

**Southwestern Water Conservation District
Board of Directors Meeting
October 31, 2019**

Present: Bob Wolff JR Ford David Guilliams (2:15pm)
Charlie Smith Don Schwindt Doug Stowe

Absent: Rusty Hinger Monte Naslund Jenny Russell

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

Consultants: Carrie Padgett, Harris Water Engineering
Beth Van Vurst, Fairfield and Woods
Michelle Magruder, Fairfield and Woods (by phone during executive session)

Guests: Orla Bannon, Western Resources Advocates (by phone)
Keith Caddy, Montrose County Commissioner (by phone)
Marcel Gaztambide, San Juan Citizens Alliance
Ed Millard, Montezuma County (by phone)

1.0 Call to Order – Roll Call and Verification of Quorum

President Bob Wolff called the meeting to order at 2:00 p.m. Roll was taken and a quorum established.

2.0 Review and Approve Agenda

(time: 00:01:30)

Beth Van Vurst recommended adding to the agenda item 7.9, Recognition and administration of preexisting water uses under C.R.S. 37-92-102(3)(b). JR Ford moved to revise the agenda as recommended. Doug Stowe seconded. The motion passed.

3.0 Executive Session

(time: 00:02:45)

Beth Van Vurst recommended that the board move into executive session for the purpose of discussing Colorado River interstate and intrastate matters, including drought contingency planning and demand management and case number 14CW3011, San Luis Valley Water Conservancy District, Water Division 3. In addition, Beth recommended the board discuss in executive session the Fair Labor Standards Act, employee compensation and record keeping, along with updates to the SWCD Programs Coordinator job description, including job duties. The statutes covering this session are § 24-6-402(4)(b), C.R.S., "conferences with an attorney for the district for the purpose 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)(1), C.R.S., "personnel matters." Doug Stowe moved that the board go into executive session. Don Schwindt seconded. The motion passed.

4.0 Report from Executive Session

(time: 00:05:25)

Beth Van Vurst announced that the board was out of executive session at 3:16 p.m. The board discussed case number 14CW3011, San Luis Valley Water Conservancy District, Water Division 3, the Fair Labor Standards Act, employee compensation and record keeping, along with updates to the SWCD Programs Coordinator job description, including job duties. The board did not discuss Colorado River interstate and intrastate matters, including drought contingency planning and demand management. No action was taken during the executive session.

The board adjourned for a short break.

JR Ford moved to revise the settlement in case number 14CW3011, San Luis Valley Water Conservancy District, Water Division 3, in a manner consistent with the board discussion in executive session. Doug Stowe seconded. The motion passed unanimously.

5.0 Questions & Comments from the Audience

(time: 00:08:00)

There were no comments or questions from the audience.

6.0 Hydrologic Update

(time: 00:08:20)

Frank Kugel summarized that the forecast is for persistent drought conditions through January 2020.

7.0 Old Business

7.1 Colorado River matters

7.1.2 Proposed Hydros Consulting Joint Contract with River District for Colorado River Interstate Modeling

(time: 00:09:20)

The River District entered into a contract with Hydros Consulting for Phase III Risk Assessment modeling work, and SWCD has committed up to \$65,000 to support this effort. In addition, water managers in southwestern Colorado provided \$12,000 to SWCD for the Phase III Risk Assessment modeling effort. Site specific questions from these stakeholders for the Colorado River Phase III Risk Assessment will be routed through the River District.

From 2012-2018, the River District has also separately engaged Hydros Consulting to perform Colorado River modeling work to assist us in Upper Colorado River Commission (UCRC) matters. That information is held confidentially and has been utilized by Colorado and the other Upper Basin states. The River District has primarily funded this work, with some support from CWCB. The River District has approached SWCD and the UCRC to cost share in this ongoing modeling and they would then have access to the information. The current contract between the River District and Hydros Consulting is for up to \$100,000 over 18 months to facilitate modeling efforts relevant to identify priorities for re-negotiation of the 2007 Interim Guidelines, which are to start no later than the end of 2020. CWCB has engaged their own modelers. Beth Van Vurst recommended that the board participate in this agreement to have access to valuable technical information and responded to several questions. There was board consensus to direct legal counsel to coordinate with the River District regarding SWCD's participation in the modeling cost share agreement. There was consensus that SWCD tentatively commit up to \$50,000 or one-third of the total costs, whichever is lower, for the joint modeling effort.

7.1.1 Interstate and intra-state matters, including drought contingency planning efforts and demand management

(time: 00:22:00)

Frank Kugel reported that the River District is forming a diverse water user "task force" to generate direct constituent feedback to them regarding the demand management feasibility investigation. He solicited board discussion on SWCD's strategy and interest in pursuing similar input in southwestern Colorado. There is also an agricultural water user group (WAG) in the Grand Valley which has formed to discuss the impacts of demand management. The Colorado Basin Roundtable proposed a joint meeting with the Front Range Water Council, which eventually declined the invitation. There was board discussion around SWCD conducting direct outreach to the nine boards of county commissioners and water users, and the role of the Roundtable as a vehicle for stakeholder feedback. There was a suggestion that SWCD investigate and develop information regarding basin specific impacts of the proposed demand management program and reach out with that information for county reactions and input.

7.2 SWCD Mission and Strategic Planning Effort

7.2.1 Proposed SWCD Goals and Activities

(time: 00:53:00)

Frank Kugel directed the board to an initial draft goals and activities document to serve as a starting point in SWCD's strategic planning process. He proposed that the board form a Strategic Planning Committee to digest the SWCD draft goals and activities statement.

7.8 Discussion regarding SWCD Investment Policies and Guidelines

(time: 00:54:00)

Frank Kugel also provided a draft SWCD investment policy for review and comment by the board budget/investments committee. He suggested that SWCD make appropriate transfers from the checking account to other investment vehicles in order to maximize interest income. This might include establishing a target checking account balance and transferring funds as needed on a monthly basis.

7.2.2 Review of Board Committee Assignments

(time: 00:56:00)

There was board consensus that general legal review of draft policies developed by the board committees will be provided by Beth Van Vurst upon committee member request. The following changes in red were made to board committee assignments:

Budget/Investments	Colorado River	Instream Flow	Litigation	Personnel/Travel	Outreach
JR Ford	Don Schwindt	Monte Naslund	Jenny Russell	JR Ford	Rusty Hinger
David Guilliams	Doug Stowe	Jenny Russell	Charlie Smith	David Guilliams	Don Schwindt
Jenny Russell	Bob Wolff	Don Schwindt	Bob Wolff	Jenny Russell	Bob Wolff
Bob Wolff	Beth Van Vurst	Charlie Smith		Bob Wolff	
		Doug Stowe			
		Bob Wolff			

The board brainstormed the potential structure and scheduling of board committees by phone, including how the committee work might be prioritized and the strategic planning effort incorporated into various committee work. The board provided direction that December 5th regular meeting remain as currently scheduled. At that meeting, the board will further discuss and provide guidance on committee meeting coordination.

7.3 Proposed SWCD Budget Process for Adoption

(time: 01:27:15)

Frank Kugel directed the board to the proposed SWCD budget process, which was revised based on discussion at the October 1 meeting. There was the suggestion that the proposed budget process be further revised to allow any revisions consistent with state statute under item four. Charlie Smith moved to adopt the budget process with the proposed revision. David Guilliams seconded. The motion passed. Bob Wolff abstained.

7.4 Proposed 2020 SWCD Meeting & Holiday Schedule

(time: 01:30:30)

There was board consensus to hold two-day regular board meetings (Tuesday/Wednesday) in June, October and December 2020. David Guilliams moved to adopt the 2020 SWCD meeting schedule as revised. Doug Stowe seconded. The motion passed. There was the suggestion that the two-day meetings begin in the late afternoon or evening on the first day, partly to allow for people who work during the day to attend.

7.5 Proposed SWCD Personnel Policies

(time: 01:37:20)

Beth Van Vurst recommended a SWCD personnel policy concerning recording all hours worked and another SWCD personnel policy regarding hours worked, travel and overtime. The board reviewed these policies in detail and provided several revisions. JR Ford moved to adopt the proposed SWCD personnel policies with the revisions requested by the board today. Don Schwindt seconded. The motion passed.

7.6 Updates to SWCD Programs Coordinator’s Job Description, including job duties

(time: 02:29:15)

Charlie Smith moved to adopt the updated SWCD Program Coordinator’s job description. Doug Stowe seconded. The motion passed.

7.7 Updates to SWCD Executive Director’s Job Description, including job duties

(time: 02:30:30)

There was board consensus to direct general counsel to coordinate with Frank Kugel to update the SWCD Executive Director’s job description for board consideration at the December meeting.

Beth Van Vurst recommended additional personnel-related issues or policies that the SWCD board address in the next six months, including a proposed paid time off policy, an updated SWCD Executive Director job description, the development of an SWCD employee manual, and a review of employee health benefits.

7.9 Recognition and administration of preexisting water uses, C.R.S. 37-92-102(3)(b) (time: 02:39:10)

The CWCB is asking for comment on their concept for addressing the recognition and administration of pre-existing water uses, by having the CWCB administrative process assist water users confirm their pre-existing uses in Water Court. There was board consensus to direct general counsel and staff to provide testimony at the November CWCB meeting on this topic and SWCD's position on Section 102(3)(b).

8.0 Adjournment

President Bob Wolff adjourned the meeting at 6:15 p.m.



Bob Wolff, President