

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 15, 2018

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 15, 2018, at the offices of the Colorado River District, 201 Centennial Street, Glenwood Springs, Colorado.

Directors participating during all or part of the meeting:

Tom Alvey, President	David H. Merritt, Vice President
Steve Acquafresca	Mike Ritschard
Marc Catlin	Karn Stiegelmeier
Kathy Chandler-Henry	William S. Trampe
Tom Gray	Alden Vanden Brink
Rebie Hazard	Martha Whitmore
Doug Monger	

Directors not participating:

John Ely	Stan Whinnery
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Others participating during all or part of the meeting:

Sonja Chavez, Water Resources Specialist, CRWCD
John Currier, Chief Engineer, CRWCD
Laurie DePaolo, Executive Assistant, CRWCD
Peter Fleming, General Counsel, CRWCD
Zane Kessler, Communications Director, CRWCD
Martha Moore, Public Affairs Specialist, CRWCD
Andrew A. Mueller, General Manager, CRWCD
Ian Philips, Chief Accountant, CRWCD
Ray Tenney, Deputy Chief Engineer, CRWCD
Chris Treese, Manager, External Affairs, CRWCD
Audrey Turner, Administrative Chief, CRWCD
Jason Turner, Senior Counsel, CRWCD
Tori Jarvis, Northwest Colorado Council of Governments, Q/Q Committee
Bob Simpson, Williams+Simpson
Danny Williams, Williams+Simpson

Quorum.

President Alvey found a quorum and called the meeting to order at 12:07 p.m.

Approval of Agenda

Peter Fleming requested the addition of a discussion on Busk-Ivanhoe, Inc., Case No. 09CW142, Water Division 2 in Executive Session pursuant to C.R.S. §§ 24-6-402(4)(b)(legal advice) and (e)(negotiations) as agenda item 4.a.

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.

Director Merritt moved, seconded by Director Vanden Brink, to approve the agenda as amended. Motion carried unanimously.

Approval of Contract with Raindrop Water re: Water Deliveries (An Enterprise Matter).

Ray Tenney recommended contracting with Raindrop Water to provide the service of water deliveries, annual tank cleaning and minor tank repairs that are warranted at Wolford Mountain Reservoir.

Director Trampe moved, seconded by Director Merritt, to approve the execution of an agreement with Raindrop Water for water deliveries and water storage tank service for 2018 at Wolford Mountain Reservoir, not to exceed \$35,000. Motion carried unanimously.

Meeting Date Change.

By general consensus the board agreed to change the date of the next scheduled Special Joint Board Meeting from March 1st to March 2nd due to scheduling conflicts for several board members and staff.

State Affairs:

HB18-1147 CONCERNING THE CONTINUATION OF THE REGULATION OF PEOPLE WHO MODIFY THE WEATHER, AND, IN CONNECTION THEREWITH, IMPLEMENTING THE SUNSET REVIEW RECOMMENDATIONS OF THE DEPARTMENT OF REGULATORY AGENCIES.

Short title: Continuing Weather Modification Programs

Chris Treese noted that the provisions of this bill extends the sunset (end) date for the regulation within DNR of any person who conducts weather modification programs in Colorado to 2033.

Director Acquafresca moved, seconded by Director Trampe to **monitor HB18-1147**. Motion carried unanimously.

HB18-1151 CONCERNING THE AUTHORIZATION OF DEFICIT IRRIGATION PILOT PROJECTS APPROVED BY THE COLORADO WATER CONSERVATION BOARD (CWCB)

Short title: Deficit Irrigation Pilot Projects

Chris Treese reported that HB13-1248 created a CWCB-overseen and approved leasing-fallowing pilot project program and last year's HB17-1219 extended the time for and maximum number of pilot projects. HB18-1151 adds deficit irrigation to the types of pilot programs that may be approved by the CWCB. Deficit irrigation pilot programs are subject to the same limitations as fallowing pilot projects.

Expressed concerns included the need for a statewide definition of "deficit irrigation" and to move forward to find if municipalities can irrigate municipally owned properties with less water.

Director Merritt moved, seconded by Director Trampe to **support in concept HB18-1151**. Motion carried unanimously.

HB18-1199 CONCERNING A PROCESS FOR THE GROUND WATER COMMISSION TO USE FOR APPROVING AQUIFER STORAGE-AND-RECOVERY PLANS, AND, IN CONNECTION THEREWITH, REQUIRING THAT THE GROUND WATER COMMISSION PROMULGATE RULES GOVERNING ITS IMPLEMENTATION OF THE PROCESS.

Short title: Aquifer Storage and Recovery

Chris Treese reported this bill requires the Ground Water Commission to promulgate rules governing implementation of an application and approval process for proposed aquifer storage and recovery projects in designated groundwater basins. As a reminder, Treese noted that there are no designated groundwater basins on the West Slope.

Director Whitmore moved, seconded by Director Trampe, to **monitor HB18-1199**. Motion carried unanimously.

HB18-1201 CONCERNING A VOTER-APPROVED REVENUE CHANGE TO ALLOW THE STATE TO RETAIN AND SPEND AN AMOUNT EQUAL TO STATE SEVERANCE TAX REVENUES.

Short title: “De-Brucing” Severance Tax Collections

Chris Treese reported that if this bill passes by 2/3 of each house, Colorado voters would be asked in November to exclude severance tax revenues from the TABOR restrictions within the state constitution. Treese stated that although this won’t solve all the problems associated with conflicting fiscal provisions in the state constitution nor the difficulties represented by DNR’s reliance on severance tax revenues for funding of essentially all of its water projects and programs, it is a positive, albeit incremental, step forward.

Director Acquafresca moved, seconded by Director Catlin, to **support HB18-1201**. Motion carried unanimously.

HB18-1215 CONCERNING ENHANCED PROTECTIONS REGARDING THE DISPOSAL OF NATURALLY OCCURRING RADIOACTIVE MATERIALS.

Short title: NORM and TENORM Study and Rulemaking

Chris Treese reported that the provisions of this bill requires CDPHE to study enhanced protections regarding the disposal of naturally occurring radioactive materials (NORM) and technologically enhanced naturally occurring radioactive materials (TENORM). During its “rulemaking investigation,” HB18-1215 requires CDPHE to temporarily prohibit the disposal of oil and gas exploration and production waste unless the receiving site is specifically approved to receive such waste.

Treese noted he contacted drinking water and wastewater treatment entities within the River District to determine if operations might be implicated in this regulation. Several wastewater treatment providers offered that this could help prevent their receiving such wastes via dump stations and off site waste collection sites as such waste can cause severe impacts to normal wastewater treatment operations but it could also require increased treatment and monitoring by the district or utility that may not be necessary.

Concerns expressed included the question of what is the threshold. Treese noted that the responsibility for testing and monitoring would fall on the local utilities, most likely being cost prohibitive.

Director Vander Brink moved, seconded by Director Stiegelmeier, to **aggressively monitor HB18-1215**. Motion carried unanimously.

SB18-117 CONCERNING THE COLLECTION OF GREENHOUSE GAS EMISSIONS DATA.

Short title: Greenhouse Gas Emission Data Collection

Although this bill was listed on the agenda it was not discussed as it was formally postponed indefinitely prior to the meeting.

SB18-134 CONCERNING THE EXEMPTION OF NONPROFIT WATER COMPANIES FROM REGULATIONS BY THE PUBLIC UTILITIES COMMISSION.

Short title: Exempt Nonprofit Water Companies from PUC

Chris Treese reported that under current law, the public utilities commission (PUC) is directed to grant simplified regulatory treatment to water companies that serve fewer than 1,500 customers. This bill exempts from regulation water companies that are registered as nonprofits, so long as their rates, charges, and terms and conditions of service are “just and reasonable.” Provisions are included to petition for PUC review if customers deem rates or practices unreasonable. Director Whitmore noted that this bill only applies to private, nonprofit companies, not to for profit companies.

Director Whitmore moved, seconded by Director Trampe, to **monitor SB 18-134**. Motion carried unanimously.

SB18-143 CONCERNING MEASURES TO INCREASE REVENUE FOR THE PARKS AND WILDLIFE DIVISION, AND, IN CONNECTION THEREWITH, SETTING CERTAIN HUNTING, FISHING, PARKS AND RECREATION FEES.
Short title: Parks and Wildlife Fee Increases

Chris Treese noted that this bill is anticipated to complement HB18-1008, the Mussel-free Colorado Act, which the board supports. In addition to fee increases, this bill allows the Wildlife Commission to apply a CPI adjustment to hunting and fishing fees. Furthermore, a significant element of the bill is the goal for CPW to decrease the risk of high hazard dams that it owns.

Director Merritt moved, seconded by Director Chandler-Henry to **monitor SB18-143**. Motion carried unanimously.

DRAFT BILL “RESERVOIR RELEASES FOR FISH AND WILDLIFE MITIGATION”

Chris Treese noted that this draft bill, AKA “Northern’s Reservoir Release bill,” provides for mitigation releases from storage and protection of those releases through a stream reach identified pursuant to a Parks and Wildlife-approved mitigation plan. The bill applies only to future water storage projects.

Expressed concerns included the bill’s potential to challenge other arrangements for providing “mitigation releases.” Accordingly, staff was directed to focus on the “Savings Clause” portion of the bill.

Director Trampe moved, seconded by Director Merritt to **support inclusion and protection of the Savings Clause to ensure the bill does no harm to existing or future alternative methods of providing fish and wildlife mitigation**. Motion carried unanimously.

General Manager’s Report.

Andy Mueller reported that Southwestern Water Conservation District board and the Colorado River District Board will have a joint meeting on Wednesday, May 23, 2018 in Montrose, Colorado.

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)(b)(legal advice) and (e)(negotiations):

Matters Proposed for Executive Session:

- a. Discussion on Busk-Ivanhoe, Inc., Case No. 09CW142, Water Division 2.

Director Whitmore moved, seconded by Director Merritt, 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.

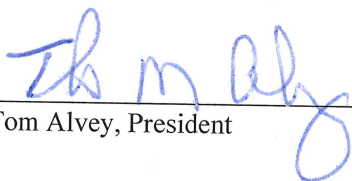
President Alvey reconvened into Public Session at 1:02 p.m.

General Counsel’s Report – Public Session.

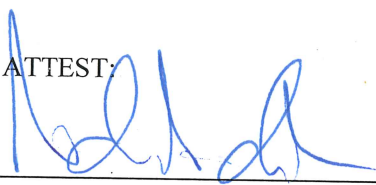
Peter Fleming reported that during Executive Session, the Board provided guidance to staff and General Counsel on the following matters: Discussion on Busk-Ivanhoe, Inc., Case No. 09CW142, Water Division 2.

Adjourn.

There being no other business before the Board, President Alvey adjourned the meeting at 1:03 p.m.



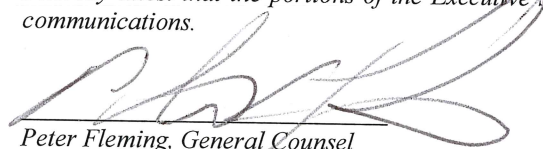
Tom Alvey, President

ATTEST:


Andrew A. Mueller, 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.



Peter Fleming, General Counsel