

**Southwestern Water Conservation District
Board of Directors Meeting
October 11, 2016**

Present: John Porter, President Steve Fearn, Vice-President Bob Wolff, Secretary-Treasurer
J.R. Ford (partial mtg by phone) Rusty Hinger Monte Naslund
Jenny Russell Doug Stowe

Absent: David Guilliams

Staff: Bruce Whitehead, Southwestern Water Conservation District (SWCD) Executive Director
Laura Spann, SWCD Programs Coordinator

Consultants: Carrie Lile, Harris Water Engineering
Beth Van Vurst, Fairfield and Woods
Peggy Montano, Trout, Raley, Montano, Witwer & Freeman (by phone)

Guests: Christine Arbogast, Kogovsek & Associates (by phone)
Russell Berwell, Sullivan Ditch Company
Jimbo Buickerood, San Juan Citizens Alliance
Jeff Derry, Center for Snow and Avalanche Studies
Laurie Dickson, Four Corners Office for Resource Efficiency
James Dietrich, Montrose County
Finn Kjome, Norwood Water Commission
Kandace Kjome, Town of Norwood
Amanda Kuenzi, Mountain Studies Institute
Laura Kudo, Watershed Education Program (Telluride Institute)
Rob Genualdi, Colorado Division of Water Resources
Steve Harris, Harris Water Engineering
David Mau, U.S. Geological Survey
Darlene Marcus, U.S. Representative Scott Tipton
Ann McCoy-Harold, U.S. Senator Cory Gardner
Marc Miller, U.S. Bureau of Reclamation
Gabi Morey, San Juan Mountains Association
Caroline Munger, Sullivan Ditch Company
Kevin Murphy, U.S. Geological Survey
Jessica Pace, Durango Herald
Elizabeth Stuffings, San Miguel Watershed Coalition
Ed Tolen, La Plata Archuleta Water District
Linda Towle, Public
Jim Wells, Norwood Water Commission
John Whitney, U.S. Senator Michael Bennet
Mark Williams, Spring Creek Extension Ditch Company

President John Porter called the meeting to order at 9:30 a.m. Roll was taken and a quorum established.

General Session

Approval of Minutes (August 9, September 8, September 15)

(time: 00:01:00)

Doug Stowe moved to approve the August 9, September 8, and September 15 minutes. Rusty Hinger seconded.
The motion passed unanimously.

Approval of Treasurer's Report (September 2016)

(time: 00:01:30)

Bruce Whitehead and Laura Spann detailed the financial report, including the budget comparison, bank account summaries, and transaction detail. Steve Fearn moved to accept the Treasurer's Report. Bob Wolff seconded. The motion passed unanimously.

Board Member Reports

Monte Naslund (Montrose County)

(time: 00:08:40)

Nucla/Naturita had a good water year. The Tri-State Nucla Generating Station will be closing effective 2020.

Jenny Russell (San Miguel County)

(time: 00:10:00)

The San Miguel Watershed Coalition met with stakeholders in the lower San Miguel basin and discussed the tax revenue impact to public services with the closing of the coal mine and generating station. Tri-State will likely be looking at water rights issues starting in 2017. San Miguel County and other entities submitted a letter to the CWCB board requesting their support for Wild and Scenic suitability findings on several stream reaches as part of the draft BLM/USFS Uncompahgre Joint Resource Management Plan. CWCB's ultimate position was to support the Wild & Scenic suitability findings made in the Plan.

Steve Fearn (San Juan County)

(time: 00:13:30)

The EPA is considering treating discharges from not only the Gold King, but the American Tunnel and Red & Bonita mine as well. Trout Unlimited has said that a second trout species has appeared at Tall Timbers, and fishing has improved on the Animas in Durango. EPA is hoping to start early remediation projects, and will need an appropriation to fund the work.

Rusty Hinger (Mineral County)

(time: 00:17:20)

The Village at Wolf Creek development is moving forward, and may affect water rights at the top of the pass. Pagosa Springs had a good tourist season this year.

Doug Stowe (Dolores County)

(time: 00:18:00)

A workshop was held with David Robbins regarding the proposed Dolores River National Conservation Area.

Bob Wolff (La Plata County)

(time: 00:18:45)

A ceremony was held in mid-September to recognize the groundbreaking on pipeline construction from Lake Nighthorse (aka Ridges Basin Reservoir) to Lake Durango, the initial pipeline phase of a larger project to bring a rural domestic water supply to western La Plata County. These efforts were spearheaded by the La Plata West Water Authority, and the Lake Durango Water Authority, and would not have been possible without the grant support from SWCD. The rural domestic water system may indeed be the first use from the Animas-La Plata Project. The boat inspection station and the turn lane for Lake Nighthorse are also under construction.

John Porter (Montezuma County)

(time: 00:21:30)

At the proposed Dolores River NCA workshop with David Robbins, about 95% of the legislation has general consensus. Among the remaining issues are the formation of a state-sponsored fish monitoring team and dropping Wild & Scenic suitability on the lower Dolores in exchange for limiting future impoundments. There was discussion of David Robbins lobbying on behalf of the proposed legislation.

Agency Reports

U.S. Geological Survey (USGS)

(time: 00:26:00)

Kevin Murphy and David Mau reported that several monitors have been installed on Cement Creek, Mineral Creek, and the Animas River in San Juan County to measure water quality, temperature, and turbidity. These monitors are funded through fall 2018. Funding has been secured to continue operation of the Animas at Durango gage from SWCD, the ALPOM&R Association and the U.S. Bureau of Reclamation. Tall Timbers gage has been relocated to the Animas at Cascade Creek. It was suggested to rename the gage to "Animas below Cascade

Creek.” The San Juan at Pagosa gage will be temporarily inactive due to the replacement of a pedestrian bridge that will affect data collection. Kevin responded to board questions. *(Note: Due to follow up discussions after the October 11 meeting between Bruce and the USGS, the name of the gage will continue to be “Animas River near Tall Timbers” to avoid confusion in administration of the recent ALP water rights case.)*

Colorado Foundation for Water Education (CFWE)

(time: 00:36:45)

Laura Spann was elected to replace Steve Fearn on the CFWE board beginning in January 2017. Among the other new 2017 board members are Kate McIntyre, Jorge Figeroa, Travis Robinson, and Rick Cables. Nicole Seltzer, Executive Director, and Kristin Maharg, Program Manager, have announced their departure. Kristin’s replacement, Stephanie Scott, and Nicole will meet with Bruce, Steve and Laura in Durango sometime in November to begin planning the 2017 Basin Tour in southwestern Colorado. The search for a new executive director has begun, with interviews anticipated to start in late November. CFWE’s 2017 budget is \$636,000, which has increased from \$550,000 several years ago and allowed for a beneficial expansion of programs.

Colorado Water Resources & Power Development Authority (CWR&PDA)

(time: 00:41:35)

CWR&PDA’s small hydropower loan fund is dwindling, and staff was directed to generate a recapitalization proposal for the next board meeting. The Authority continues to work with the CWCB to discuss vehicles for funding water plan implementation.

U.S. Bureau of Reclamation (BOR)

(time: 00:44:20)

Marc Miller reported area reservoir levels. Bruce expressed concerns regarding the reversal of MOA funding approvals by the BOR, some of which were to support approved projects along the Florida River.

Colorado Water Conservation Board (CWCB)

(time: 00:49:10)

April Montgomery provided an update via email, which Bruce relayed to the board:

- CWCB is now distributing a monthly newsletter that provides a summary of the last meeting.
- Becky Mitchell reported to the CWCB board on Colorado water plan implementation efforts, which are posted on the Colorado Water Plan website. Implementation efforts will become a regular agenda item at each CWCB meeting.
- The board approved changes to the Water Supply Reserve Fund Criteria and Guidelines. Perhaps the most significant changes were made to requirements regarding matching for statewide and basin grants (but with the provision of a waiver), roundtable implementation of a conflict of interest policy, and the establishment of a competitive bid process for roundtable grants over \$100,000. The final version is on the CWCB homepage.
- The board spent some time talking about its current strategic plan and next steps for updating it in light of the water plan.

Interbasin Compact Committee (IBCC) & Roundtable

(time: 00:54:50)

The primary discussion at the last IBCC meeting in August was how to fund water plan implementation, including the proposal of a container fee. There was also an emphasis on multi-purpose projects, and what sideboards might be placed on the use of any proposed new funding vehicle. Eric Kuhn has presented on the Joint West Slope Curtailment Risk Study to the IBCC, several Roundtables, the River District and SWCD. An RFP has gone out for further study of Front Range storage per legislation passed in 2016. The next IBCC meeting is scheduled for late November. The next Roundtable meeting is October 12. There were no applicants for the open at large agricultural seat, so the seat will remain open with additional interest being sought. San Juan RC&D (Carrie Lile and Ann Oliver) has received the Notice to Proceed from CWCB for the Basin Implementation Plan grant funding.

River Protection Workgroup

(time: 01:09:50)

A steering committee meeting scheduled for November 1 was postponed to allow for informal discussions to continue regarding a draft outline for proposed legislation. The goal is to have draft legislation agreed upon to present to the new Congress in early 2017.

Water Information Program (WIP)

(time: 01:11:20)

New 2016 WIP partners are Trout Unlimited Five Rivers Chapter, The Nature Conservancy, SGM-Bikis Water Consultants, and La Plata West Water Authority. The Fifth Annual Forest-to-Faucets Teacher Training Workshop was held in late June and sold out. The Annual Water 101 Workshop in late September had more than 60 attendees, and the Pilot Water 202 session was well received. The WIP Steering Committee met on September 27 and approved a budget to recommend to the SWCD board. They also reviewed the four educational applications for consideration by the SWCD board today, and those recommendations are provided to the board in a handout.

Division of Water Resources

(time: 01:13:15)

Rob Genualdi added that the CWCB called for the Dolores River instream flow. The call is being administered by DWR as extending above McPhee Reservoir. There are no structures being called out in Division 4, but a few minor flows curtailed in Division 7. The call will affect reservoir administration for the first and second fills on Groundhog and McPhee Reservoirs. As of the date of the meeting, the call has not resulted in any additional flows below McPhee Reservoir for the ISF water right

Colorado Water Congress (CWC)

(time: 01:18:10)

The Summer Conference in late August in Steamboat had record attendance. The CWC board adopted a resolution in support of Amendment 71 (Initiative 96) asking voters to mandate minimum ballot initiative signature requirements with geographic diversity of 2% of voters in all 35 State Senate Districts, and increasing the threshold for ballot initiative voter approval from 50% to 55% in order to amend Colorado's Constitution. At the most current Colorado Water Stewardship Project meeting, there was discussion of the long term role of the program. The proposed 2017 budget for CWC is \$900,000. The next CWC board meeting is December 9.

Questions/Comments from the Audience

(time: 01:28:00)

Jimbo Buickerood commented that Water 202 was a productive and engaging workshop.

Office Report

(time: 01:29:50)

Bruce Whitehead directed board members to the written Executive Director report, which he summarized:

- Bruce summarized stream flows and reservoir levels.
- SWCD Project Water Rights and the USFS reserved water rights will be discussed further in executive session.
- Files continue to be transferred from Maynes, Bradford, Shipps & Sheftel.
- Bruce detailed legislation from the Interim Water Resources Review Committee to be proposed in the 2017 session.
- Board members were directed to a letter of support for a barrier on Hermosa Creek, a project put forward by Five Chapters Trout Unlimited.
- Laura is expecting a child and will be taking family leave in late March/early April 2017. She and Bruce have begun working on a plan to cover her responsibilities in her temporary absence.

Old Business

Instream Flow – Future Use Allocation

(time: 01:40:00)

Several board members attended a meeting with other stakeholders regarding the possible incorporation of a future use allocation in instream flows appropriated by the CWCB. There was discussion of suggesting that the CWCB address this issue as part of their strategic planning process.

Proposed Budget Fiscal Year 2017

(time: 01:43:40)

Several board members attended the September workshop, at which the board and staff evaluated the draft FY 2017 budget line by line. Additional discussions will take place in Executive Session to discuss employee compensation. The budget notice will be published by October 15, with the draft budget available to the public after that date. The public budget hearing will be held during the board meeting scheduled for December 6.

New Business

Resolution 16-04 in Support of Initiative 96

(time: 01:58:50)

Steve Fearn moved to adopt Resolution 16-04 in support of Initiative 96 (Amendment 71) "Raise the Bar, Requirements for Initiated Constitutional Amendments." Doug Stowe seconded. The motion passed unanimously.

Ltr to Congressional Delegation Re. Water Resources Development Act (S2848)

(time: 02:02:40)

Christine Arbogast, John Whitney, Ann McCoy-Harold, and Darlene Marcus summarized recent activity regarding the Water Resources Development Act (WRDA), the vehicle for U.S. Army Corps of Engineers project funding. The Colorado Delegation is working on several items for inclusion in the WRDA, including provisions to 1) help local entities receive reimbursement for costs associated with the Gold King Mine incident and 2) prevent aquatic nuisance species in Colorado waterways. Governor Hickenlooper, the River District and the Dolores Water Conservancy District have submitted letters in support of these provisions. Steve Fearn moved to direct staff to write a letter to the Colorado Congressional Delegation regarding provisions proposed for inclusion in the Water Resources Development Act. Monte Naslund seconded. The motion passed unanimously. There was consensus to further strategize how to garner a broader coalition to support additional funding for aquatic nuisance species management before sending a letter to other entities such as the U.S. Bureau of Reclamation.

Proposed 2017 SWCD Board Meeting Schedule

(time: 02:27:50)

Bruce Whitehead explained the proposed 2017 board meeting schedule. Steve Fearn moved to adopt the 2017 board meeting schedule. Monte Naslund seconded. The motion passed unanimously.

Grant Request: Norwood Water Commission

(time: 02:32:50)

Finn Kjome, Jim Wells, and Kandace Kjome presented the 2017 request for \$175,000 to support delivering a portion of current agricultural water shares to Norwood water customers for lawn and garden irrigation purposes. This project is designed to increase Norwood's water security during drought, lessen demand upon the Norwood water treatment plant and defer the need for plant expansion, and to provide chloramine-free water for gardens, lawns, trees, shrubs and other irrigation needs. The Town's immediate goal is to complete construction of Phase 1, which consists of the full build-out of the Raw Water System within Norwood Town Boundaries, for water supplies to be provided at a raw water shack. Norwood will request \$50,000 from the Roundtable in January. The total cost for Phase 1 is \$462,868. Presenters responded to board questions regarding tap fees, matching funds, and phased costs.

Grant Request: San Miguel Watershed Coalition

(time: 03:03:31)

Elizabeth Stuffings presented the request for \$3,200 to support 2016-17 education and outreach, specifically a cleanup at the Dolores-San Miguel confluence to increase local awareness of river issues, the annual Watershed Forum at which stakeholders share information related to watershed health, and an interactive map and website education/outreach for easily-accessible river information. The combined total cost of these tasks is \$5,350. The Coalition has secured support from San Miguel County, the Town of Telluride, the Town of Mountain Village, and donations local sponsors. The Coalition is also contributing \$200 for informational packets and time and labor from volunteer board members. The WIP Steering Committee recommended the grant request for approval by SWCD at 50% of the total project budget, or no more than the reduced amount of \$2,675. In addition, it was suggested to find sponsors for Task 1 instead of requesting funding. Elizabeth responded to board questions.

Grant Request: Telluride Institute

(time: 03:20:00)

Laura Kudo presented the 2016-17 request for \$6,000 to support the Watershed Education Program, which provides full-day, multi-day, and overnight field trip curriculum planning and implementation to Telluride, Norwood, West End, and Paradox Valley Charter schools. The Watershed Education Program uses the San Miguel Watershed as a non-arbitrary, place-based teaching tool for physical, ecological, hydrological, cultural, historical, and economic relationships. Funding partners include the Telluride and JFK Foundations. The estimated project costs are \$68,370 for 2016 and \$56,570 for 2017. The WIP Steering Committee recommended the grant for approval in the full amount. Laura responded to board member questions regarding the portions of the program specifically focused on water.

Grant Request: Center for Snow and Avalanche Studies*(time: 03:34:30)*

Jeff Derry presented the 2017 request for \$5,000 to support monitoring and sampling of dust-on-snow deposition in the San Juan Mountains. In addition, the Center will publish regular alerts and updates throughout the winter and spring describing current dust-on-snow conditions and forecasting how dust will impact snowmelt timing and rates. Funding partners include the U.S. Bureau of Reclamation, the City of Grand Junction, the River District, CWCB, and Upper Gunnison River Water Conservancy District, among others. Jeff responded to board questions.

Grant Request: Montezuma County*(time: 03:52:20)*

Linda Towle and James Dietrich presented the 2017 request for \$40,000 in support of completing rehabilitation of the McElmo Creek Flume located east of Cortez—the only wooden flume remaining from the water delivery system built in the 1890s. The final phase of restoration is repairing the wooden trough of the flume at an estimated cost of \$241,472. Montezuma County has received a State Historical Fund grant for \$181,104, or 75% of the project cost. Additional funds will be requested from the Southwest Basin Roundtable, the Ballantine Family Fund, the Montezuma County Historical Society, Montezuma County, the Ute Mountain Ute Tribe, Montezuma Valley Irrigation Company and the National Trust for Historic Preservation. Linda and James responded to board questions.

Grant Request: Mountain Studies Institute (Forest to Faucets)*(time: 04:06:10)*

Amanda Kuenzi and Gabi Morey presented the request for \$9,648 in support of the 2017 Forest to Faucets Teacher Training Workshop, a program designed to provide 25-30 teachers with 16 hours of in-depth education about watershed science and local water resources. The workshop is organized in partnership with WIP and the San Juan Mountains Association, and builds off of four years of previous workshops and a classroom-based demonstration project. The 2017 workshop will focus on the Upper San Juan River Basin near Pagosa Springs. Expanding on previous programs, this year's workshop will reach out to middle and high school teachers, as well as provide an additional half-day workshop about stormwater education for all grades. The WIP Steering Committee recommended the grant request for approval in the full amount. Amanda responded to board member questions.

Grant Request: Four Corners Office for Resource Efficiency (4CORE)*(time: 04:22:30)*

Laurie Dickson presented the request for \$7,000 to support the HomeH2O Program, an educational effort to provide La Plata County residents with information, workshop opportunities and equipment for rainwater harvesting and continued water conservation education. The program includes six presentations for water conservation and program details, at which time residents can sign up for additional workshops on how to build their own rain barrel or opt for a complete kit purchase in a group buy program. The estimated project cost is \$47,200. 4CORE has requested \$18,000 from the City of Durango, and would generate revenue from the workshops and rain barrel kits to help with covering program costs. The WIP Steering Committee recommended the grant request for approval in the full amount, contingent upon securing the significant funding commitment from the City of Durango or another source. Board members reported their experiences with rainwater harvesting and Laurie responded to questions.

Grant Request: River District (West Slope Curtailment Risk Study)*(time: 04:36:50)*

The River District is requesting \$24,750 to support Phase II of the Joint West Slope Roundtable Curtailment Risk Study. Phase II would provide additional hydrologic analysis using CRSS, modeling of alternative approaches for demand management, and the development of a "risk ranking" for the various drivers that may contribute to a Powell deficit. The estimated study cost is \$89,500. Funding requests will also go to the four West Slope Roundtables, each for \$10,000. The River District requests that the remaining balance, \$49,500, to be split between the River District and SWCD.

Grant Request: Water Bank Working Group Phase IIC*(time: 04:40:00)*

The Water Bank Working Group (WBWG) is requesting \$35,000 to support the Grand Valley Water Users Association pilot program and other expenses for 2017. The proposed 2017 pilot program budget estimates

expenses at \$1,000,000, with continued CSU research bringing the total WBWG 2017 budgeted expenses to \$1,075,000. Funding will come from the System Conservation Pilot Program (UCRC), working group partners, a proposed CWCB alternative transfer methods grant, and foundation funding secured by The Nature Conservancy. In previous years, SWCD has supported the WBWG in the range of \$15,000 annually. The request of \$35,000 is for 2017 based on a two year budget projection for the WBWG, with no additional funding request from SWCD anticipated in 2018.

Grant Request: Spring Creek Extension Ditch Company

(time: 04:42:45)

Mark Williams presented the request for \$29,000 in support of the replacement of an existing inverted siphon that carries the East lateral of the Spring Creek Ditch under the Pine Valley Canal. The inverted siphon is a concrete pipe that is approximately 75 years old and has deteriorated to a point that a failure of the siphon is likely. Failure of the siphon during irrigation season would interrupt irrigation supplies to approximately 1,200 acres of land and around 65 shareholders. The estimated project cost is \$65,908. Funding has been approved by the Roundtable for \$29,000. Ditch shareholders have committed \$8,000. Mark responded to board questions.

Grant Request: Sullivan Ditch Company

(time: 04:47:15)

Russell Berwell and Caroline Munger presented the request for \$27,298 in support of piping and repairing two sections of the Sullivan Ditch, which are at risk due to the soil composition and the proximity of the ditch to the edge of a cliff. Funding is also being requested from the Roundtable. Shareholders will fund one third of the project costs. The total cost is estimated at \$81,895. Russell and Caroline responded to board questions.

Financial Assistance Requests Approval

(time: 04:52:20)

The board made the following motions:

- Center for Snow and Avalanche Studies, \$5,000, 2017, Jenny Russell moved for approval, Steve Fearn seconded, passed;
- Four Corners Office for Resource Efficiency, \$7,000, 2017, Monte Naslund moved for denial, Bob Wolff seconded, passed;
- Montezuma County, reduced to \$15,000, 2017, Doug Stowe moved for approval, Monte Naslund seconded, passed;
- Mountain Studies Institute, \$9,648, 2017, Jenny Russell moved for approval, Bob Wolff seconded, passed;
- Norwood Water Commission, \$175,000, 2017, Steve Fearn moved for approval contingent upon securing commitments for other funding for Phase I to supply water via the water shack, Jenny Russell seconded, passed 6-1;
- River District (West Slope Risk Assessment Study), up to \$24,750, 2016, Bob Wolff moved for approval, Steve Fearn seconded, passed;
- San Miguel Watershed Coalition, \$2,675, 2016-17, Jenny Russell moved for approval at the reduced amount of 50% of total project budget or \$2,675 from the requested amount of \$3,200, Bob Wolff seconded, passed 4-3;
- Spring Creek Extension Ditch Company, \$29,000, 2017, Steve Fearn moved for approval, Rusty Hinger seconded, passed 5-2;
- Telluride Institute, \$6,000, 2017, Jenny Russell moved for approval, Doug Stowe seconded, passed;
- Sullivan Ditch Company, \$27,298, 2016, Rusty Hinger moved for approval, Monte Naslund seconded, passed; and
- Water Bank Working Group Phase IIC, \$35,000, 2017, Steve Fearn moved for approval, Bob Wolff seconded, passed.

Engineering Report

(time: 05:45:30)

Carrie Lile referred board members to the written report, and highlighted the following:

- **San Juan River Basin Recovery Implementation Program (SJRBRIP):** This year's small bodied fishes monitoring trip captured 23 age-0 Colorado Pikeminnow across multiple sample sites. This is unprecedented and indicates that is a year class of wild spawned Colorado Pikeminnow in the San Juan River. Discussions will continue to tackle outstanding questions regarding non-native fish removal.

- **Water Bank Working Group (WBWG):** A meeting in Thursday in Grand Junction will cover the pilot effort with Grand Valley Water Users Association. Carrie has joined the outreach sub-group, which plans to generate general presentations, including a white board video, for use as outreach products. Carrie also presented on the Water Bank at the Water 101 seminar. The Upper Colorado River Commission is now soliciting proposals for the third cycle of the System Conservation funding. The Grand Valley Water Users Association pilot may fit the criteria to submit a funding application.

General Counsel Legal Report

(time: 05:52:00)

Beth Van Vurst referred the board to the written report, and highlighted the following:

- **Water Quality Control Commission – Regulation No. 31 Rulemaking Proceeding:** Despite being unwilling to adopt the transition zone and shoulder season proposals on a statewide basis, the Commission made clear that it is open to considering whether it is appropriate to implement these proposals on a more regional or site-specific basis. The next opportunity for that to occur is at the rulemaking hearing for the San Juan, Dolores and Gunnison river basins, which will be held in June 2017. There will be a number of entities from across the State participating in that hearing because those entities view the San Juan-Gunnison river basins hearing as an opportunity to “test drive” the transition zone and shoulder season proposals. Beth attended a scoping meeting for the Temperature Workgroup on September 29, which was held to gauge public interest and develop an advisory committee that is comprised of 8-10 technical experts from across the State. An informational hearing will be held on November 14.
- **Uncompahgre Resource Management Plan and Environmental Impact Statement:** Public comments are due on November 1. There was significant board discussion regarding how SWCD should weigh in. The CWCB Board has expressed support for Wild and Scenic suitability findings as part of the draft RMP. There was board consensus to direct staff and legal counsel to submit comments that do not challenge Wild and Scenic suitability on proposed reaches, express general support for the stakeholder process, and state any concerns with the draft plan in general terms.
- **City of Ouray, Case No. 13CW3040, Division 7; Case No. 13CW3072, Water Division 4:** Settlement negotiations are progressing favorably. SWCD entered into a settlement on Case No. 13CW3072. It is likely Case No. 13CW3040 will be resolved under similar terms. Board members were directed to the full details in the written legal report.
- **Personnel Matters:** This topic was recommended for executive session.
- **Contract Matters:** This topic was recommended for executive session.
- **USFS Federal Reserved Rights, Case No. W-1605-76, Division 7:** This topic was recommended for executive session.
- **San Luis Valley Water Conservancy District, Case No. 14CW3011, Division 3:** A settlement negotiations meeting has been proposed for early November.
- **Treasure Pass Ditch, Case No. 10CW36, Division 3:** The status conference is scheduled for October 24.

Special Counsel Legal Report

(time: 06:17:35)

Peggy Montano reported that in Case No. 13CW3011 (Animas La Plata Project water rights), SWCD filed a Motion for Supplemental Findings for the decree entered by the judge in early 2016. That Motion is still pending before the court. Objector responses are due by October 21. This topic was recommended for executive session.

Executive Session

(time: 06:18:46)

Beth Van Vurst recommended that the board go into executive session for the purpose of discussing the SWCD Project water rights, USFS reserved rights (W-1605-76), personnel matters, and contract matters. The statutes covering this session are § 24-6-402(4)(b), C.R.S., “conferences with an attorney for the district for the purposes of receiving legal advice on specific legal questions,” § 24-6-402(4)(e), C.R.S., “determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators,” and § 24-6-402(4)(f), C.R.S., “personnel matters.” Bob Wolff moved that the board go into executive session. Monte Naslund seconded. The motion passed unanimously. Jenny Russell left the meeting before executive session. Bob Wolff and JR Ford (by phone) participated in a portion of the executive session.

Beth Van Vurst announced that the board was out of executive session, during which no action was taken. The board discussed the SWCD Project water rights, USFS reserved rights (W-1605-76), personnel matters, and contract matters. Direction was provided to staff and legal counsel regarding negotiations.

Monte Naslund moved to increase the Office Manager's compensation by \$4,450 effective December 1 to comply with the Department of Labor Overtime Rule. Rusty Hinger seconded. The motion passed 5-0.

Steve Fearn moved for termination of contract services with Environmental Dimensions. Monte Naslund seconded. The motion passed 5-0.

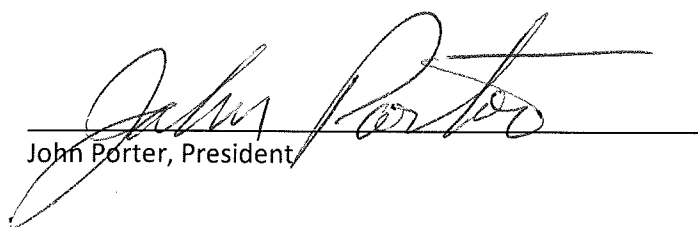
Steve Fearn moved to increase the proposed budget for Aid to Water Management & Development from \$500,000 to \$650,000. Doug Stowe seconded. The motion passed 5-0.

Next Meetings

Tuesday, December 6 10:00am Special Regular Board Meeting

Adjournment

President John Porter adjourned the meeting at 7:00 p.m.



John Porter, President