

1.0 Review and Approve Agenda

President Bob Wolff opened General Session with the Pledge of Allegiance. The agenda was modified with the Special Counsel report moved to noon.

2.0 Approve and/or Remove Consent Agenda Item

There were no changes to the consent agenda.

3.0 Consent Agenda

3.1 Approval of Minutes (February 6, 13, 14, 21; March 7, 21)

3.2 Approval of Treasurer's Report (February 2018)

3.3 Retire Board Policy 6: Financial Assistance Program

Charlie Smith moved to approve the consent agenda. Doug Stowe seconded. The motion passed unanimously.

4.0 Reports

4.1 Agency Reports

U.S. Geological Survey (USGS)

No representative was present; a report was not available.

Division of Water Resources

Rob Genualdi reported that the La Plata River went on call February 20. Long Hollow Reservoir is higher than it was last year at this time, and there is potential to use it for exchange. There is a rumor of a call on the Dolores River. The new Pine River Water Commissioner is Warren Gabbert. Cory Beau has been hired to manage reservoir accounting and augmentation plans. Bruce thanked DWR for their work in coordination with Red Mesa Reservoir on their storage restriction.

U.S. Bureau of Reclamation (BOR)

No representative was present; a report was not available.

Colorado Parks & Wildlife (CPW)

Ryan Unterreiner reported on CPW's Future Generations bill, which passed through the Finance Committee and has been assigned to the Appropriations Committee. CPW anticipates this bill would provide more funding stability. CPW continues to support research on walleye fish in Narraguinnep Reservoir, and providing a warm-water fishing opportunity that people enjoy.

U.S. Bureau of Land Management (USBLM)

Connie Clementson was invited to the meeting, but had a conflict. A representative may attend the next meeting.

Colorado Water Conservation Board (CWCB)

No representative was present. However, CWCB Executive Director Becky Mitchell spoke at the SWCD Annual Seminar the following day.

U.S. Forest Service (USFS)

Kara Chadwick reported on fire risk and preparedness, as the dismal snowpack foretells a hot fire season similar to 2002. The agency is working quickly to get all their firefighters trained, and coordinating with county emergency management. USFS will be carefully monitoring conditions to impose fire restrictions as needed. USFS is conducting Spruce salvaging operations near Wolf Creek Pass to address forest health and beetle kill, and working to address similar issues in the Dolores basin. Fuel reduction and watershed improvement efforts also continue in the Pagosa Springs area. On Monday, there will be a meeting about a conservation finance tool, a way to leverage private funds for forest health improvement.

Colorado Water Congress (CWC)*(time: 00:22:30)*

Regarding the Water Stewardship Project, Steve Fearn reported that 185 ballot initiatives have been filed, and are still being considered by the title board. He summarized several of the topics addressed by these initiatives. Amendment 71, which raised the bar for ballot initiatives, has been challenged in court. Judge Martinez ruled the requirement for signatures to be collected in all 35 districts as unconstitutional. The next board meeting is April 24. Registration for the CWC Summer Conference opens May 1. This year's event will be August 22-24 in Vail. The Annual Federal Affairs Washington Issue Briefing is scheduled for April 9, at which Congressional delegation staff will hear about state water priorities.

Colorado River Water Users Association (CRWUA)*(time: 00:28:00)*

At the December meeting, the Northern Utes (Utah) put forward a request for a CRWUA Resolution in support of being given a seat on the Upper Colorado River Commission. The Resolution Committee did not support moving forward with the resolution and it was not submitted to the membership. Discussions continue on tribal involvement at the UCRC meetings.

Water Education Colorado (WEco)*(time: 00:30:35)*

Laura Spann directed board members to the written staff report and highlighted a few items: WEco has hired journalist Jerd Smith, who will be in charge of developing digital content and beefing up WEco's water reporting. The President's Reception will be May 11 at the History Colorado Center in Denver, honoring Joe Frank (Lower South Platte Water Conservancy District) and Tom Cech (One World One Water Center). The Rio Grande Basin Tour is now scheduled for June 11-12. Bruce participated in the peer review group for the spring *Headwaters* focused on public lands. The summer issue will focus on stream management planning, and several experts from our area are participating in the review group. Laura will attend the Program Committee meeting on April 9 and the WEco board meeting on May 18.

Colorado Water Resources & Power Development Authority (CWR&PDA)*(time: 00:33:20)*

Bob Wolff reported on loans approved at the recent CWR&PDA board meeting for Eagle and Silverton for the drinking water revolving fund. The wastewater revolving loan request from Antonito was approved by a 5-4 vote after discussion regarding ongoing costs of operating their wastewater treatment system.

Water Information Program (WIP)*(time: 00:35:10)*

Elaine Chick will have a booth at the SWCD Annual Water Seminar on Friday. Also, coordination is heating up for the 2018 Children's Water Festival on Wednesday, May 2. Elaine anticipates 700 kids, and recruited volunteer classroom guides and a replacement water wizard. The upgraded WIP website is under construction. The Forests to Faucets teacher training program is scheduled for June, and received accreditation from Adams State University. The Pine River Conservation District and the Animas Water Company both joined as new WIP partners.

Interbasin Compact Committee (IBCC) & Roundtable*(time: 00:40:25)*

Steve Harris reported that the next IBCC meeting is May 2. Work continues by the three committees, focused on the following priorities, respectively: 1) developing a "water 101" white paper for 2018 electoral candidates, specifically gubernatorial candidates and other statewide offices, to ensure the political leadership going forward is versed in statewide perspectives on water, 2) implementing the seven point conceptual framework outlined in the state water plan, and 3) developing options to address long-term sustainable funding for water projects and protections going forward. In coordination with the next Roundtable meeting on April 11 at the Durango Recreation Center, John Carron will host a webinar on the results of West Slope Risk Study, Phase II. Steve will summarize the South Platte Storage Study at the meeting. Tier II funding to support the Water Supply Reserve Fund is significantly depleted. The Joint West Slope Roundtables Meeting will be held on April 25 at Ute Water Conservancy District in Grand Junction.

Haynie and Company*(time: 00:47:15)*

Nick Warnick and Adam Wilkes greeted the board and reported on the progress of the 2017 audit. Fieldwork has been completed, and the board will review the audit report at the June meeting.

4.2 Board Member Reports

Bob Wolff (La Plata County)

(time: 00:49:25)

Lake Nighthorse opened on April 1 to 800 recreating public. SWCD and the Animas-La Plata Water Conservancy District provided grants to facilitate development of the original recreation plan. La Plata County Commissioners submitted a letter of support for HB 1301 (Protect Water Quality Adverse Mining Impacts).

Doug Stowe (Dolores County)

Dolores County is dry. Several Dolores County Commissioners plan to attend the Annual Water Seminar.

Jenny Russell (San Miguel County)

The ski area closes this week. Work has begun on the Norwood raw water line.

David Guilliams (Hinsdale County)

Hinsdale County is dry.

Monte Naslund (Montezuma County)

The Colorado Cooperative Ditch Company piped a significant portion of the ditch. Monte's grandson took a water-related tour of the San Miguel Basin through the Watershed Education Program, funded in part by SWCD. The fifth-graders may also get a tour of the CC ditch.

Don Schwindt (Montezuma County)

It's the driest Don has seen it. Irrigators have started pulling water already. The Montezuma Valley Irrigation Company planned on a full supply at their March meeting, but that may change. Dolores and Montezuma County Commissioners met to discuss the proposed Dolores River National Conservation Area (NCA). Although the Dolores County Commissioners have continued to revisit NCA discussions, the Montezuma County Commissioners remain adamantly opposed to the NCA. All commissioners agreed they need to continue to work together on their many shared issues.

Rusty Hinger (Mineral County)

Mineral County is dry.

Charlie Smith (San Juan County)

There will be additional discussion of development of the San Juan County water rights as part of the legal report.

9.0 Special Counsel Legal Report

(time: 00:59:45)

Peggy Montano provided background on the ALP Project Water Rights change case (17CW3002). SWCD is not a party to the case, but has been provided the draft decree for comment. Overall, the latest draft decree is consistent with the 2015 settlement, and legal counsel and staff elected not to submit any request for revisions. If the ALPOM&R Association makes changes at their April 5 meeting, SWCD will be notified. If not, it will be tendered to the water judge for signature.

Peggy participated in a dinner hosted by the Walton Family Foundation and the Gates Family (Colorado-based) to discuss how to fund implementation of the Colorado Water Plan. The Keystone Policy Center has been hired to facilitate the group discussions. There was discussion of SWCD's involvement in this discussion.

4.3 Questions/Comments from the Audience

(time: 01:13:00)

Marcel Gatzambide, San Juan Citizens Alliance, invited the public to attend a talk on April 11 by Jonathan Thompson, author of "River of Lost Souls," a book recently released about mining and the Animas River basin.

Christine Arbogast, Kogovsek & Associates, updated the board on federal affairs. Reclamation received several cuts in the administration's budget proposal. The Arkansas Valley conduit will receive no funding. Broader

infrastructure packages are not getting traction due to the funding required. In the omnibus bill, there was some redress of “fire borrowing” from the USFS budget. Washington policymaking is very unpredictable right now.

The board adjourned for lunch.

4.4 Office Report

(time: 01:23:10)

Staff referred to the written report, and highlighted the following items:

- Bruce summarized reservoir elevations, snowpack, and area flows.
- Carrie, Don, and Bruce have continued to participate in the Water Bank Work Group. Carrie has worked on a “lessons learned” document. It’s not clear what the future of the group will be, but SWCD staff and board wants to stay engaged. The next meeting is scheduled for April 24 in Grand Junction.
- Per the Gallagher Amendment, residential assessment rates are anticipated to be adjusted down from 7.2% to 6.11%. Some local governments anticipate a 15% impact to revenues for 2019, which, dependent on assessed valuation on properties in the District, could be approximately a \$226,000 decrease for SWCD.
- Laura covered some Annual Water Seminar logistics.

5.0 Old Business

5.1 Colorado River Discussions

(time: 01:38:25)

Beth Van Vurst reported that Aaron Million has filed an application in Utah to divert up to 55,000 acre-feet from the Green River to pipe to Colorado’s Front Range. There are questions about the application and whether he has contracts with the end users. Beth will monitor this issue.

Water Bank Working Group

This item was covered as part of the Office Report.

Drought Contingency Planning

Finalization of the Lower Basin drought contingency plan is expected for August 2018. There would be additional discussion of demand management at the Annual Water Seminar the following day.

Upper Colorado River Commission Update

The UCRC is continuing to develop the drought contingency plan for the upper basin, which includes discussion of reservoir re-operation, water supply augmentation (cloud seeding and phreatophyte removal), and investigating demand management.

5.2 Legislative Update & Positions on Bills

(time: 01:43:20)

The Colorado Water Congress (CWC) State Affairs Committee met on March 26 and April 2 to discuss water legislation introduced thus far during the 2018 Legislative Session. Staff explained the bills and relayed CWC discussion of the bills to the board and referred to Legislative Report #10. The following bills were discussed:

SB 176 – SWCD Board Meeting Dates

This bill is awaiting signature by the governor.

HB 1338 – Reduced Revenue Severance Tax Operational Fund Transfers

CWC supports this bill.

SB 218 – CWCB Construction Fund Projects

CWC support this bill. Doug Stowe moved to support SB 218 (CWCB Projects Bill). Rusty Hinger seconded. The motion passed.

HB 1215 – Enhanced Protection Regarding the Disposal of Naturally Occurring Radioactive Materials

CWC has not taken a position, and is awaiting amendments to the final bill.

SB 167 – Increased Enforcement of Requirements Related to the Location of Underground Facilities

CWC has formed a subcommittee to discuss this bill. CWC has not taken a position.

HB 1301 – Protect Water Quality Adverse Mining Impacts

CWC acted to monitor this bill. Bruce summarized the bill's provisions. Marcel Gatzambide, San Juan Citizens Alliance, and attorney Travis Stills described the process in drafting the bill, the stakeholders involved, and answered board questions. Steve Fearn, Director Emeritus SWCD, had reviewed the legislation and provided public comments as well. The bill has the support of San Juan, La Plata, San Miguel, and Ouray counties, along with the San Miguel Watershed Coalition and San Juan Citizens Alliance. Marcel asked for SWCD's support for the bill. There was significant discussion about the bill language. Doug Stowe moved to support HB1301 – Protect Water Quality Adverse Mining Impacts. Don Schwindt seconded. The motion passed.

6.0 New Business**6.1 CWCB Proposed Instream Flow Appropriations 2019***(time: 02:23:15)*

Bruce detailed the 2019 proposed instream flow appropriations from CWCB as noticed, and provided the information available. Of the 15 proposed appropriations, staff could only find flow rates for three on the CWCB website. Staff and legal counsel will contact CWCB staff for additional details. There was board discussion regarding SWCD's role in better engaging the instream flow program consistently, bringing appropriate information to the relevant local officials, and communicating regularly with CWCB.

7.0 Engineering Report*(time: 02:33:30)*

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

- **San Juan River Basin Recovery Implementation Program (SJRBRIP):** Briefings with delegation staff in mid-March were very productive. The U.S. Fish and Wildlife Service will down-list the humpback chub from endangered to threatened. Recruitment has been documented for the Colorado pikeminnow and razorback, which gives the potential for down-listing of these species as well. Tom Pitts has begun discussions with Program staff regarding the long-term success of the populations and what maintenance is needed after official recovery. A report is due to Congress in 2021 on the results of the program. The Program funding extension has passed in the House and is due to be reviewed in the Senate. USBR supported a two-hour 2,000 cfs release from Navajo Dam to support a revegetation project in Simon Canyon. Carrie summarized the Colorado pikeminnow population viability analysis. Carrie addressed staff, board member, and public questions.
- **Water Bank Working Group (WBWG):** This item was discussed as part of the Office Report.
- **West Slope Risk Study:** John Carron is writing up the final report for Phase II. Board members were invited to participate in the Risk Study webinar prior to the Roundtable meeting on April 11
- **Animas Watershed Partnership (AWP):** The meeting is occurring simultaneously with the board meeting, so Carrie will report on activities at the next meeting.

Kirk Russell, CWCB Finance Director, provided an update on the CWCB Projects Bill. CWCB is collaborating on Red Mesa Reservoir rehabilitation. He summarized the impact severance tax revenue variability has on funding of priority programs and CWCB operation (Tier I) and secondary water programs (Tier II), and reviewed proposed legislation to address funding shortfalls. Kirk responded to board member questions.

8.0 General Counsel Legal Report*(time: 03:02:40)*

Beth Van Vurst reported that U.S. Environmental Protection Agency has granted program authority to the Southern Ute Indian Tribe application for program authority to establish water quality standards. SWCD will continue to monitor the standards established and the upstream impacts. She referred the board to the written report, and highlighted the following issues:

- **8.1 05CW88 San Juan County Water Rights:** SWCD and San Juan County are negotiating a Memorandum of Agreement for joint development of the water rights.

- 8.2 Regulation of Point Source Discharges to Groundwater Under the Clean Water Act:** The Ninth Circuit recently held that the discharge of treated effluent through groundwater wells that are hydro-geologically connected to the Pacific Ocean is subject to regulation under the Clean Water Act so long as the pollutants are fairly traceable from the injection well to the navigable water; and pollutant levels reaching navigable water are more than de minimus. A petition for rehearing has been filed. It is unclear whether the Ninth Circuit's decision will affect Colorado. Public comments on this topic are due to the EPA by May 21, 2018.
- 8.3 14CW3011 San Luis Valley WCD:** Settlement discussions are ongoing with the applicant. The status conference is scheduled for April 23. This case was discussed in the morning executive session.
- 8.4 15CW3111 Dolores ISF:** On April 4, Judge Patrick has declined parties' request for oral arguments. Beth anticipates the final order soon.
- 8.5 W-1605-76 USFS Reserved Water Rights, CWCB ISF Appropriation Himes Creek:** The USFS, SWCD, and the CWCB have been in discussions regarding the use of the CWCB's instream flow program to address the reserved water rights claims in southwestern Colorado. There is no update or movement on this case. Relatedly, CWCB has noticed its intention to file an instream flow appropriation on Himes Creek for all unappropriated flows, which was discussed in the morning executive session.
- 8.6 12CW34 USFS C-A (06CW127):** The applicant has recently reached an agreement on the proposed ruling with DWR, and SWCD has provided comments on the ruling to the USFS.
- 8.7 10CW36 Timothy and Lori Lovato:** SWCD hopes the applicant will withdrawal their filing for a change of water right on the trans-mountain diversion, at which time SWCD will get out of the case. The next status conference is scheduled for April 9.
- 8.8 Water Court Resume Review (Divisions 3,4,7):** The resume has been reviewed, and there were no cases recommended for consideration by the board.

10.0 Executive Session

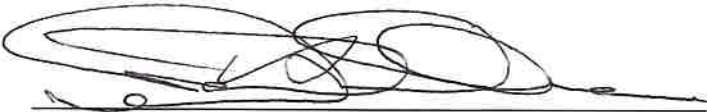
There was no need for afternoon executive session.

11.0 Adjournment

Vice President Doug Stowe adjourned the meeting at 3:00 p.m.



Bob Wolff, President



Doug Stowe, Vice-President