MINUTES
FIRST REGULAR JOINT QUARTERLY 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

January 17-18, 2017

Pursuant to notice duly and properly given, the First Regular Joint Quarterly Meeting 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 Tuesday and Wednesday January 17-18, 2017 at the Hotel Denver, 402 7th Street, Glenwood Springs, Colorado.

Directors present during all or part of the meeting:
Tom Alvey, Vice President  Tom Gray
David H. Merritt  Mike Ritschard
William S. Trampe  John Justman
John Ely  Doug Monger
Alden Vanden Brink  Martha Whitmore
Stan Whinnery  Kathy Chandler-Henry
Karn Stiegelmeier

Directors not present:
Marc Catlin  Rebie Hazard

Others present during all or part of the meeting:
Eric Kuhn, General Manager, CRWCD
Peter Fleming, General Counsel, CRWCD
Dan Birch, Deputy General Manager, CRWCD
John Currier, Chief Engineer, CRWCD
Mary Kalmes, Chief Accountant, CRWCD
Chris Treese, Manager, External Affairs, CRWCD
Jason Turner, Senior Counsel, CRWCD
Audrey Turner, Administrative Chief, CRWCD
Laurie DePaolo, Executive Assistant, CRWCD
Jim Pokrandt, Director, Community Affairs, CRWCD
Ray Tenney, Deputy Chief Engineer, CRWCD
Dave Kanzer, Deputy Chief Engineer, CRWCD
Don Meyer, Sr. Water Resources Engineer, CRWCD
Ian Philips, Senior Accountant, CRWCD
Mike Eytel, Sr. Water Resources Specialist, CRWCD
Hunter Causey, Water Resources Engineer, CRWCD
Sonja Chavez, Water Resources Specialist, CRWCD
Dave Smith, Engineering Technician, CRWCD
Denise Hussain, Records Administrator/Records Specialist, CRWCD
Lorra Nichols, Paralegal, CRWCD
Martha Moore, Public Affairs Specialist, CRWCD
Alesha Fredrick, Business Support Specialist, CRWCD

1 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.
Brent Gardner Smith, Aspen Journalism
Larry Sweeney, Colorado Association of Conservation Districts
David Mau, USGS
Jackie Brown, Tri-State Generation & Transmission
Mike Sampson, Garfield County Commissioner

**Quorum.**
Vice President Alvey found a quorum and called the meeting to order at 10:05 a.m.

**Review Meeting Agenda and Objectives.**
Peter Fleming requested the additions of Approval of Authorization of USGS Annual Funding as agenda item 8.g, Approval of Contract Amendment with Hydros Consulting as agenda item 8.d.i., Approval of Continuing Services Agreement with Ajax Design as agenda item 12.a., Approval of Expansion of Campsites by Colorado Parks & Wildlife at Elkhead Reservoir as agenda item 13.b.i., and Approval of Agreement with Yampa Valley Electric Association as agenda item 13.b.i.i. Director Whitmore moved, seconded by Director Ritschard, to approve the agenda as amended. Motion carried unanimously.

**Presentation and Report of Directors' Credentials for Eagle, Mesa, Moffat, Pitkin, Routt and Saguache Counties.**
Eric Kuhn reported that executed credentials for directors from Eagle (Chandler-Henry), Moffat (Gray) and Routt (Monger) Counties have been received by the River District. Director Merritt moved, seconded by Director Whinnery, to accept the credentials as presented. Motion carried unanimously. (The credentials are attached as Appendices A.-C.).

**Election of Board Officers.**

**Election of President:**
Director Merritt moved, seconded by Director Whinnery, to nominate Director Alvey as president. Director Trampe moved, seconded by Director Ritschard, to elect Director Alvey as president for 2017. Motion carried unanimously.

**Election of Vice President:**
Director Trampe moved, seconded by Director Ritschard, to nominate Director Whitmore as vice president.

Director Vanden Brink moved, seconded by Director Gray, to nominate Director Merritt as vice president.

Director Merritt was elected as vice president for 2017 by a vote of 7:6.

**Resolutions for Outgoing Directors.**
Director Whinnery moved, seconded by Director Merritt, to adopt a resolution expressing the Board’s appreciation to Jon Stavney for his service as a River District director, vice president and president. Motion carried unanimously.

Director Whinnery moved, seconded by Director Merritt, to adopt a resolution expressing the Board’s appreciation to Gary Martinez for his service as a River District director. Motion carried unanimously. (The resolutions are attached as Appendices D. and E.).

**Appointment of Committees for 2017.**
President Alvey provided background information regarding appointments to the Executive Committee which, historically, has rotated among counties within basin and sub-basin groups of counties and includes the President as chairman. The Executive Committee, consistent with historical rotation among counties, for 2017
is comprised of directors from Eagle, Garfield, Gunnison, Moffat and Ouray Counties as well as the Board President. Other committee assignments are made by the President and Vice President.

**Consent Agenda.**

Director Whitmore moved, seconded by Director Trampe, to approve the following consent agenda as presented. Motion carried unanimously.

a. Designation for Posting Notices.
b. Reappointment of General Manager, General Counsel and Treasurer.
c. Confirmation of Assistant Secretary.
d. Approval of Proposed Changes to Employee Policy Manual.
e. Approval of Minutes and Actions Taken:
   i. Minutes of Fourth Regular Joint Quarterly Meeting, October 18, 2016.
   ii. Minutes of Special Joint Meeting, Teleconference, December 1, 2016.
   iii. Acceptance of Treasurer’s Reports and Check Registers for General, Capital, and Enterprise Funds for September October, and November 2016.

**General Counsel’s Report – Executive Session.**

Peter Fleming reported that the following matters qualify for discussion in Executive Session pursuant to C.R.S. §§ 24-6-402(4)(a)(acquisition of real property)(b)(legal advice) and (e)(negotiations):

a. Matters Proposed for Executive Session:
   i. CRCA Implementation Matters.
   ii. Windy Gap Firming Project and Windy Gap Connectivity Channel.
   iv. Blue River/Hoosier Pass System Diligence Application of Colorado Springs Utilities, Case No. 15CW3019, Water Division 5 and in the Consolidated Cases, Federal Court.
   vii. General Manager Hiring Process.
   viii. Acquisition of Real Property. (An Enterprise Matter).

Director Monger moved, seconded by Director Ely, to proceed into Executive Session pursuant to C.R.S. §§ 24-6-402(4)(b)(legal advice) and (e)(negotiations). Motion carried unanimously.

Peter Fleming stated that no further record of the Executive Session need be kept based on his opinion that the discussion will constitute privileged attorney-client communications.

President Alvey reconvened into Public Session at 12:49 p.m.

**General Counsel’s Report – Public Session.**

Peter Fleming reported that during Executive Session, the Board provided guidance to staff and General Counsel on the following matters:

a. Matters Proposed for Executive Session:
   i. CRCA Implementation Matters.
   ii. Windy Gap Firming Project and Windy Gap Connectivity Channel.
iv. Blue River/Hoosier Pass System Diligence Application of Colorado Springs Utilities, Case No. 15CW3019, Water Division 5 and in the Consolidated Cases, Federal Court.
vii. General Manager Hiring Process.
viii. Acquisition of Real Property. (An Enterprise Matter).

Director Trampe moved, seconded by Director Whinnery, to approve an agreement with Summit Information Services in an amount not to exceed $45,000 with the River District’s share being one-half of the total cost. Motion carried unanimously.

Director Whinnery moved, seconded by Director Ritschard, to extend the duration of CRCA Implementation Committee to January 31, 2018. Motion carried unanimously.

Director Whitmore moved, seconded by Director Trampe, to delegate authority to the Litigation Committee to provide direction to staff and counsel on litigation and potential settlement of the Supreme Court Remand of Grand Valley Water Users Association v. Busk Ivanhoe Inc., Case No. 14SA303. Motion carried unanimously.

Mr. Fleming reported that a consortium of over 60 attorneys representing water users across the state are continuing to work on legislation to address the most concerning elements of the Colorado Supreme Court’s ruling in the St. Jude’s case, in which the River District filed an amicus brief. Last year’s effort in the legislature included a bill to affirm that recreational, aesthetic and piscatorial uses for fish habitat and fish propagation are beneficial uses of water, but the bill was unsuccessful. The River District is again coordinating this year’s effort and working with the consortium to draft another bill.

Director Trampe moved, seconded by Director Ritschard, to authorize reimbursement of the Grand Valley Water Users Association of up to $15,000 for additional legal work related to the GGVWUA conserved consumptive use pilot project. Motion carried unanimously.

Director Ritschard moved, seconded by Director Vanden Brink, to ratify the River District’s continued participation as a cooperating agency in the Bureau of Reclamation-led NEPA process on Grand Lake clarity. Motion carried unanimously.

Director Whitmore moved, seconded by Director Whinnery, to ratify the December 12, 2016 purchase and sales contract of Unit 1A of Two Rivers Park Plaza in the amount of $810,000, funded by the Enterprise as an investment and rental property, adopt a resolution authorizing the execution of any necessary documents at closing and reciting that the Board is authorized to enter the contract and to delegate the execution of closing documents, and to delegate authority to the Executive Committee to address any items that may arise before the scheduled January 31, 2017 closing other than a price increase. Motion carried unanimously.

Director Whinnery moved, seconded by Director Trampe, to approve special counsel rates for 2017 as presented, and the addition of Michael N. McCarty, Law Office PLLC to the list of approved special counsel. Motion carried unanimously.

Mr. Fleming reported that the River District has received a proposed agreement between the Montrose Urban Renewal Authority and the River District which is required by the Colorado Urban Renewal Authority Act. In part, the Act requires local taxing entities to consent to the inclusion of agricultural land in a proposed urban
renewal authority and consent to the allocation of property tax-increment revenue collected within the renewal authority boundaries to pay off the debt of the authority. The Board tabled discussion of the matter to a future meeting and directed staff to conduct further research on the proposed agreement.

**General Manager’s Report.**

**Draft Strategic Plan Discussion:**
Eric Kuhn directed the Board to the latest draft of the River District’s strategic plan and requested Board input. He also noted the draft plan will be posted on the District’s website for public comment and brought back to the Board for further editing or adoption at the April 2017 quarterly meeting. Director Gray requested the addition of further clarification on page 8, bullet #2; “The River District will work with water users to ensure maximum practicable and cost-effective water use efficiencies in all sectors.”

**Goals for 2017:**
Mr. Kuhn reviewed 2017’s goals and objectives including completion of the River District’s strategic plan, preparing a series of discussion papers on the challenges facing the River District over the next decade, provide support for the Board during the search and evaluation process for a new general manager, and begin the process of updating and expanding the River District’s outreach and education program.

**IBCC/Roundtable Update:**
It was reported that the IBCC’s focus will continue to be on water project financing issues and alternatives to buy-and-dry agricultural transfers (ATMs). Discussions on ATMs include the issues of providing municipal suppliers with a permanent water supply, infrastructure requirements for a functioning ATM, and the organizational structure necessary to implement and manage an ATM.

Mr. Kuhn informed the Board that Colorado Water Conservation Board Executive Director James Eklund is facilitating an effort to reach a consensus among the East Slope and West Slope Roundtables on how to move forward with phase II of the Joint West Slope Roundtables’ Risk Study.

**Colorado River Issues:**
Director Trampe moved, seconded by Director Whitmore, to approve a contract amendment with Hydros Consulting in the amount of $75,000 for Upper Colorado River Commission contingency plan modeling with the Colorado Water Conservation Board contributing $50,000 of the amount. Motion carried unanimously.

**Risk Assessment Related to Financial Policies and Internal Controls:**
The River District’s treasurer has recommended the Board review the District’s internal financial controls and policies for any revisions that may be beneficial. The Investment Committee will conduct the initial review and report to the full Board at a future meeting.

**Approval of Authorization of USGS Annual Funding:**
Director Vanden Brink moved, seconded by Director Trampe to authorize staff to execute USGS Joint Funding Agreements for gaging, subject to annual appropriations. Motion carried unanimously.

**Service Anniversary Recognitions:**
John Currier expressed the River District’s appreciation to Mike Eytel for his 10 years of service to the District. President Alvey then expressed the River District’s appreciation to Peter Fleming for his 15 years of service to the District.

**Discussion of Proposed General Manager Selection Process.**
Audrey Turner provided a draft plan for hiring a general manager including a timeline and job description developed from the Board’s discussion of the selection and hiring process at its October 2016 quarterly
meeting. Discussion ensued regarding the merits of creating a search committee or delegating the preliminary candidate search and screening to the Executive Committee that resulted in the subsequent motion.

Director Merritt moved, seconded by Director Justman, to delegate to its Executive Committee the authority to act as a search committee pursuant to CRS Section 24-6-402(3.5) for the limited purposes of establishing job search goals, the writing and adoption of a job description, deadlines for applications, requirements for applicants, and other items necessary for the adoption of a procedural plan and timeline for the hiring of a General Manager, plus the selection of potential candidates for initial interviews, conducting initial interviews of potential candidates, and recommending a list of potential candidates for additional interviews to be conducted by the full Board of Directors acting as the search committee. This delegation is limited to the matters identified in the preceding sentence and does not include the authority to identify finalists or make any offer of employment. The authority delegated to the Executive Committee by this motion will expire at 12:00 a.m. September 14, 2017. Motion carried unanimously.

**Annual Policy Discussion.**

Chris Treese reminded the Board of the policy review process. In 2004, the Board chose to formalize the development and review process of River District policies. Approximately one-third of the policies are reviewed by the Board annually and must be noticed on the agenda for a minimum of two quarterly meetings before final action can be taken.

**Colorado River Compact:**

By consensus, staff was directed to revise the policy statement section to comport with language in the conceptual framework in the State Water Plan referring to future water use development to protect existing uses and a reasonable increment for new uses excluding any new transmountain diversions. Additionally, directors discussed a need to incorporate some reference to the Risk Study and reference specifically a reasonable increment of additional west slope water development.

**Colorado’s Allocation of Remaining Colorado River Basin Water:**

No substantive changes were recommended.

**Interstate Water Marketing:**

No substantive changes were recommended.

**Colorado River Storage Project Act:**

No substantive changes were recommended.

**Transmountain Diversions:**

Mr. Treese reminded the Board that consideration of this policy had been tabled for three years until the conclusion of negotiations with the Northern Colorado Water Conservancy District on various agreements.

By consensus, staff was directed to revise the policy statement section to comport with certain elements of the Conceptual Framework included in the State Water Plan.

**Water Marketing Policy. (An Enterprise Matter).**

**Approval of Water Marketing Prices for 2017:**

Eric Kuhn reviewed the District’s Water Marketing Policies. Under the Policies, contracts executed after 2006 are subject to annual price increases. Those increases are limited to the Consumer Price Index (CPI) plus the New Growth Index (NGI). For 2017, the amount is 2.9% for the CPI and 1.32% for the NGI, for a total of 4.22%. Staff recommended an increase of 2.9% in 2017.
Director Trampe moved, seconded by Director Ritschard, to approve a 2.9% price increase for 2017. Motion carried 12:1 with Director Gray voting against the motion.

**External Affairs.**

**Approval of Continuing Service Agreement with Ajax Design:**
Director Trampe moved, seconded by Director Vanden Brink, to approve a continuing services agreement with Ajax Design in an amount not to exceed a total of $125,000 over three years, subject to annual budget appropriations, for design work, videos, marketing materials, and other communications products. Motion carried unanimously.

**Federal Affairs:**
Chris Treese directed the Board to a list of the River District’s federal priority issues for 2017 including potential Colorado wilderness legislation in which the River District will address any water rights that may be impacted, Aquatic Nuisance Species Program funding, and monitoring any legislation addressing the Interim Guidelines or impacting the Colorado River Basin.

**Project Operations and Updates. (Enterprise Matters).**

**Wolford Mountain Reservoir:**

**Approval of Contract with Eco-Rx, Inc., re: Weed Control:**
Director Trampe moved, seconded by Director Justman, to authorize the General Manager to execute a contract with Eco-Rx, Inc. in an amount not exceed $45,000 for weed control at Wolford Mountain Reservoir. Motion carried unanimously.

**Approval of Contract with AECOM, re: Engineering Support:**
Director Vanden Brink moved, seconded by Director Ritschard, to authorize the General Manager to execute a contract with AECOM in an amount not to exceed $28,000 extending through January 31, 2018 for continuing engineering support on the Ritschard Dam deformation. Motion carried unanimously with Director Merritt abstaining from the vote.

**Approval of Contract Amendment with Red Mountain RV Park, re: Operational Restructure:**
Director Monger moved, seconded by Director Stiegelmeier, approve the following staff recommendation. Motion carried unanimously.

“Authorize the General Manager to execute an amendment to agreement CA15032 with Mountain RV Park for the operation of the recreation area features at the Wolford Mountain Reservoir Project to change the services provided and associated compensation. Changes to the services provided include elimination of “Dam and Reservoir Work,” excepting the “Zebra Mussel Program” and “Pike Incentive Program” and change the boat ramp operating period, campground hosts operating period, and “Zebra Mussel Program” period to May 15th through October 15th. Compensation for “Dam and Reservoir Work” in the amounts of $1,250 per month November 1 through March 31 and $2,250 per month April 1 through October 31 each year will be discontinued. Annual compensation for the “Zebra Mussel Program” (ANS Program) for 2017 shall be $40,000 and the “Pike Incentive Program” will continue under “Rec Area Work.”

**Approval of Continuing Services Agreement with Farrell Excavation Earthwork and Construction Services:**
Director Trampe moved, seconded by Director Ritschard, to authorize the General Manager to execute a three-year continuing services agreement with Farrell Excavation Earthwork and Construction in an amount not to exceed a total of $120,000 subject to annual budget appropriations for earthwork and related construction services at the Wolford Mountain Reservoir Project. Motion carried unanimously.
Approval of Continuing Services Agreement with Expert Excavating:
Director Whitmore moved, seconded by Director Monger, to authorize the General Manager to execute a three-year continuing services agreement with Expert Excavating in an amount not to exceed a total of $75,000, subject to annual budget appropriations, for earthwork and related construction services at Wolford Mountain Reservoir Project. Motion carried unanimously.

Approval of Continuing Services Agreement with Raindrop Water:
Director Whinnery moved, seconded by Director Stiegelmeier, to authorize the General Manager to execute a one-year continuing services agreement with Raindrop Water in an amount not to exceed $35,000 for potable water deliveries and water storage tank cleaning. Motion carried unanimously.

Approval of CSA with Thomas A. Mason Painting:
Director Monger moved, seconded by Director Justman, to authorize the General Manager to execute a three-year continuing services agreement with Thomas A. Mason Painting in an amount not to exceed a total of $50,000, subject to annual budget appropriations, for painting buildings and facilities at Wolford Mountain Reservoir Project. Motion carried unanimously.

Approval of CSA with Landmark Consultants
Director Vanden Brink moved, seconded by Director Whinnery, to authorize the General Manager to execute a three-year continuing services agreement with Landmark Consultants in an amount not exceed a total of $26,000, subject to annual budget appropriations, for surveying Ritschard Dam deformation monuments and facilities at the Wolford Mountain Reservoir Project. Motion carried unanimously.

Elkhead Reservoir:
Director Monger moved, seconded by Director Gray, to approve expansion of campground facilities on River District property at Elkhead Reservoir with construction and management of the campground being done by Colorado Parks & Wildlife. Motion carried unanimously.

Director Gray moved seconded by Director Whinnery, to delegate authority to the General Manager with concurrence of the General Counsel, to execute an easement agreement with Yampa Valley Electric Association to provide service to the expanded campground. Motion carried unanimously.

President Alvey recessed the meeting at 5:01 p.m.
Wednesday, January 18, 2017.
President Alvey found a quorum and reconvened the meeting at 8:33 a.m.

External Affairs-(Continued):
Report of Information and Outreach Committee:
Director Whitmore provided a summary of the Information and Outreach Committee meeting that focused on new methods to expand outreach to constituents including utilizing social media. Other outreach methods utilized are State of the River meetings which have been expanded to include a meeting in Routt County and staff is exploring opportunities to bring education and outreach to other counties in the District. Other River District activities include the H2O Outdoors water camp for high school students, the annual report, and the annual CRWCD water seminar in Grand Junction.

State Affairs:
Chris Treese reported that Director Catlin has been appointed to the state legislature to complete the term of Representative Coram who is now in the state Senate filling the seat of retired Senator Ellen Roberts.
Director Whinnery moved, seconded by Director Monger, to direct staff to initiate bi-weekly special joint meeting conference calls during the legislative session beginning on February 2, 2017. Motion carried unanimously.
State Affairs:
Mr. Treese presented the following bills for action:

HB17-1008: GRAYWATER CONTROL REGULATIONS FOR GRAYWATER USED FOR THE PURPOSE OF SCIENTIFIC RESEARCH INVOLVING HUMAN SUBJECTS.
Recommendation: Monitor.
This bill facilitates scientific research related to graywater uses by creating an exemption from the Water Quality Control Commission’s graywater control regulations for scientific research overseen by a research institution involving human subjects.

Director Monger moved, seconded by Director Trampe, to monitor HB17-1008. Motion carried unanimously.

HB17-1030: CONCERNING UPDATES TO THE 1921 LAW GOVERNING IRRIGATION DISTRICTS.
Recommendation: Support.
This bill would modernize the 1921 Irrigation District Act including updating antiquated provisions, election procedures, and removing inconsistencies in statute.

Director Trampe moved, seconded by Director Ritschard, to support HB17-1030. Motion carried unanimously.

HB17-1033: CONCERNING AN AUTHORIZATION FOR THE COLORADO WATER CONSERVATION BOARD TO FINANCE SOUTH PLATTE RIVER BASIN RESERVOIR DREDGING PROJECTS.
Recommendation: Support.
This bill directs the Colorado Water Conservation Board to provide $500,000 in grants for reservoir dredging in South Platte River Basin projects. The bill was prompted by the 2014 flash flood mudslides and is intended to recover storage capacity in the South Platte Basin. The intended recipients of the funds have indicated they are not prepared to utilize the funds.

Director Whitmore moved, seconded by Director Monger, to monitor HB17-1033 and directed staff to relay the Board’s concern that while the River District is supportive of projects such as dredging, earmarking funds for specific projects that may or may not move forward is thereby removing those funds from being used for other purposes. Motion carried unanimously.

SB17-026: CONCERNING REQUIREMENTS GOVERNING IMPLEMENTATION OF THE STATE ENGINEER’S FUNCTIONS.
Recommendation: Support.
This bill updates existing statutes related to the State Engineer and the Division of Water Resources and, unlike last year’s bill, does not allow unilateral authority to increase fees.

Director Monger moved, seconded by Director Vanden Brink, to support SB17-026. Motion carried unanimously.

SB17-036: CONCERNING THE APPELLATE PROCESS GOVERNING A DISTRICT COURT’S REVIEW OF FINAL AGENCY ACTIONS CONCERNING GROUNDWATER.
Recommendation: Monitor.
This bill limits the evidence that a district court may consider when reviewing a decision or action of the Groundwater Commission or State Engineer to the evidence presented to the Commission or the State Engineer. There are no designated groundwater basins on the West Slope.
Director Whinnery moved, seconded by Director Justman, to monitor SB17-036. Motion carried unanimously.

**SJM17-001: CONCERNING THE NEED FOR CONGRESS TO FUND CATASTROPHIC WILDFIRE RESPONSE COSTS OUTSIDE OF FEDERAL FOREST MANAGEMENT AGENCIES NORMAL BUDGETS:**

Recommendation: Support.
This memorial resolves that Congress should protect and fund federal agencies to mitigate catastrophic wildfires.

Director Whitmore moved, seconded by Director Chandler-Henry, to support SJM17-001. Motion carried unanimously.

Mr. Treese informed the Board that both West Slope seats on the Water Quality Control Commission will be vacant. Director Merritt relayed that he has applied to fill one of those seats.

**Project Operations and Updates. (Enterprise Matters)- Continued.**

*Lower Gunnison Project Update:*
Dave Kanzer reminded the Board of the River District’s role as agent for the National Resources Conservation Services (NRCS) to manage and expend up to $8 million for water efficiency projects in the Lower Gunnison Basin involving four water entities (Lower Gunnison Project). Mr. Kanzer also reiterated that River District funds are not being spent for this project and staff time for administering contracts is an in-kind contribution to the project.

President Alvey disclosed that he is president of the North Fork Water Conservancy District which is a participant in the Lower Gunnison Project and recused himself from voting on the subsequent motion.

Director Whitmore moved, seconded by Director Trampe, to approve the following staff recommendations as presented. Motion carried unanimously with President Alvey recused from the vote.

Authorize the General Manager (pursuant to the NRCS-CRWCD Regional Conservation Partnership Program (RCPP) Alternative Funding Arrangement in the Lower Gunnison Basin) to:

1) Execute individual contracts with local sponsors (water conservancy districts and private water user associations and companies) to fund and jointly manage the implementation of large scale off-farm water efficiency projects.

2) Execute a series of individual contracts with private landowners to financially support the planning implementation of smaller scale on-farm water efficiency projects.

3) Execute contracts with coordinators and technical consultants to aid in the planning and implementation of on-farm projects.

Authorize the General Manager to enter into the following contracts to effectuate off-farm water efficiency projects:

1) North Fork partners (NFWCD and Fire Mountain Canal and Reservoir Company) – up to $2 million to support the Fire Mountain Reconfiguration Project.

2) Bostwick Park Water Conservancy District – up to $1 million for the enclosure of the west lateral.
3) Needle Rock Ditch Company – up to $400,000 for the reconfiguration of the river diversion, main headgate and the enclosure of up to the first 1,000 feet of the Upper Needle Rock ditch.

4) Clipper Ditch Company – up to $350,000 for the construction and integration of re-regulation facilities near the head of the ‘Center Clipper’ lateral.

5) Uncompahgre Valley Water Users Association – up to $2 million for the enclosure of several ditches and laterals (GB and GBA later piping and headgate automation and remote monitoring).

6) A contract with an on-farm coordinator to work with landowners, ditch companies and engineering consulting firms in an amount not to exceed $20,000.

Authorize the General Manager to enter into the following contracts to effectuate on-farm water efficiency improvement projects:

1) Contracts with individual landowners (an estimated 15-20) for planning studies and implementation of on-farm infrastructures.

2) Contracts with engineering consulting firms to provide technical assistance to these landowners.

3) A contract with an on-farm coordinator that will work with both the landowners and engineering consulting firms.

Presentation on Eagle River MOU Project:

Director Whimnery moved, seconded by Director Whitmore, to approve a contract amendment with Wilson Water Group decreasing the contract by $60,000 and a contract amendment with Confluence Consulting increasing the contract by $80,000 comprised of the $60,000 decrease from the Wilson Water Group plus an additional $20,000 for work associated with the Eagle River MOU Project investigations. Motion carried unanimously.

John Currier provided an overview of the history of the Homestake/Eagle River MOU Project from the River District's early involvement in precursors to today's Homestake Project to current day, approximately 70 years. The focus is now centered on a feasibility study for developing a water storage project to benefit the Eagle River MOU partners consistent with the terms of the Eagle River MOU. The River District is participating in this study.

Directors' Concerns.

In response to an inquiry from Director Monger, Chris Treese reported on a recent meeting with the Colorado Cattlemen's Association and a subsequent meeting with the State Engineer. The concern is the Division 6 Water Engineer's curtailment of stock water uses after the irrigation season, because the decreed use is irrigation and the water rights do not explicitly include stock watering despite being a historical practice in the Yampa Valley. Resolution of the issue is being sought.

Future Meetings.

a. Special Joint Meeting Teleconference Meetings, beginning February 2, 2017. (Bi-weekly).

b. Executive Committee Meeting, March 16, 2017, Glenwood Springs, CO.

c. Second Regular Joint Quarterly Meeting, April 18, 2017, Glenwood Springs, CO.

d. Third Regular Joint Quarterly Meeting, July 18-19, 2917, Glenwood Springs, CO.

e. 2018 CRWCD Budget Workshop/Special Joint Meeting/Tour, September 14, 2017, Grand Junction, CO.
f. CRWCD Annual Seminar, September 15, 2017, Grand Junction, CO.
g. Fourth Regular Joint Meeting, October 17, 2017, Glenwood Springs, CO.
h. Other Meetings:
   i. CWC Winter Convention, January 25-27, 2017, Denver, CO.
   iii. CWC Summer Convention, August 22-25, 2017, Vail, CO.

Adjourn.
There being no other business before the Board, President Alvey adjourned the meeting at 11:11 a.m.

[Signature]
Tom Alvey, President

ATTEST:

[Signature]
R. Eric Kuhn, Secretary/General Manager

Executive Session Attestations.
I hereby attest that the portions of the Executive Session that were not recorded constituted privileged attorney-client communications.

[Signature]
Peter Fleming, General Counsel