Bruce asked about the HDPE pipe and where it was installed at. Lloyd stated that it was out at Dove Creek and it is the 4th time this area had blown out. Lloyd stated that it is not a big section and it is at the end. Lloyd stated that a picture is included in the last of the pictures.

ENGINEERING AND WATER MANAGEMENT REPORT

Water Accounting, End of Irrigation Season – Ken presented the 1) October Inflow/Outflow spreadsheet. He stated that we are at the end of the season and kept water at Dove Creek until October 1st. Ken stated that he would go into detail on the water numbers at the Board to Board next Tuesday, October 16th. In reviewing carry over there is still 5,002 CFS (9,984 AF) for the fish pool plus 568 AF of 2018 Narr. Fill from river and 4,264 AF dropped down from GH leaving about 1,900 AF of unallocated water, if it's actually retrievable. It is the last 6-12" of active pool that it is unallocated and we're not sure how it might come out. We didn't want to get below elevation 6857 due to potential for pump cavitation. Ken stated that they (Eric & Ken) would go into more detail at the Board to Board. Don complimented Ken and said he would rather manage from the top end vs the bottom. Turning to the FSA users sheet it generally has more of a slope, but in 2018 most Full Service irrigators used their full pool supplies, a few getting above 19" with some going over allocation due to end of the season when we put the water out up north for those that could use it. The Farmer Advisory is looking at having a meeting the week of October 29th, 30th, 31st or 1st of November. We will have had a budget workshop and then it is getting close to the next Board Meeting on November 8th. Next available would be the week of November 12th for the Farmer Advisory. Ken asked if any members had an opinion and then we will call the Farmer Advisory Committee to see what will work for most of them. Biggest focus is the end of the water and will have drone information from High Desert Soil Conservation.

Land Transfer from Lanier Farms to Poco Dinero – Ben and Xela Lanier– Ken stated that a letter from Ben and Xela Lanier was mailed to the Board. Ben is here at the meeting tonight. Ken stated that he will briefly describe based on the 4 maps included. There are a lot of moving parts and details as there was much confusion. Starting with the original Lanier Farms, one large parcel combined with a smaller one in the upper right corner made up Lanier Farms. The red shaded is all Class 6 land. The two upper left classified "island" areas have never been irrigated. Box 360 irrigated the upper parcel and a little of the green in the larger parcel. Box R358 irrigated the right side of the lower half and R356 the left side of the lower half. In 2016 Lanier Farms sold some property to Poco Dinero, who is Ben and Xela Lanier. Ben has some other separate boxes also under his name. The next map shows moving Box R358 to Poco Dinero though the county GIS wasn't immediately changed as this was a single split done without a plat. We did receive a deed and our transfers are based on the petition which started with specific parcels & boxes so we don't use deeds to transfer so we transferred Box R358 with its associated acres. Looking at the maps it was not what actually happened. It is all defined by classified maps for the allocation for the property for the petitions based on the Reclamation Reform Act. From early 2018 we didn't know where to go with their property boundaries. It became an important point in August 2018. The deed has 4 separate legal parcels, 2 affect irrigated acres while the other two do not and are

not our business. We didn't know the County mapping and GIS were incorrect until 2018. There was a lot of miscommunication and it was not clear what land needed to be transferred. Box R358 was not designed for what it will be delivering. After 10 years, this is one of the most complicated transfers. Lanier Farms has paid for this acreage for the past 2 years. We do a pool letter once a year to clear up what was in irrigators pools, but received no correction from Poco Dinero. The Board has seen the Laniers' letter that outlines their concerns.

Mike stated that the county is the one who establishes boundaries thru their process and we look at the acreage on the irrigable acreage. Typically a land transfer would go through a title company who clarifies the boundaries of the transaction and we clear up any billing at the time of closing. It didn't go through the County Planning Subdivision and it didn't go through a Title Company.

Discussion: Bruce asked if the Board had any questions.

Ben was asked to provide his background. Ben stated that the County didn't understand what they had done when they went originally, but they finally got it fixed on their GIS system. It was then that the county stated that DWCD didn't need the County's GIS.

Ken stated that we do not rely on the County GIS, but we have to be able to understand what needs to be transferred. The maps of allocation usually go back to quarter sections. We have traced it from 1977 to this day and the irrigated lands have to be tracked to a box. There should be no water on non-classified land. Most land and boxes move together, but this one was different. We were just trying to get a picture of what land had transferred. We do need a map of some sort to be able to understand what irrigated lands to move. They had all been in Lanier Farms and it was all together and until these changes it really didn't matter, but when you have more than one owner you have to be more precise. We finally went back to the deed. We normally don't rely on the County GIS. Mike stated since they didn't formally subdivide the property, if they had the GIS would have painted a better picture. Every originally petition has a tree of land splits back to the original petition. Ben was under the impression that the GIS map was wrong.

Don asked Ben if he had a map for the reason that he drew up the deed the way he did. Ben stated that he didn't have an official map. Ben stated that they had a surveyor and told him where they needed to go. Ben stated that the confusion was a fence line. The boundary survey comes on to Lanier Farms by 15' or so. The County and DWCD was confused by it. Ken stated that he heard that you were transferring R358 and not part of R356. Right or wrong that is what we didn't transfer. Don stated that it is not our job to expand on the boxes on the land transfers. It is the lien on the tax that is critical to DWCD. Ken stated that DWCD needed a map from Ben to understand what to transfer. Ben stated that in 2016 when R358 was transferred he asked if the other (pasture acres) could be transferred. Don asked if R358 serves a lower portion on the map and what lands R356 irrigated. In theory the acreages became pool acres. Godwin asked if DWCD was approached to see if the boxes could handle the changes in the water amount prior to the land transfer. Ben stated that they did not. Don stated that the pasture acreage was always being pooled. Mike stated that it would have raised a red flag had there been a title search and a plat. Most transfers we have those, but if not then it puts the flag up and do we really understand what it is that is needed. Sheldonna asked about the percentage that they were missing. Originally 155 acres transferred and another 65 acres needed to be transferred and it would be 30-40% missed. Don asked how long he didn't have that water. Ben stated he would say 3 weeks. Sheldonna asked about 2016 and 2017. Ken stated that it was the same. Wes stated that Lanier Farms also paid the bill. Ben stated that Poco has been pooled differently/separately since 2016. Wes asked what is needed tonight. Ken stated that Ben and Xela have potentially claimed damage. This why we are starting today and the Board can decide how they want to handle it. Mike stated that the letter was received shortly after the last Board Meeting and Mike stated that he agreed with Xela that it would be on the agenda for this Board meeting.

Ben stated that damage for this year, Laniers didn't use the water and Ben used it, but it was too late. Sheldonna asked about the letter from Ben and Xela and they only irrigated 20% because of the water shortage. Sheldonna asked if it was the same for 2016 and 2017? Ben said with the higher allocation it was not an issue.

Ben stated to put down a dollar amount he would like to finish his harvest and if he had the water that he could have made close to a ton per acre. Ben stated that he would like to finish his third cutting and then come back with a dollar amount. Wes stated that he thought that would be fair and equitable. Don stated that he could agree with Wes. Simon stated that he agreed as well. Bruce stated that seeing how the year ends is the first thing to do. Bruce stated that right now there is nothing we can act on. Bruce thanked Ben for coming.

Totten Information – Ken presented several pages of information. Ken stated that he would introduce and then have Eric explain. The original Totten decrees are included with summaries by Doug Pickering. The original water right goes back to 1907 for original construction of 400 AF for irrigation. The second decree is for 3,000 AF. Then DWCD acquired Totten and we get some new junior water rights on the second page. This is all a part of "What the yield was on Totten". It is not firm, but a yield. Eric stated that the flow chart is just the factors that play into filling Totten. It only fills from the Dolores when McPhee spills and only has a small amount of natural inflows. The first diamonds are decisions that lead to conclusions in yellow boxes. We are counting SJF&W water used to refresh Totten. These cover various options for supply & McElmo

on call balancing inflow to supply. Much depends if the project is on shortage or not. The decrees were written off the Dolores River which allows MVIC a unique position relative to trans-basin return flows. The water they can trace back to the Dolores River and can maintain under dominion and control may be stored in Totten. We also are trying to finish some details on Totten costs based on past inspections. The riprap is the biggest driver of costs. This is a realistic range of what we understand today. Downstream slope is pretty good, but will need some work on it. The seepage just requires measuring and monitor in case it changes which requires us to replace the weir and also the outlet needs some work. The spillway is in good shape. These are realistic and doable with our staff. The crack repair which has been monitored since 2009, which we think has to do with the dessication shrinkage, should not be in the realm of the riprap costs. Unless we have a reason to fix sooner, we are not actively pursuing repairs for now. Staff has completed the requested information on yield and costs so intends to stop until the Board requests more information or some refinement.

Discussion: Don gave a quick update on McElmo and MVIC meetings. Don has been participating in a committee of McElmo users and others that have had a dialogue working with MVIC. The committee made some real head way in their effort to look at fair estimates on real water needs. Don would recommend and would be pushing both outfits and asking MVIC to start getting more serious to learn more on what DWCD has been learning. Do we want to do this in tandem? We could sketch out and share with the MVIC Board. Don stated that he received a comment from MVIC at the McElmo Committee meeting on where is DWCD on selling Totten? Don feels that though we are on water time we need to keep up good communication. Bruce stated that he was looking at the provided information that he doesn't want to spend large amounts of money in case nothing ever comes of it. Don stated that Totten is absolutely critical to serve the McElmo needs. Bruce asked how long would it be before DWCD could give MVIC a price so they could purchase it? Don stated that there will have to be some money invested to find the real need for Totten as a piece to the project before we leap frogs to the end purchase. Don stated that he would throw it out for a Board to Board. That way we go through the details with both Boards. Mike stated that the tricky part is to put a value on Totten as an asset. All the items on Ken's list are liabilities. Mike stated that he would like Adam to comment on the asset less the liability and how does that fit with the fiduciary responsibilities. Adam stated that we looked at the bargain sale and it would be a story to tell of the benefit to the District. Mike asked if the discussion could be discussed between both Boards. We have not previously looked at the asset value of Totten, but view it as a community asset. How long will CDWR allow Totten to operate with the restriction and when does the DOW lease expire?. Ken stated that the lease did not have an end date. What is the value apart from the costs and the minimal revenue from the leases down McElmo. Glen asked if it is worthy of discussion for retaining and working with McElmo and MVIC? Greg Black threw out that if DWCD retains Totten would they want to purchase more property. MVIC owns 60 acres around north side of Totten. Greg said the 4th option if the McElmo users can form a ditch company and purchase Totten themselves. Don stated that we are driven by fiduciary responsibilities duty of keeping water development preserved by the previous Boards. We are all living off the original founders' decrees for water in our community.

Ken reminded next Tuesday, 7:00 PM Board to Board at DWCD. Eric and Ken will go over water numbers, allocations and precipitation.

Pleasant View Drainage Problem CR CC to CR BB – Ken updated the Board stating that Ken met with Morgan and Brian and they needed to plan to handle drainage to the upper end of Morgan's property. If Greg feels comfortable with his drainage solution on his property. Brian is going to pursue estimating the tiling. The ball is in their court to propose a solution that will lead to a written agreement, but they are still working on it.

Greg restated that in his mind this is a DWCD problem. Water comes out of the canal all summer in his drainage. When DWCD drains the lateral it just floods the draw. Ken stated that we are going to fix the canal later this year or in the spring. Greg stated that he understands that the lateral needs to be drained and the risk of freezing the line.

ADJOURNMENT Dolores Water Conservancy District Water Activity Enterprise Board meeting adjourned at 8:55 PM

DOLORES WATER CONSERVANCY DISTRICT

MINUTES Regular Meeting October 11, 2018

CALL TO ORDER Bruce Smart, President, called the meeting to order at 8:55 PM

Bruce Smart, President
Simon Martinez, Vice-President
Don Schwindt, Secretary-Treasurer
Godwin Oliver, Director
Wes Wilson, Director
Glen Fish, Director
Sheldonna Z. Ives, Director
Mike Preston, General Manager
Ken Curtis, Engineer
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Robert Stump, Bureau of Reclamation
Adam Reeves, Attorney
Dan McCarl, Attorney
Marty Robbins, CDWR

INTRODUCTION OF GUESTS

Eric Sprague, Engineering Technician DWCD, Brandon Johnson, General Manager MVIC; Greg Black, Director MVIC,

APPROVAL OF THE MINUTES

MINUTES

Robert had a change in the minutes under the BOR Report. He stated to remove the "and" between "officer and technical", also group should be grant.

MOTION: TO APPROVE THE MINUTES WITH ROBERT'S CHANGES FOR THE SEPTEMBER 13, 2018 REGULAR MEETING.

**MOTION: GODWIN OLIVER
SECOND: SIMON MARTINEZ
MOTION CARRIED UNANIMOUSLY WITH WES WILSON AND BRUCE SMART ABSTAINING.**

FINANCIAL STATEMENTS

MOTION: TO APPROVE THE AUGUST '18 FINANCIAL STATEMENTS AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.

ADMIN: AP/CHECK #11199-11211

\$5,198.55

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

AGENCY REPORTS

BOR Report

Robert reported that an MOA basin fund contract was awarded to Brimhall who will be working on the 5 pumps and All American will have the remaining 3 pumps. Bruce asked where

Brimhall was from. Robert stated that they are from Monte Vista. It is a three year contract with the next set of pumps next winter.

Division of Water Resources Report

Marty said his report tied in with Totten. It has been an odd year for McElmo Creek. Division of Water Resources has had to separate calls on McElmo Creek itself, Priority 1 – Rock Creek taking the entire and made it down to Priority 10 and 11 and due to the rain and gone up to 4 and 8 and below Rock Creek to Priority 12. It has been quite an experience this year. It has taken the administration of Totten to deliver to the last ditch at priority 10. It has been a learning experience. Totten has played a major role the last three weeks on the individuals who have purchased Totten water. It has also helped in keeping the stream alive.

T/H Committee Report

Godwin reported that the THC Committee had a meeting on September 26, 2018. Letters are being received from people walking on the canals. The Committee paid DWCD and MVIC. The Committee is working on reference books for the committee.

Next T/H Meeting – The Committee will meet at the DWCD, Cortez Office October 24, 2018 at 2:00 p.m. at the Cortez Office.

MVIC Report

Brandon reported that Groundhog should have gates repaired and ready to go in a few days. He hopes to shut the gates and see what is next. Started the Lone Pine liner. Working on the dirt work and contracted out for the liner with weather permitting. Stock run on the Lone Pine was delayed until further notice.

GENERAL MANAGERS REPORT/DECISION ITEMS

These items were included in the Board's Packets:

"Mandatory curtailment of water rights in Colorado raised as possibility", Aspen Times, September 20, 2018

Signed Thank You Poster from the CSU Watershed Practicum Class that came to learn about the Dolores Project on August 15. The tour, led by the GM and Ken included a visit to Brian and Landan (CSU Student) Wilson Farms, and a discussion in Dove Creek with County Commissioners, Town Manager and Mayor.

Letter from Ben and Xela Lanier regarding land being transferred between Lanier Farms and Poco Dinero. Additional background information from DWCD staff concerning this complaint will be presented at the Enterprise Board Meeting.

Agenda: Planning for an Uncertain Future: Drought Contingency Planning, Demand Management, and West Slope Agriculture, Sponsored by Grand Valley Water Users Association, October 23, Colorado Mesa University. Board members that want to attend should contact the GM or Gina to get registered.

General Managers Report:

Distribute 1st Draft of 2019 Budget – The Budget Workshop is set for October 25, 5:30 with dinner served. The Workshop will be the opportunity for the Board to review the draft budget and provide direction regarding any revisions. The next step in the budget process is a public hearing at the November 8 Board meeting. By the time of the hearing Board and Staff should be in agreement and be able to focus on any comments coming from the public. The Board can give direction based on comments coming from the public. At the December 13 Board Meeting the Budget will be final and the Board will pass adoption resolutions on the budgets and mill levy which must be submitted to the Counties (Mill Levy) and the State (Budgets) by December 15.

Ken stated that he gave an overview last month. Sold more water \$15,000. Some excess delivery money this year, but mostly from 2017. Held off in a couple of ways. In the end we waited on some of the listed capital and work items and we are saving them. Lloyd will go over them at the workshop. The Admin is transferring more than we have in recent past. Right now the Kinder Morgan set aside tax revenue has been placed in the discretionary reserves. In

O&M you will not see significant changes and we are at a point in the MOA projects that we are not spending much from replacement reserve. We are planning a regular year. The rates – Ken added 2% to the Base and had to start somewhere. We have a little extra for Great Cut for 2018 and next year. Made a small transfer to replacement and made a transfer to the water supply reserve account. The decisions at the bottom, you can adjust. You can determine the rates. Lloyd will go over the specifics of the spending. Most will look like last year or previous years. Did put \$5,000 for the study for SW DCP risks study in Miscellaneous. ANS is up a little. Main decisions will be around water charges and raises. General replacement schedules are provided. You can look through it and get in a real deep detail at the Workshop. T/H budget provided by the committee and has been approved.

Don asked about a Discretionary page that the Board used to get. Ken directed Don to the 200 Budget beginning on line 146. The Overhead contracts line items down to line 160 are most of the now-capital discretionary items.

Ken stated that the Board needed to Set a Budget Hearing for November 8, 2018 at 7:30PM.

MOTION: SET BUDGET HEARING FOR NOVEMBER 8, 2018 AT 7:30 PM

MOTION: WES WILSON

SECOND: SIMON MARTINEZ

MOTION CARRIED UNANIMOUSLY

GENERAL MANAGERS REPORT/DECISION ITEMS

Colorado River Basin Issues – Drought Contingency Planning, West Slope Risk Assessment, Demand Management – It is very important and we will want to track and participate. There is an Aspen Times article in the packet on curtailment. One of the efforts to avoid curtailment is to put a pool in Lake Powell not subject to equalization in the event of a call.

After the CWCB hearing and webinar, the key documents and letters have come forth. The joint statement from SW Roundtable (SW) and the Colorado River District (CRD) lays out principals aimed at ensuring the burden will not all unfairly and unjustly on the West Slope. The Front Range Water Counsel comments are consistent with SW and CRD except FWC wants to also prepare for mandatory curtailment. The conservation districts want unanimous consent before discussing mandatory curtailment. The State of CO as the sovereign in the event of curtailment. Those are the two big differences. The roundtable chair letter is staking a role for the roundtable in all of this. These issues are being discussed by the agencies and conservation districts and the ramification need to be brought by the roundtable down to actual users. Roundtables are to help in the communication process. The upshot of the hearing was quite intense. There were assurances nothing has been committed. A hearing was conducted by CWCB at their September 19 Board meeting (CWCB Agenda Item Memo Attached). Written testimony was submitted jointly by the Southwestern and Colorado Water Conservation Districts (Attached). Written comment was also Submitted by Mike Preston, Chair on behalf of the Southwest Basin Roundtable (Attached).

Two key issues were debated during the hearing: The Southwestern and Colorado Water Conservation District letter asserts that demand management should be temporary, voluntary and compensated and any move toward involuntary curtailment should only proceed on a consensus basis. The Front Range Water Council letter supports a temporary, voluntary and compensated basis for demand management, but asserts that if a voluntary program does not yield adequate water to the bank to meet a compact call, and possibly power generating elevations, mandatory curtailment may be necessary, and that the State Engineer has the legal authority and obligation to administer an involuntary curtailment, with or without consensus.

There seemed to be agreement by all parties that a drought contingency water bank pool should be established by the Upper Basin in Lake Powell. The water bank pool in Powell must not subject to the equalization agreement involving Lakes Powell and Meade and should be at no charge by Reclamation. The impending Drought Contingency Legislation being spearheaded by California and the Lower Basin is the opportunity to establish a non-equalized pool in Lake Powell.

There was a webinar on October 5 that was set up and several Board members attended. Ken has provided a notebook on these issues with power points and documents. There is a risk assessment being done. This is to look at what the risks are and how the shortages might play out and if a call was placed by the lower basin. This will help us to be proactive.

At the Roundtable meeting on October 10, 2018 a group was formed in the Roundtable to digest all the information coming at us and communicate back to the Roundtable members. As the Roundtable members go back to their organizations and entities it flows back through there as well. Don, Ken and Greg Black volunteered and we will need to start to meet fairly soon. There is a sense of immediate urgency to look at a piece of drought contingency legislation for

the storage pool in Lake Powell. There will be Upper and Lower Basin Contingency Plans and an agreement that ties the two together. The interest that Colorado had in legislation is the pool bank in Lake Powell. It will help keep the elevation of Powell up in order to generate power. We have a very strong interest in Powell being able to generate power. The legislative pressure is on and there is an interest in Colorado having access to the pool. There are sideboards proposed to ensure that the pool would be dedicated to that purpose and the burden would be shared equally throughout the state. The risk assessment will reveal if there are differing interests in the 4 west slope basins. It will start to generate data that will have to be sorted out. The question is how deeply the Board wants to go into it. As DWCD we would like to put together an orderly manner to go through these discussions to learn as much as possible. It will involve some detail and we will have to be systematic about the layout of information.

Don stated to why this is such a big deal. There have been trans basin diversions and we have been isolated here. The physical ability to make it happen has to be there. A pool at the bottom of Lake Powell makes it the really big step and makes it a really big risk where we are at. The front range wants all the flexibility. This is why it is a really big risk for DWCD and this community. The sideboards are very critical.

Ken talked about the book that he put together. The first is a powerpoint presentation given by Andy Mueller and it talks about the memo and CWCB information and most were caught off guard. This is a General Manager coming to light real quickly. This hits the high points. This a low probability and high risk problem.

The webinar on Wednesday, October 10 presented additional DCP-DM documents. Don stated that this is a big win for Colorado, but you only get that opportunity to legislate the pool once. Ken stated that the Bureau is on board with this and don stated that they are the push. Mike stated that it is really good information. Ken stated that the hydrology for the interim agreement of 2007 was pre-2000. The interim agreement is in effect until 2026.

There is a draft legal document, which is a giant pdf. One is the Upper Basin DCP and one is the Lower Basin DCP and a third agreement ties the DCPs together. The last document is a newspaper article. The law of the river is 10-15 documents. Adam stated that there are a lot of divergent elements in this. Don stated that you need to keep working to get what you need. Mike stated that the documents are readable and we have to decide how to start talking about organizing this information and bringing it to the Board, including a possible workshop. Need to set a schedule and make DCP-DM Agreement a center piece to a Brainstorm. We will get the Law of the River book next month. Adam stated that the Interim is the most important one to understand.

Himes Creek ISF – We are waiting for our sideboards. We are trying to negotiate sideboards that tightly contain the non-standard ISF method. A sideboard response just came from Linda Bassi. The sideboards will be negotiated back and forth. We need to look at getting prepared. We are also continuing to pursue alternate designation for the future.

The Himes Creek Instream Flow is scheduled for notice of intent in January 2019, putting it on a standard annual schedule as DWCD has been requesting. A key piece of information for the Board to formulate a response are the sideboards, requested by DWCD, which would confine the non-standard ISF approach proposing the taking of all unappropriated flows by limiting this application of the Instream Flow Program to first order streams, on National Forest Land that can't be quantified by standard methods, where rare native trout populations reside. The GM will be in receipt of a response to the DWCD sideboard proposal in the next few days. At that point, the LEMing will convene to formulate a negotiating strategy on the Sideboards. The GM anticipates iterative exchanges to negotiate this language, with the intent of having a negotiated set of sideboards in draft for the Board to review. Once we know how the sideboards discussion is unfolding, the Board can discuss how we go forward beginning in January, 2019. The GM is also working to open dialogue on alternative federal designations that, in the future, could be used to protect remote trout streams without distorting the intent of the Instream Flow Program.

Activities and Meetings since Last Board Meeting:

- September 11: MVIC Board Meeting
- September 14: Phone Meeting Concerning National Young Farmer's Western Water Workshops including Water Law & Policy 101 for young and beginning farmers and ranchers – GM is scheduled to present on November 5.
- September 17: Phone meeting to discuss status and future of Basin Fund MOU Projects – Carlee Brown and Alex Funk of CWCB, Ken, GM
- September 19: CWCB Drought Contingency Planning and Demand Management Hearing attended electronically by the GM, Glen Fish, Danny Wilken and Ken
- September 21: West Slope Roundtable Chair Call on the Risk Assessment funded by Southwestern and Colorado River Conservation Districts, with contributions requested from Water Conservancy Districts.

- September 24: Initial Phone Call Concerning WaterSMART grant for DWRF to do a Strategic Plan to guide Forest Health activities.
- September 24: DWRF Coordinating Committee – GM reported on WaterSMART grant and intent to conduct a Fiber Utilization Study to evaluate existing businesses and opportunities for wood business expansion to meet the Forest Health Challenge.
- September 25: All Basin Roundtable Chair Call to discuss Roundtable engagement in SWSI, and how SWSI relates the next update of the Colorado Water Plan and Basin Implementation Plans – GM
- September 26: Towaoc-Highline Committee
- September 27: Dolores, San Miguel and Montrose County Meeting in Naturita to discuss intent behind NCA Legislation. The GM was invited to provide an overview of the process and legislative draft as background for the County Commission discussion that took place.
- September 28: Phone Meeting with Beck Group, a well known advisor to wood product businesses to discuss elements that should be included in an RFP for a Fiber Utilization Study – GM, Ken, Ellen Roberts, Travis (San Juan Forester)
- October 1: Water Information Program Advisory Committee - GM
- October 1: Coordination Call for Presentation of Southwest Colorado Forest Health efforts to the Rocky Mountain Region Forest Service Leadership Team (all Forest Supervisors in Colorado, Wyoming, Nebraska and South Dakota – GM, Ellen Roberts, Aaron Kimple
- October 2: Meeting with Julia Kimmerly of Invenergy to discuss contracts and leases for solar installations on Dolores Project land – GM, Gina
- October 3: Rocky Mountain Region Forest Service Leadership Team Meeting: “Toward Shared Stewardship across Landscapes: An Outcome Based Investment Strategy” – Progress in Southwest Colorado provided a working example of these principles to spark strategic discussions by the Forest Supervisors and Regional Staff Officers – GM, Ellen Roberts and Aaron Kimple Presented.
- October 3: DWRF Collaborative – Ken
- October 4: Phone Call from GM to Linda Bassi requesting draft response to Himes Creek Instream Flow “Sideboard” language proposed by DWCD
- October 5: Interview by Robbie Henes, Member Montezuma Land Conservancy Board concerning insight into trends that could impact the MLC Mission – GM
- October 8: San Miguel Stream Management Plan Call – GM
- October 9: Webinar, Drought Contingency Plan/Demand Management, 10:00AM, Access will be Provided in DWCD Board Room, all Board members welcome and encouraged to attend.
- October 9: MVIC Board Meeting, 2:00PM
- October 10: Southwest Basin Roundtable, Durango Public Library, 3:00PM (2:30 Social Time), major focus on Drought Contingency Planning/Demand Management
- October 11: DWRF Coordinating Committee, 10:00AM, DWCD

Upcoming Meetings and Activities:

- October 16: Board to Board Meeting, MVIC, 7:00PM
- October 17: ANS Inspections at McPhee, Technical Team Meeting 9:30, Dolores Public Lands Office
- October 18: Interbasin Compact Committee (IBCC) to Meet in Durango, details forthcoming
- October 22: Watershed Forum, Norwood – GM as Speaker
- October 23: Grand Valley Water Users Association, Planning for an Uncertain Future, Colorado Mesa University – Agenda Attached
- October 24: Towaoc-Highline Committee, DWCD, 2:00PM
- October 25: 2019 Budget Workshop, 5:30, Dinner Provided
- November 5: National Young Farmer’s Western Water Workshops including Water Law & Policy 101 for young and beginning farmers and ranchers, 5:00PM, Mancos – GM will present
- November 7: DWRF Collaborative, 1:30PM, DWCD
- November 8: DWRF Coordinating Committee

Don stated that on September 27, Mike had listed he attended a meeting in Naturita. Don stated that he felt that there needed to be a Board discussion on his attendance at this meeting. Don stated that he had received a complaint from a Montezuma County Commissioner and it was not good for our organization appearance.

Mike stated that he was invited by Dolores County and San Miguel County to provide an overview. Mike stated that he had the documents that he presented if the Board would like to see them. Mike stated that they (Dolores, San Miguel and Montrose Counties) were trying to get communication going. There was a desire to understand for the underlying intent of the NCA efforts. Larry Don would be welcome to the materials. Mike was providing an overview, but the discussion was carried by the 3 county commissions. Montezuma County remains very opposed. Don stated that this Board needs to deal with the issue between the Counties. The Board needs to have this discussion. Glen stated for lack of a better word it would appear that the General Manager was insubordinate in his duties in attending this meeting without the Board's approval or support. Simon suggested that Dolores County come to a DWCD Board meeting so it could be discussed openly if he had an issue. Larry Don could be invited as well.

Mike stated again that the documents that were presented to these Counties are readily available for the Board and he was being transparent and had listed it on the Summary of Meetings that he attended. Don stated that he thought so, but since he had the complaint from the Commissioner he wanted to clarify what the meeting was.

Legal Report – Adam stated they filed a SOI in the Bayless Ranches filing. There are discussions on the meaning of the riparian irrigation. Need to make sure that this is a beneficial use of water for the natural environment. Barry is putting together information on tax liens. The Colorado River issues are heating up. The booklet that Ken put together is great.

NEXT DWCD BOARD MEETING – Thursday, November 8, 2018 - 7:00 P.M.

ADJOURNMENT Meeting adjourned at 10:25 P.M.

Donald W. Schwindt, Secretary-Treasurer

Bruce Smart, President