

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 May 9, 2019

---

**CALL TO ORDER** Bruce Smart, President, called the meeting to order at 7:05 PM

**ROLL CALL** Bruce Smart, President  
Simon Martinez, Vice-President  
Godwin Oliver, Director  
Wes Wilson, Director  
Sheldonna Z. Ives, Director  
Mike Preston, General Manager  
Ken Curtis, Engineer  
Lloyd Johnson, Maintenance Supervisor  
Lisa Jordan, Office Administrator  
Robert Stump, Bureau of Reclamation  
Adam Reeves, Attorney

#### INTRODUCTION OF GUESTS

Brandon Johnson, General Manager MVIC; Rich Landreth, City of Cortez; Ed Millard, Montezuma County/SWBRT, Eric White, Full Service Irrigator, Bob Wright, Citizen

#### MINUTES

#### APPROVAL OF THE MINUTES

**MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE APRIL 11, 2019 ENTERPRISE MEETING.**

**MOTION: WES WILSON  
SECOND: SHELDONNA Z. IVES  
MOTION CARRIED UNANIMOUSLY**

#### FINANCIAL STATEMENTS

Sheldonna asked if the payment to CPW is a contract payment. Ken explained that this DWCD's contribution to the CPW for Aquatic Nuisance Species (ANS).

**MOTION: TO APPROVE THE MARCH '19 FINANCIAL STATEMENT AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.**

**O&M: AP/CHECK #37087-37176 & PR/CHECK #123241-123292  
\$354,680.52**

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

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

**Pump Plants** – All the rebuilt pumps for Cahone and Ruin Canyon have been reinstalled.

**Season Start Up** – Hovenweep lateral has been delivering water this week. Fairview Plant started delivery on May 8th. Pleasant View, Dove Creek and Cahone are pressured up and ready. Ruin Canyon plant will start pressurizing May 10, 2019. Sandstone will be pressurized next week.

**Dove Creek Canal** – 800 ft. of tire mats were installed just below Fairview Pump Plant.

**Power Plants** – Commissioning on new excitation equipment was completed at McPhee Powerplant. Both powerplants are online. Towaoc Powerplant has been running approximately 115 cfs and McPhee Powerplant at 25 cfs.

**South Canal** – Lloyd provided pictures of WAPA crews installing new splices. The powerline on South Canal had an underground fault on Monday which was repaired on Tuesday.

Mike asked if this particular WAPA failure was from the original problem or the problem from last winter. Lloyd stated it was a bad splice from the contractor from the winter before last, WAPA employees have been on-site to fix the problem.

## **ENGINEERING AND WATER MANAGEMENT REPORT**

Ken handed out information related to Demand Management (DM) issues and Grand Valley Water Users Association (GVWUA) 2017 Conserved Consumptive Use Pilot Project Details and the briefs on the experiments they are performing with regard to DM. There will be a meeting held at Destination Grill at 7:00PM on May 28, 2019.

**One Year Modification to FSA Payment Policy, 30 Day Extension to 60 Day Water Cutoff** – Ken stated that Based on recent communication from FSA farmers, staff has brought back the FSA Payment Policy cutoff extension as implemented in 2017 and 2018. Currently FSA farmers are recovering from 2018 shortages and poor yields. If approved shut off for nonpayment would not happen until 90 days after invoicing. Modifying the FSA Payment Policy would offer additional cash management flexibility to our farmers as they transition to better markets with a short water supply.

The proposal includes suspending water delivery cutoff for delinquent payments from 60 days after billing to 90 days. Standard District 1% per month simple interest would continue to be charged when delinquent after 30 days. In 2017 DWCD was able to operate until last year's charges were caught up by the start of the 2018 irrigation season. No farmer's will be turned on until they have caught up on 2018 outstanding charges.

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, next week. 90 days would extend the cutoff until after July 1, another 30 days. 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. This temporary change has been done multiple times since resolution adoption in 2015. No cash flow problems have been experienced by DWCD.

Alternatives: Temporarily extend cutoff for delinquencies from 60 to 90 days or leave policy as is at 60 days.

Staff Recommendation: To extend FSA cutoff to 90 days (30 day extension from Policy) after issuance of invoice for another one year modification.

Note that all 2018 irrigation charges are due before turning on for the 2019 irrigation season and all 2019 irrigation charges will be due before turning on for the 2020 irrigation season per the Policy.

Consider making this a permanent change to the FSA Payment Policy over next winter after appropriate input from FSA irrigators to the Board and give staff direction.

**Discussion:** Godwin Oliver asked Eric White if he has heard if people like this change. Eric stated that he could see how this could help if a person was in a bind. Godwin stated that he has heard positive feedback regarding the extension. Godwin asked if it needed to wait until winter to become a permanent change. Ken explained that it has been changed on a year by year basis and has been performed in the short term because this need to be changed in the policy and a resolution will have to be accepted to make it a permanent

change. Ken stated that if the Board would like, he will work on the paperwork over the winter to make this a permanent change.

**MOTION: TO EXTEND CUTOFF TO 90 DAYS FOR ANOTHER ONE-YEAR EXTENSION. ALL 2018 ASSESSMENTS WILL BE DUE BEFORE WATER DELIVERY IN 2019. ALL 2019 ASSESSMENTS WILL BE DUE BEFORE WATER DELIVERY IN 2020.**

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

**Potential Policy on Cost/Acre for New Irrigation Petitions, Possible Adoption of a Policy via Resolution** – Ken stated that the Board has discussed and may adopt a policy on charges per acre for new petitions for DWCD irrigation water allocated to new classified lands.

After an early lawsuit prior to full project development, returned water was re-allocated permanently to new lands, largely in Sandstone, but also spread among the other Dolores Project irrigation blocks. Most of the returned water came from allocations in the Ruin Canyon Block.

In 2011 DWCD assessed water needs relative to available water including the newly utilized 1500 Class B shares (6,000 AF). At that time the Board directed that 2,360 AF be included in the FSA Pool, 1,737 AF set aside to potentially be allocated to 886 acres in Ruin Canyon Block leaving 1,903+/- AF unallocated and available for future use.

The Board discussed per acre charges above the costs needed for new infrastructure, which is mainly needed for new delivery boxes. The Board looked at past practices and reviewed land values. Ultimately the Board only required that applicants pay for new infrastructure costs. That has been the practice since, though each petition is an individual request for Board decision and action.

The Sandstone Block had to pay \$89.84 per acre based on the cost for SSPP. WetPack planned a development charge that was intended to be uniform across all the new acres, cover the new facilities costs and yield some additional funds for possible future development.

Since August 2011 we have added 588.9 acres / 1,106.9 AF, mostly at Ruin Canyon and removed 87.7 Acres / 171.9 AF for falling under 10 acres from property subdivisions.

Block Notices determine when a pumping plant was ready to deliver and set a transition time usually about 5 years for the District to start repayments on those acres with allocations. The Block notices are Fairview & Cahone in 1996, Pleasant View, Ruin Canyon and Hovenweep in 1998 and Dove Creek in 1999.

Original Farmers have been paying O&M as DWCD costs came on line and Repayment (\$1.35/ AF) since the Block Notice dates above. Using previous years Repayment as benchmark for construction repayment based on ability to pay yields 20 years (Ruin Canyon) X 1.96 AF/acre X \$1.35/AF = \$52.92 / acre of past payments. Applying the average 2.2% CPI to the annual payments would increase the cost to \$65.65/acre. Going forward new petitioners would pay the annual repayment costs like all other irrigators. These original project costs also covered all of the necessary infrastructure construction up to each individual's farmer's land.

The last petition in Fairview, paid \$15,202 for new infrastructure costs to DWCD for 49.3 classified acres (96.6 AF). Paying back 20 years of payments would yield:

49.3 acres X \$52.92/acre = \$2,609

Using the CPI adjusted price

49.3 acres X \$65.65 / acre = \$3,237

We have usually only needed to install a 4" meter for approximately \$10,000 to meet most new requests up to 100 acres. All new lands have some specific location issues around delivery meter size, distance to DWCD laterals and tapping details.

Using the above examples of past repayment cost recovery would yield \$5,292 and \$6,565 for 100 acres. Past petitions have run from about 30 acres to 175 acres, a list is attached.

100 acres X \$52.92/acre = \$5,292

100 acres X \$65.65/acre = \$6,565

30 acres X \$52.92/acre = \$1,588

30 acres X \$65.65/acre = \$1,970

175 acres X \$52.92/acre = \$9,261

175 acres X \$65.65/acre = \$11,489

Alternatives: Establish a Policy on a charge per acre for new water petitions to DWCD. One possible method is shown above. Set a fixed rate per acre (or AF) or tie to identifiable data, such as Repayment cost and years since original Block Notice.

Alternatively, the Board can continue the current practice of charging new petitions only for the cost of new infrastructure.

Staff Recommendation: Covering DP fixed costs across more acres helps defray the individual amounts paid. Limited water supplies, facilities capacities and access to classified lands near DP infrastructure probably limit future expansions. Unless a cost per acre is prohibitive, it will probably not drive petition decisions. There are no objective data to evaluate positive or negative issues relative to DWCD so no staff recommendation.

**Discussion:** Ken stated that Eric White, a potential affected customer, was in attendance. Ken presented two resolutions the difference is one includes an average CPI rate which shall be applied to capture the time value of payments. Godwin stated that if he was petitioning for new land he would not think the cost would be too high, because when the property has irrigation the value of the investment increases. Bruce stated that DWCD is getting to the point where there are not likely to be many more petitions coming to us. Sheldonna stated that she would like to hear from Eric White. Eric stated that this cost is better than \$250 per acre plus the cost of the box. Bruce stated that we would rather have the water put to use. Mike stated that the \$1.35 is already in the base charge, Eric is essentially catching up with those who have paid the \$1.35 since the beginning of the project.

**MOTION: TO ADOPT RESOLUTION 19-01 THAT INCLUDES AVERAGE CPI RATE WHICH SHALL BE APPLIED TO CAPTURE THE TIME VALUE OF PAYMENTS REGARDING FULL SERVICE AREA NEW IRRIGATION WATER PETITION REPAYMENT RECOVERY POLICY.**

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

**Set 7:30 PM June 13, 2019 FSA Petition Hearing for Eric White** – Ken stated that Eric White approached DWCD about receiving irrigation water on a 92 acre parcel at 10550 Road CC in Pleasant View. There are 72.4 irrigable acres available for a DP irrigation allocation. The other acres are Class 6 and ineligible for DP irrigation water.

This parcel never petitioned for irrigation water, but adjoins irrigated acres to the north, west and south. A tap would be needed on the lateral running north of Road CC, probably at an existing drain. Staff will confirm connection when access improves. A 4 inch diameter meter should be sufficient for delivery requirements. A road bore will be required to reach the parcel. The Ruin Canyon Block remains 490 acres below the original planned acres.

Applicants have paid the costs for new delivery installation including delivery box, road bore and lateral connection currently estimated at \$14,000 to \$15,000. Other than verifying the connection location and verifying the road bore costs for a delivery no other technical problems are currently foreseen. The applicant would have to file a formal petition prior to the hearing. The new Policy for charges on new petitions for irrigation water will be applied.

Alternatives: Set a Petition Hearing date & time to continue the process that may accept additional FSA acres into the Ruin Canyon Block or cease process now.

Staff Recommendation: Set a public Petition Hearing for Eric White Petition for June 13, 2019 at 7:30 PM during the next Board meeting.

**MOTION: TO SET A PUBLIC PETITION HEARING FOR ERIC WHITE PETITION ON JUNE 13, 2019 AT 7:30 PM.**

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

**Water Accounting**– Ken presented the **1) April Inflow/Outflow** spreadsheet he stated that there is a lot of snow still in the mountains. Bruce stated that the most recent inflow he has seen is at 430 KAF for 2019 and asked Ken what the effects of this would be. Ken stated that the inflow raised the reservoir elevation 30 feet in April. Lost Canyon had record high flows including 429 cfs on April 20, 2019. Ken stated that one of the answers to Bruce’s question is that in the last three forecasts the snowpack has hardly changed, meaning it is hanging up in the mountains. Ken stated that Black Mesa hasn’t started melting. Forecasters thought the runoff for April would be approximately 86 KAF, we received closer to 125 KAF without the SNOTELS having melted. The NRCS is projecting higher runoff than the CBRFC that models soil moisture and other variables. DWCD staff thinks the forecast margin of error is still +/- 10% - 20%, (40 KAF – 80 KAF). Ken stated that in an average year Sharkstooth will bring in around 100 KAF when it melts out to 0” of SWE and it hasn’t started melting as of May 9, 2019. Ken believes that there is a wave coming once the weather gets steadily warm & sunny for 7 – 10 days. **a)** MVIC has started using water slowly and UF&RE started using water in April. UF&RE has had steady use. **b)** There has been 11.93 inches of moisture recorded at GCD since November 1, 2018. **3) May Inflow/Outflow** – Ken stated that the cold fronts are confusing the forecasts. The diversion outflow broke 300 cfs in the beginning of May, later than normal. Ken stated that the forecast right now is cool and wet for the immediate future. Mike asked Lloyd when the people in the Dolores River Valley begin to worry about the elevation of the river. Lloyd stated that when the river gets to around 5,000 – 6,000 cfs they begin to worry about flooding.

**Towaoc Highline Canal (THC) Contract** – Ken stated that it was requested that the THC Contracts be presented at the Board to Board meeting. Ken reviewed highlighted information in the THC Contract. The Board discussed the contract, salinity and water rights that are subject to the THC Contract.

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

---

Donald W. Schwindt, Secretary-Treasurer

---

Bruce Smart, President

# DOLORES WATER CONSERVANCY DISTRICT

---

## MINUTES Regular Meeting May 9, 2019

---

**CALL TO ORDER** Bruce Smart, President, called the meeting to order at 8:25 PM

Bruce Smart, President  
Simon Martinez, Vice-President  
Godwin Oliver, Director  
Wes Wilson, Director  
Sheldonna Z. Ives, Director  
Mike Preston, General Manager  
Ken Curtis, Engineer  
Lloyd Johnson, Maintenance Supervisor  
Lisa Jordan, Office Administrator  
Robert Stump, Bureau of Reclamation  
Adam Reeves, Attorney

### INTRODUCTION OF GUESTS

Brandon Johnson, General Manager MVIC; Rich Landreth, City of Cortez; Ed Millard, Montezuma County/SWBRT, Bob Wright, Citizen

### APPROVAL OF THE MINUTES

#### MINUTES

**MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE APRIL 11, 2019 REGULAR MEETING, APRIL 11, 2019 EXECUTIVE SESSION AND MAY 2, 2019 SPECIAL MEETING.**

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

### FINANCIAL STATEMENTS

**MOTION: TO APPROVE THE MARCH '19 FINANCIAL STATEMENTS AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.**

**ADMIN: AP/CHECK #11305-11316**

**\$2,238.48**

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

### AGENCY REPORTS

#### BOR Report

Robert reported that **1)** The MOA Basin Fund contract with All American technical team is complete and being closed out. Brimhall delivered 5 pumps and will start the next round of pumps this fall. **2) Water Operations** – Robert has been working closely with Ken and Eric on the operating plan and spill plan. There was a public meeting April 18<sup>th</sup> at the Dolores Community Center. That plan had a spill starting after Memorial Day weekend the local crowd seemed to be in favor of a post Memorial Day weekend spill. Robert stated that since the meeting the plan has changed with boatable flows beginning before Memorial Day

weekend. With the current predicted inflows the plan is that spill will begin early and final ramp down will be around July 1, 2019.

Discussion: Bruce asked how low staff will keep the keep the reservoir elevation while waiting for the spill. It was stated that normally the reservoir doesn't go over 6,920' before June 1, but this is a only a guideline. This year with the amount could be 6,916', it was noted that this is the reason the weather patterns matter as there is a lot of shaping that needs to be done to provide a spill and fill the reservoir. Bruce stated that this is the year we are trying to get a new ramp down criteria and Robert and Ken are going to work toward developing an approach that our partners will agree to. Robert engaged the M&R Team to dig into the details of the issues that are related to ramp down and start employing some strategies to the ramp down. Robert stated that there is strategy in place to work with operations and adjusting ramp down criteria.

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

CDWR was not in attendance.

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

Sheldonna reported that the THC Committee had a meeting April 24, 2019. **1)** The Committee paid DWCD, MVIC and UF&RE. **2)** The Committee reviewed the worklist items and **3)** The Committee discussed the draft bid specification packet provided by Robert Stump regarding cathodic protection.

**Next T/H Meeting** – The Committee will meet at the DWCD, Cortez Office May 22, 2019 at 2:00 p.m. at the Cortez Office.

### **MVIC Report**

Brandon reported that **1)** Groundhog is nearly half way full. As of Monday, May 6, 2019 there was still three feet of snow at the Groundhog reservoir. Brandon noted that it is anticipated that Groundhog reservoir elevation will be higher than projected after having drawn it down for maintenance. **2)** Fish Creek running 30 cfs and Beaver Creek is running 40 cfs.

Ed Millard asked Brandon to comment on the deer getting stuck in the liner of the Lone Pine Canal. Brandon stated they are in construction mode and they will be looking into placing articulated mats in that area.

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

**BLM/Reclamation Authorities Clarification** – The Tres Rios Field Office of BLM is amending their 2015 Resource Management Plan (RMP) to evaluate potential ACECs (Areas of Critical Environmental Concern). The Draft Environmental Assessment (EA) was released for comment. The Board was mailed a comment letter from Mike to Keith Fox who is managing this process for BLM.

This re-opening of the RMP provided the opportunity for DWCD to advocate the Authorities Clarification that DWCD has had under negotiation since 2015. An excerpt, of the EA, was attached to the letter that was mailed to the Board. This passage states that: "No other federal agency, including the U.S. Bureau of Reclamation (Reclamation) has an obligation to change its management practices because BLM establishes a protective designation along the river corridor... Congress has not granted any authority to the BLM that would allow the agency to dictate how a Reclamation Project is operated."

The Authority passage protects the Dolores Project from intervention by BLM with regard to Wild and Scenic Suitability and ORVs (Outstandingly Remarkable Values), primarily native fish, from by-pass flow requirements or any other BLM requirement that would impinge on McPhee Reservoir operations or contractual obligations. Mike is working with the support of CWCB Representative Celene Hawkins to get the same Authority protections written into the Resource Management Plan being drafted by the Uncompaghre Field Office of BLM, which is the next field office down river from Tres Rios Field BLM.

With regard to ACECs considered in the Plan Amendment, several segments of the Dolores River and tributaries were evaluated, and none of these segments are recommended for ACEC designation. Both the Authority passage and formally deciding not to designate ACECs on the lower Dolores and its tributaries go a long way to clarify these issues as they pertain to the Dolores River and the Dolores Project and greatly reduce the risks of BLM interventions that would violate the legislated purposes of the Dolores Project.

Mike stated that the Endangered Species Act is a threat that is still out there. Mike stated that by working with M&R Team and we are demonstrating a level of stewardship that can

provide a “reasonable and prudent alternative” should Fish and Wildlife Service ever list any of the native fish species under ESA.

**Water Quality Control Commission (WQCC): Temperature Monitoring on the Lower Dolores River** – Mike was contacted by the WQCC Assessment Work Group the week of April 29 to notify DWCD that they will be conducting temperature monitoring from Big Gypsum Creek to the San Miguel confluence potentially leading to a determination that temperature is a “pollutant” regulated under 303(d) of the Clean Water Act. DWCD has been engaged over several years in an effort to avoid a 303(d) listing for temperature as a pollutant. Based on this notification, it is recommended that DWCD strongly engage this process.

Adam stated that we were on the 303(d) list and were removed from that list until adequate data is collected. The WQCC sent their list up for approval and the EPA approved everything but took no action to remove two segments that are on the 303(d) listing. Adam noted that the EPA didn’t like the ambient standard recommended by WQCC staff and DWCD and vetoed it. Adam stated that we realized that the data was bad, there were temperatures taken from mud and hot rocks which made big swings in temperature thus skewing the data. Adam stated that indications of bad data are changes in temperature that are not in agreement with the flows of the body of water. Adam stated that we know that the correlation is with altitude. Adam stated that this needs to be monitored stating that the data is processed in batches. Simon asked who will monitor the data and stated that if they are in collection mode we need to make sure the data is correct and the collection sites are in the right places. Mike stated that WQCC says they don’t know how they would regulate temperature as a pollutant. Mike stated that the fundamental question is do we want to be involved in the monitoring and do we want to contribute to the monitoring. Mike referred the Board to his email which summarizes monitoring and outlines future proceedings. Mike asked Adam if he had a sense of how this would play out. Adam stated that it is important to be involved and engaged, WQCC is looking at data and not understanding what is happening on the ground. Mike stated that he was able to explain to WQCC staff that there is nothing to be done about temperature as it is below a dam and subject to contracts and hydrologic variation. Adam stated that the Dolores below McPhee should be low on the list of the priorities in Colorado. Mike stated that the other opportunity beyond overseeing monitoring is to explain to WQCC staff, what the problems are with trying to treat temperature as a pollutant below a dam.

Sheldonna asked if you are working with the “best available data” and trying to prove the data is bad do you have to bring in your own data? Adam stated that it is better to prove that their data is not reliable. Adam stated that the WQCC staff has been good to recognize that the data could be bad. Mike stated that they need a policy or understanding that temperature below dams is not the track to be on. There was Board consensus for the legal team and management to initiate this engagement and be in a position to respond to and negotiate upcoming monitoring actions and hearings by WQCC to protect Dolores Project interests.

**Board to Board, May 21, 7:00PM, DWCD** – The likely topic for May 21 will be the MVIC 87.3 water court application. Both Boards have been insistent that they want to be able to talk openly about issues that need to be resolved to get DWCD and MVIC aligned. There is more discussion on the 87.3 in an Agenda Item below, including documents that may provide the basis for the Board to Board discussion. Ken stated that the Towaoc Highline Contract could be discussed at this meeting and asked the Board to bring their highlighted contracts. Ken stated that the other issue that could be discussed is the DCP.

Adam stated that he understood that the Board’s want to have a confidential discussion. This could be a problem. If DWCD and MVIC were in mediation they could do this. Adam has looked into how much a water judge would cost to mediate and it would cost several thousand dollars. Adam stated that they would also like to have some kind of blessing from the Court on ordering mediation. Mike stated that if MVIC had not filed in water court, the 87.3 could be talked about freely, but since it is in court it is difficult to discuss in detail. Ken stated that there will be additional information presented in executive session. Ken is sticking with the accounting and has highlighted the application. Bruce stated that he thinks that it would be beneficial to be upfront. Mike stated that he and Adam had some alternative thoughts to mediation that are aimed to clear up this issue. Adam stated that staff would like direction on how to move ahead on this issue.

**Colorado River Compact Issues, Drought Contingency Planning, Demand Management** – Jim Farrier submitted a “Statement of Risk” petition signed by a number of Full Service Farmers, which was mailed to the Board. Mike learned from Jim that a primary driver in circulating the petition was uncertainty about the risks and potential impacts

associated with Drought Contingency Planning and the exploration of Demand Management. One concern is payment obligations should water deliveries be curtailed.

In response to these concerns, Ken is arranging a workshop for Dolores Project and MVIC farmers the evening of May 28 to hear directly from Mark Harris Manager of the Grand Valley Water Users Association (GVWUA) and his Engineer Luke Gingerich. GVWUA water managers, board members and farmers have been involved in demand management experiments including fallowing and deficit irrigation of alfalfa paid for via the System Conservation Pilot (Studies previously circulated by Ken). GVWUA has also used their standing and experience in engaging Demand Management to actively engage in policy discussions and presentations concerning the evaluation of Demand Management and other aspects of Drought Contingency Planning.

The attached Statement of Risk focuses on the economic, cultural and land use impacts that would result from diminished availability of irrigation water. The Water Bank Work Group has commissioned an economic study intended to address this concern. Southwestern WCD has been involved in the Water Bank Work Group. Opportunities will be explored for local farmers to engage this process and gain understanding from the results.

The West Slope Roundtable Caucus will be meeting at Ute Water in Grand Junction June 20 from 10:00-3:30. The focus of this event will be on Phase III of the Risk Assessment which considers the level or risk of Lake Powell falling below elevation 3,525 feet which is approaching loss of power generation and risk of mandatory compact administration. This discussion will reveal details about how much the "risk curve" can be "bent" by all aspects of the Upper and Lower Basin Drought Contingency Plans. The discussion will also explore scenarios concerning how mandatory administration to meet a compact deficit would fall on West Slope Basins. There will be discussion about additional questions, and analyses and actions that the West Slope Caucus and member Roundtables should consider pursuing going forward.

The other avenue for analysis and input is the formation by CWCB of 8 Workgroups for Demand Management Feasibility Investigations involving people with subject matter expertise on the topics of: Law and Policy, Monitoring and Verification, Water Rights Administration and Accounting, Environmental Considerations, Economic Considerations, Funding, Education and Outreach, Agricultural Impacts. Local people have applied to these Workgroups and are waiting to find out if they are selected. There will also be quarterly Workshops that will move around the State to present findings from the 8 Workgroups and take input from stakeholders.

The Southwest Basin Roundtable and its DCP/DM Subcommittee will continue their work in conjunction with the July 10 Roundtable meeting. In the meantime, the educational materials that have been developed in conjunction with the Roundtable outreach effort are available to support local education and deliberations. Roundtable level information will be shared by Mike as Roundtable Chair at a Montezuma County Commission discussion at 6:00PM on September 7. Don will be presenting from a Southwestern WCD perspective.

As Board to Board discussions proceed, MVIC interests and opportunities for DWCD and MVIC to align their efforts can be incorporated in the DRAFT Policy/Strategy Framework.

Ken discussed the details of the project and handed out background documentation from JUB Engineers. There was also a policy statement provided. Mike stated that these are people we can learn from who are in similar situations to us. There is water speculation going on in Uncompaghre and the Grand Valley. Mike stated that we are also trying to learn how we are going to deal with Demand Management. Brent Newman has been asking what would work and what would not work. We need to apply this question to our Reclamation project. Ken stated that Abdel Berrada performed studies on deficit irrigation. Ken stated that if they want additional studies the CSU Experiment Station could perform the studies and have the producers ground proof the studies. Mike stated that if we are going to answer Brent's questions then we need to work toward a well thought out and justified answer.

**Discussion:** Godwin commented that Jim Farriers concern is that the FSA irrigator has to make payments and the water could go somewhere else. Ken stated that this is something that DWCD would address in the DCP. Ken stated that there has been some thought to starting a Farmer's group in the fall and May 28 discussion with GVWUA would be a good opportunity for producers to start getting informed.

**MVIC 87.3** – At the April 16 MVIC-DWCD Board to Board meeting the Boards made it clear that they want to openly discuss issues related to the 87.3 without being overly constrained by their respective attorneys. During the President's meeting on May 2 attorneys for DWCD and MVIC provided their guidance to the Presidents on how to hold direct discussions on the 87.3 between the Boards. Bruce, Ken and Adam will report out to the Board on the President's meeting.

The President's meeting involved discussion of "Outstanding MVIC 87.3 CFS Storage Issues that do not Comply with DP Contracts", prepared by Ken. This one pager was mailed to the Board and will be reviewed by the Board in anticipation that it could be used in the May 21 Board to Board meeting. Also mailed to the Board was a copy of the MVIC Water Court Application with passages highlighted that involve facts and issues pertinent to DWCD-MVIC

discussions. The highlighted application is also available for use in Board to Board discussions. Adam has been working with Beth Van Vurst, and will file a Statement of Opposition.

**Himes Creek Instream Flow** – As discussed last month, the CWCB hearing on March 21 did not dissuade the CWCB Board from issuing Notice of Intent to appropriate an Instream Flow on Himes Creek based on “Take all unappropriated flows,” as justified by a parade of scientists that appeared in support of this approach. The Board did agree with DWCD testimony that this is a significant departure from standard ISF methods and needs to be strictly limited to avoid injuring water rights and water development opportunities lower in the system. The CWCB Board invited DWCD to negotiate stipulations.

Adam is communicating with Southwestern Legal Counsel Beth Van Vurst and Legal Counsel for Boot Jack Ranch, both of whom testified at the hearing, to explore alignments in responding to the ISF filing. Adam is also working to identify who in the Attorney General’s Office we can negotiate stipulations with.

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

April 16: MVIC-DWCD Board to Board  
April 17: Planning for Operations Meeting – Robert, Ken, Eric, Vern, GM  
April 17: Call with Adam Reeves on 87.3 and Pump Back Hydro-Battery Term Sheet – GM, Ken  
April 18: Reclamation 2018 McPhee Operations Meeting, Dolores Community Center – Robert, Ken, Eric, GM, Vern  
April 19: General Manager Succession Meeting – Board, Ken  
April 22: Monitoring and Recommendation (M&R) Team, DWCD, 1:00-4:00PM  
April 23: Meeting with Empire Executive Director Josh Dillinger and Engineer Clint Rapier to prepare for Forest Health and Bio-Mass Power discussion with Empire Board on June 14 – GM, Ken  
April 24: Phase III Risk Study, Technical Advisory Group – GM, Ken  
April 24: Energy Smart Workshop – Eric, GM  
April 24: Towaoc-Highline Committee, DWCD – Sheldonna, GM, Ken, Rob  
April 29: Phone Meeting Ellen Roberts and GM – Discuss Forest Health, Fiber Utilization Study, Bio-Mass Power, June 14 Meeting with Empire Electric  
May 1: Risk Study Technical Advisory Group – GM, Ken  
May 1: DWRP Coordinating Committee, DWCD, 10:00AM  
May 1: DWRP Collaborative, DWCD, 1:30PM  
May 2: Presidents Meeting to Discuss Opening of Communication between Boards on 87.3.  
May 7: Presentation to Montezuma County Commission on DCP/DM, 6:00PM – GM as Roundtable Chair, Don as Montezuma County Rep to Southwestern WCD, Ed Millard Montezuma County Roundtable/DCP Subcommittee Rep.  
May 9: M&R Team Work Group – Ramping Criteria, Forecasting, 9:00AM  
May 9: DWRP Steering Committee, 10:00AM

#### **Upcoming Meetings and Activities:**

May 13: All Roundtable Chairs Webinar Meeting, 11:00AM, GM  
May 14: MVIC Board Meeting, 2:00PM  
May 9: DWRP Coordinating Committee  
May 15: Native Trout in Dolores Tributaries Discussion, 8:30 Durango SJPLC  
May 15: Risk Study Technical Advisory Group – GM, Ken  
May 22: Risk Study Technical Advisory Group – GM, Ken  
May 28: Demand Management Presentation by Mark Harris Manger, Grand Valley Water Users Association, Early Evening, Details TBD  
May 29: Risk Study Technical Advisory Group – GM, Ken  
June 5: Risk Study Technical Advisory Group – GM, Ken  
June 11: MVIC Board, 2:00PM  
June 12: Risk Study Technical Advisory Group – GM, Ken  
June 13: DWRP Steering Committee, 10:00AM  
June 14: Meeting Empire Electric Board, Forest Health, Fiber Utilization Study, Bio-mass Power  
June 19: Forest Health Advisory Committee, Glenwood Springs – GM  
June 20: West Slope Caucus Meeting, Ute Water Company, Grand Junction, 10:00-3:30

**Legal Report** – Adam stated that **1)** they are working on 87.3, working on Himes. **2)** A request for information from DWCD’s auditor has been submitted this will be completed next week.

**Other** – Mike stated that there was a letter in the packet requesting a DCL&G water tap to support a community garden for those dealing with extreme emotional issues. Mike stated that he thought the person who wrote the letter was going to be in attendance at the meeting.

**MOTION: MOVE INTO EXECUTIVE SESSION PER CRS 24.6.402(b) TO OBTAIN  
ADVICE FROM COUNSEL AND CRS 24.6.402(e) MATTERS OF  
NEGOTIATION IN DISCUSSION ON THE MVIC 87.3 FILING AND HIMES  
CREEK ISF APPLICATION.**

**MOTION: GODWIN OLIVER  
SECOND: SHELDONNA Z. IVES  
MOTION CARRIED. WES WILSON WAS NO LONGER IN ATTENDANCE**

**RECESSED FOR EXECUTIVE SESSION AT 10:04 P.M.  
RECONVENED REGULAR MEETING AT 10:45 P.M.**

#### **REPORT OUT OF EXECUTIVE SESSION**

Adam reported that in Executive Session the Board discussed the MVIC 87.3 filing, and Himes Creek ISF application. Direction was given to negotiators. No decisions were made.

**NEXT DWCD BOARD MEETING** – Thursday, June 13, 2019 - 7:00 P.M.

**ADJOURNMENT** Meeting adjourned at 10:45 P.M.

---

Donald W. Schwindt, Secretary-Treasurer

---

Bruce Smart, President