

MINUTES¹
SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE
COLORADO RIVER WATER CONSERVATION DISTRICT
IN CONJUNCTION WITH
THE BOARD OF DIRECTORS OF THE
SOUTHWESTERN WATER CONSERVATION DISTRICT
September 15, 2016

Pursuant to notice duly and properly given, a special meeting of the Board of Directors of the Colorado River Water Conservation District (CRWCD) in conjunction with the Board of Directors of the Southwestern Water Conservation District (SWCD) was held on Thursday September 15, 2016 at the 4H Events, Center, 22739 US-550, Ridgway, Colorado.

CRWCD Directors present during all or part of the meeting:

Jon Stavney, Vice President	Tom Alvey, Vice President
Tom Alvey	David H. Merritt
William S. Trampe	John Justman
Doug Monger	Tom Gray
Martha Whitmore	Marc Catlin
Tom Gray	

CRWCD Directors not present:

Gary Martinez	Mike Ritschard
Al Vanden Brink	John Ely
Rebie Hazard	Stan Whinnery

SWCD Directors present during all or part of the meeting:

John Porter, President	Steve Fearn, Vice President
Monte Naslund	Bob Wolff
Jenny Russell	Doug Stowe

SWCD Directors not present:

J.R. Ford	Rusty Hinger
David Guilliams	

Others present during all or part of the meeting:

Eric Kuhn, General Manager, CRWCD
Peter C. Fleming, General Counsel, CRWCD
Dan Birch, Deputy General Manager, CRWCD
John Currier, Chief Engineer, CRWCD
Chris Treese, Manager, External Affairs, CRWCD
Jason Turner, Senior Counsel, CRWCD
Audrey Turner, Administrative Chief, CRWCD
Mary Kalmes, Chief Accountant, CRWCD
Jim Pokrandt, Director, Community Affairs, CRWCD
Laurie DePaolo, Executive Assistant, CRWCD
Denise Hussain, Records Administrator, CRWCD
Ian Philips, Senior Accountant, CRWCD

¹An 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.

Dave Kanzer, Deputy Chief Engineer, CRWCD
Ray Tenney Deputy Chief Engineer, CRWCD
Bruce Whitehead, Executive Director, SWCD
Laura Spann, Office Manager, SWCD
Beth Van Vurst, Fairfield and Woods
Carrie Lile, Harris Water Engineering
Steve Harris, Harris Water Engineering
Mike Preston, Dolores Water Conservancy District
Ben Tisdell, Ouray County Commissioner
Aaron Derwingson, The Nature Conservancy
Ed Warner, U.S. Bureau of Reclamation
Betsy Bair, Office of Senator Cory Gardner
Ann McCoy-Harold, Office of Senator Cory Gardner
Brent Gardner-Smith, Aspen Journalism

Introduction by Board Presidents.

President Stavney and President Porter found quorums and called the meeting to order at 12:40 p.m. Eric Kuhn and Bruce Whitehead outlined meeting goals including discussions on common interests and issues, that may require joint leadership being exercised by the Districts, and updates on the Districts' compact water bank study and the joint West Slope Roundtables risk study.

District Activities Update by Eric Kuhn and Bruce Whitehead

Bruce Whitehead provided an update of recent SWCD activities including the development and construction of a pipeline from the Animas-La Plata Project to provide domestic water supplies for more rural areas in western LaPlata County. He also reported that SWCD has retained the only irrigation water rights left in the project and is examining the future development of those rights.

Eric Kuhn reported on recent CRWCD activities including installation of a reservoir spillway net at Elkhead Reservoir. The net will prevent non-native fish from escaping the reservoir and competing with endangered fishes in the Yampa River. Bank stabilization work is ongoing at Wolford Mountain Reservoir and an extensive investigation of dam settlement issues at the reservoir recently concluded that no major remediation efforts are necessary. Mr. Kuhn also noted that CRWCD is coordinating federal funds from two agencies and an \$8 million grant from the Regional Conservation Partnership Program for modernization of federal and private irrigation infrastructure in the Gunnison River Basin. Finally, the Board recently held a workshop to update the District's strategic plan and prepare for staff transitions.

Colorado Water Plan Implementation.

Upper and Lower Basin Contingency Plans:

Eric Kuhn provided an overview on the development of the contingency plan by the Upper Division states being conducted through the Upper Colorado River Commission. Development of the plan is in response to the ongoing basin-wide drought with the goals of maintaining the minimum power level at Lake Powell and avoidance of a Colorado River Compact curtailment. Elements of the contingency plan are: augmentation through cloud seeding and tamarisk removal; extended reservoir operations, (moving water from other Colorado River Storage Project reservoirs to Lake Powell), and demand management (reduction of consumptive uses). Substantial progress has been made resulting in a Memorandum of Agreement being drafted. Signatories will be the Bureau of Reclamation, the Upper Division states, and the Upper Colorado River Commission.

The Lower Division states (California, Arizona and Nevada) have concluded that their contingency plan requires a 1.2 million acre-foot reduction in consumptive uses to maintain levels at Lake Mead with the majority of the reductions occurring in Arizona and California.

Joint West Slope Roundtables Risk Study:

The four West Slope Roundtables, CRWCD and SWCD sponsored a study to estimate the frequency and magnitude of future shortages and how often demand management might need to be implemented in the Upper Basin to preserve levels in Lake Powell. It was conducted under the assumptions that the Lower Basin is successful in reducing consumptive uses and the Upper Basin has implemented extended operations of the upstream CRSP reservoirs.

Conclusions of the study indicate that contingency planning in the Upper Basin is essential since CRSP drought operations reduces some risks, but in more severe droughts (e.g., 1998-1993 and 2001-2005) demand management will also be required to maintain Lake Powell levels and ensure the 1922 Compact's Upper Basin delivery requirements are met. There is agreement among the roundtables, CRWCD and SWCD that the study needs to continue for additional hydrologic analyses, modeling to determine how rare, but very large, shortages could be met, and the impacts on water uses under different management options.

Compact Water Bank Update.

Dan Birch recounted the formation and purpose of the Water Bank Work Group (WBWG) that was conceived by CRWCD and SWCD almost ten years ago at a similar joint meeting of the boards. Other participants are the state, the Front Range Water Council and The Nature Conservancy. The intent of the WBWG was to explore conservation efforts to prevent buy-and-dry of senior West Slope agricultural water rights by East Slope water providers, most of whom hold post-compact water rights. The study evolved into sponsoring a pilot project program with irrigators being paid to demonstrate how reductions in consumptive use could be made. Another avenue being explored is how water banking could be structured to result in an overall net benefit rather than merely minimize impacts. To that end, the Grand Valley Water Users Association is initiating a pilot fallowing project involving 1,000 acres. What role a water bank could serve as part of a larger demand management plan to reduce and manage potential future shortages is an element to be examined in the next phase of the study.

Instream Flow Program – Future Use Allocation.

Bruce Whitehead relayed that concern over the Colorado Water Conservation Board's recent instream flow filings on certain rivers and streams is growing throughout the state. The issues of concern are the large amounts of water being filed for, the apparent lack of water for future development, and the location of the filings, many of which are lower in the river and stream systems which will impact future development. The CWCB initially engaged in discussions with both conservation districts about their concerns but then voted to terminate those discussions.

Dolores River Instream Flow Filing.

Bruce Whitehead expressed SWCD's appreciation to the River District for filing a Statement of Opposition to the CWCB's Dolores River Instream Flow filing.

2017 Legislative Outlook.

Federal Issues:

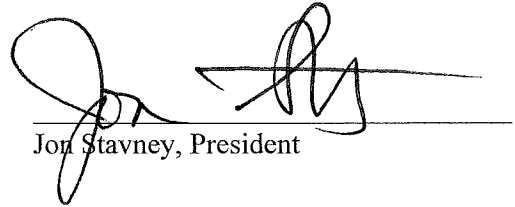
Chris Treese reported that the Water Resources Development Act of 2016 has been amended to include funding and direction to the U.S. Army Corps of Engineers to participate in aquatic nuisance species inspection and remediation programs in the South Platte and Arkansas River Basins. The River District funds an ANS program at Wolford Mountain Reservoir and has assisted a similar effort at Ruedi Reservoir.

State Issues:

Mr. Treese referred the Boards to his memo outlining issues that have been approved by the Water Resources Review Committee for bill drafting including funding for dredging for recovery of lost reservoir storage space in the South Platte, a well inspectors' fee increase, and an irrigation district act of 1921 modernization bill.


Adjourn.

There being no other business before the Boards, President Stavney and President Porter adjourned the meeting at 3:16 p.m.



Jon Stavney, President

ATTEST:



R. Eric Kuhn, Secretary/General Manager