

MINUTES¹
SPECIAL JOINT MEETING OF THE BOARD OF DIRECTORS
OF THE COLORADO RIVER WATER CONSERVATION DISTRICT
AND OF THE COLORADO RIVER WATER CONSERVATION DISTRICT
ACTING BY AND THROUGH ITS COLORADO RIVER WATER PROJECTS ENTERPRISE

February 19, 2015

Pursuant to notice duly and properly given, a special joint meeting telephone conference of the Board of Directors of the Colorado River Water Conservation District (CRWCD) and of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise was held on Thursday, February 19, 2015, at the offices of the Colorado River Water Conservation District, 201 Centennial Street, Glenwood Springs, Colorado.

Directors participating during all or part of the meeting:

Jon Stavney, President	Tom Alvey, Vice-President
Marc Catlin	James Newberry
John Ely	William Trampe
Tom Gray	Alden Vanden Brink
Rebie Hazard	Stan Whinnery
Gary Martinez	Martha Whitmore
David Merritt	

Directors not participating:

John Justman	Doug Monger
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Others participating during all or part of the meeting:

Dan Birch, Deputy General Manager, CRWCD
John Currier, Chief Engineer, CRWCD
Laurie DePaolo, Executive Assistant, CRWCD
Peter Fleming, General Counsel, CRWCD
Martha Moore, Public Affairs Specialist, CRWCD
Jim Pokrandt, Director of Community Affairs, CRWCD
Chris Treese, Manager, External Affairs, CRWCD
Robert Simpson, Corporate Advocates
Danny Williams, Corporate Advocates

Quorum.

President Stavney found a quorum and called the meeting to order at 12:03 p.m.

General Manager.

Dan Birch reported that last October, the Board took action to approve entering into a \$120,000 cost-share agreement for Phase IIC of the Compact Water Bank feasibility study with our funding partners in the project: The Front Range Water Council, The Nature Conservancy and the Southwestern Water Conservation District.

Colorado State University has requested that the River District enter into agreements with participating farmers to provide Crop Offset Payments as compensation for farmers that have production loss. Cost-share funds will be used to make the payments. Another portion of the cost-share funds, \$62,000, will be used to purchase equipment needed for the study.

Director Hazard moved, seconded by Director Merritt, to approve entering into Crop Offset Payment agreements in a cumulative amount not to exceed \$37,000 and to approve expenditures in an amount not to exceed \$62,000 for equipment purchases. Motion carried unanimously.

An audio recording has been made of the meeting. The motions described herein may not necessarily represent a verbatim transcription. The audio recordings are available for listening at the CRWCD offices during regular office hours. These minutes are the official record of the Colorado River Water Conservation District's meeting.

State Issues.

Chris Treese presented and the Board acted on the following legislative matters:

SB 15-183 CONCERNING THE QUANTIFICATION OF THE HISTORICAL CONSUMPTIVE USE OF A WATER RIGHT.

This bill directs the Water Court when calculating Historical Consumptive Use (HCU) to use a “representative study period” that includes wet years, dry years and average years. It prohibits reduction in consumptive use due to years of undecreed use. The Water Court is further directed that it need not include every year of the entire history of use of the subject water or specifically periods of nonuse of the water right. It also prohibits reconsideration or requantification of HCU if the HCU has already been quantified in a previous change decree.

Director Ely moved, seconded by Director Trampe, to **oppose HB 15-183**. Motion carried unanimously.

HB 15-1210 CONCERNING REVIEW BY THE GENERAL ASSEMBLY OF ENVIRONMENTAL RULES REQUIRED TO MAINTAIN THE OPERATION OF STATE ENVIRONMENTAL LAW IN LIEU OF FEDERAL ENVIRONMENTAL LAW.

This bill requires legislative approval of any new or updated state agency environmental rule required by the Environmental Protection Agency (EPA) before the agency can send it to the EPA for approval. Of particular concern is that the bill strikes existing legislative rule review requirements for all rules irrespective if or which federal agency requires the rule.

Director Merritt moved, seconded by Director Vanden Brink, to **monitor HB 15-1210**. Motion carried unanimously.

HB 15-1219 CONCERNING THE ENTERPRISE ZONE INVESTMENT TAX CREDIT FOR RENEWABLE ENERGY PROJECTS.

This bill would provide accelerated financial incentives through tax credits for renewable energy investments within an Enterprise Zone. The bill changes the definition of renewable energy investment to any project that complies with Colorado's renewable energy standard and would include small hydro.

Director Alvey moved, seconded by Director Martinez, to **support HB 15-1219**. Motion carried unanimously.

HB 15-1222 CONCERNING AN AUTHORIZATION FOR PILOT PROJECTS FOR THE VOLUNTARY TRANSFER OF WATER EFFICIENCY SAVINGS TO THE COLORADO WATER CONSERVATION BOARD (CWCB) FOR INSTREAM USE PURPOSES IN WATER DIVISIONS THAT INCLUDE LANDS WEST OF THE CONTINENTAL DIVIDE.

This bill would create a pilot program within CWCB for up to 12 pilot efficiency projects whose reduced diversions could be transferred to the CWCB for instream flow between the historical point of diversion and point of return flows. No injury standards apply. The pilot programs would last up to ten years and can be extended (as a pilot, not a permanent right) up to 15 additional years if the CWCB finds the original pilot period successful. All decisions of the CWCB are appealable, de novo in water court. The pilot projects may only occur in Water Divisions 4, 5, 6, & 7 (West Slope).. The owner of the water right has the right to discontinue the pilot project at any time. “Legislative declaration” attempting to explain why West Slope-only eligibility has been removed.

Concerns expressed by Board Directors: 1) the pilot program is not available statewide; 2) too much burden is placed on other water users to prove injury; and 3) the 10-year duration may be too long.

Director Trampe moved, seconded by Director Grey, to **support in concept HB 15-1222**. Directors voting in favor of the motion: Alvey, Ely, Gray, Hazard, Martinez, Newberry, Stavney, Trampe, Vanden Brink, Whinnery and Whitmore. Directors voting against the motion: Catlin and Merritt. Motion passed.


Adjournment:

There being no other business before the Board, President Stavney adjourned the meeting at 12:46 p.m.



Jon Stavney, President

ATTEST:



R. Eric Kuhn, Secretary/General Manager