

**SECOND 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**

April 21, 2020

Pursuant to notice duly and properly given, the Second 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 April 21, 2020 via Zoom.

Directors participating during all or part of the meeting:

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

Directors not participating:

Stan Whinnery

Others participating during all or part of the meeting:

Andrew A. Mueller, General Manager, CRWCD
Peter Fleming, General Counsel, CRWCD
John Currier, Chief Engineer, CRWCD
Audrey Turner, Chief of Operations, CRWCD
Jason Turner, Senior Counsel, 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, Chief Accountant, CRWCD
Mike Eytel, Sr. Water Resources Specialist, CRWCD
Hunter Causey, Sr. Water Resources Engineer, CRWCD
Zane Kessler, Director of Government Relations, CRWCD
Luci Wilson, Accountant, CRWCD
Lorra Nichols, Paralegal, CRWCD
Alesha Fredrick, Director of Information & Outreach, CRWCD
Gracie Wright, Contract Administrator/Information Specialist, CRWCD
Eleanor Hasenbeck, Water Policy & Communications Fellow, CRWCD
Lyzzi Borkenhagen, Administrative Assistant, CRWCD
Lori Weigel, New Bridge Strategy
Jackie Brown, Tri-State Energy Transmission
Heather Sackett, Aspen Journalism
Chris Treese

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.

Orla Bannon, Western Water Advocates
Maria Pastore, Colorado Springs Utilities
Steve Anderson, Uncompahgre Valley Water Users Association
Cara Sal
Roger Rash, Montrose County Commissioner
Ken Curtis, Dolores Water Conservancy District
Paul Bruchez
Abby Burk, Audubon Society
Fay Hartman, American Rivers
Josh Kuhn
Kirsten Kurath, Williams, Turner & Holmes, P.C.
Matthew Rice, American Rivers
Mely Whiting, Trout Unlimited
Sinjin Eberle, American Rivers
Tim Wohlgenant
Mike Melanson
Molly Mugglestone
Frank Kugel, Southwestern Water Conservation District
Laura Spann, Southwestern Water Conservation District

Quorum.

President Merritt found a quorum and called the meeting to order at 9:07 a.m.

Review Meeting Agenda and Objectives.

No changes were made to the agenda.

Consent Agenda.

Director Vanden Brink moved, seconded by Director Chandler-Henry, to approve the following consent agenda as presented. Motion carried unanimously.

- a. Approval of Minutes and Actions Taken:
 - i. Minutes of First Regular Joint Quarterly Meeting, January 21-22, 2020.
 - ii. Minutes of Information and Outreach Committee Meeting, January 21, 2020.
 - iii. Minutes of Special Joint Meeting, Teleconference, February 6, 2020.
 - iv. Minutes of Special Joint Meeting, Teleconference, February 20, 2020.
 - v. Minutes of Special Joint Meeting, Teleconference, March 5, 2020.
 - vi. Minutes of Investment Committee Meeting, Teleconference, March 26, 2020.
- b. Acceptance of Treasurer's Reports, Financials, and Check Registers for November and December 2019.
- c. Approval of Designated Location for Posting of CRWCD Meeting Notices and Agendas.

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):

- i. Wolford Mountain Reservoir and Ritschard Dam Operations. (An Enterprise Matter).
- ii. Colorado River Cooperative Agreement (CRCA) Implementation Matters.
- iii. Colorado Springs Utilities, Application for Finding of Reasonable Diligence, Case No. 15CW3019, Water Division 5.
- iv. Upper Colorado River Wild and Scenic Alternative Management Plan.
- v. Colorado River District Conditional Water Rights.
- vi. Fair Campaign Practices Act and Potential Ballot Question.

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- vii. Colorado River Compact, Interstate, International, and Intrastate Negotiation Matters, including Demand Management.

Director Whitmore moved, seconded by Director Stiegelmeier, 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 Merritt reconvened into Public Session at 11:01 a.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:

- i. WOLFORD Mountain Reservoir and Ritschard Dam Operations. (An Enterprise Matter).
- ii. CRCA Implementation Matters.
- iii. Colorado Springs Utilities, Application for Finding of Reasonable Diligence, Case No. 15CW3019, Water Division 5.
- iv. Upper Colorado River Wild and Scenic Alternative Management Plan.
- v. Colorado River District Conditional Water Rights.
- vi. Fair Campaign Practices Act and Potential Ballot Question.
- vii. Colorado River Compact, Interstate, International, and Intrastate Negotiation Matters, including Demand Management.

Mr. Fleming also reported that President Merritt was not present during the discussion of agenda item 3.a.i.

Director Whitmore moved, seconded by Director Alvey, to authorize general counsel and staff to endorse a final draft Amended Restated Wild and Scenic Alternative Management Plan, as well as a subsequent final Amended Restated Wild and Scenic Alternative Management Plan, provided that no additional substantive changes are made that are potentially adverse to the West Slope’s water users and resource-protection interests are made to the plan. Motion carried unanimously.

Director Whitmore moved, seconded by Director Catlin, to authorize counsel to stipulate in the Application of Roaring Fork Properties, LLC and South Canyon Ranch, LLC, in Case No. 2019CW3042, Water Division 5. Motion carried unanimously.

General Manager’s Report.

Update on CRWCD Long Term Financial Condition and Discussion Regarding Potential Ballot Question:

Andy Mueller reminded the Board of its direction at the January 2020 quarterly meeting to conduct additional research on a potential ballot question in November to increase the River District’s mill levy by .248 mills for a total mill levy of .500 mills. Mr. Mueller reported that staff has met or will meet with the River District’s 15 boards of county commissioners seeking input on a ballot question. Additionally, Lori Weigel of New Bridge Strategy conducted polling of River District constituents. Ms. Weigel noted the results indicated a strong favorable response to the River District’s mission and widespread support for a mill levy increase. However, economic impacts experienced by the West Slope resulting from the coronavirus pandemic could negatively impact a ballot question since the polling occurred in March 2020 prior to the pandemic.

Mr. Mueller directed the Board’s attention to a draft fiscal implementation plan outlining potential uses of increased tax revenues to benefit and protect West Slope water uses. He also proposed conducting additional

constituent research with results being presented at the July 21, 2020 quarterly meeting. Board members indicated their concurrence with the proposal.

Request for Approval of Proposed Modification to Retirement Health Savings Plan:

Director Stiegelmeier moved, seconded by Director Whitmore, to approve the proposed modification to the Retirement Health Savings (RHS) Plan to eliminate the employee contribution provision for accrued vacation at separation of employment to be paid into the RHS plan. Motion carried unanimously.

Request for Approval of SB13-19 Conservation Plan: Evaluating Conserved Consumptive Use in the Upper Colorado River Project:

Director Stiegelmeier moved, seconded by Director Ritschard, to approve the Evaluating Conserved Consumptive Use in the Upper Colorado River Project conservation plan for calendar year 2020 pursuant to C.R.S. 37-92-103(2) and 37-92-305(3)(c)(II)(A). Motion carried unanimously.

Request for Approval of Crystal River Augmentation Study Contracts:

Director Monger moved, seconded by Director Whitmore, to approve the following contract and cost-share agreements related to the Crystal River Augmentation Study. Motion carried with Director Ely opposing the motion.

- 1) A \$100,000 contract with Colorado River Engineering, Inc. to conduct the Crystal River Augmentation Investigation, subject to the cost-share provisions.
- 2) A purchase order or cost-share agreement (possibly two agreements) with the Colorado Water Conservation Board to receive \$25,000 in Water Supply Reserve Fund grant money and \$50,000 in Colorado Water Plan grant money as a portion of the cost-share agreement with West Divide Water Conservancy District.
- 3) A cost-share agreement with West Divide Water Conservancy District.

Directors Concerns/Updates.

Directors reported concerns throughout the District have centered on the coronavirus pandemic and subsequent economic impacts. It was also noted that snowpack has varied throughout the District with the southern portion of the District experiencing low snowpack.

Annual Policy Discussion.

Jim Pokrandt informed the Board that the District's State Funding: Water Projects and Programs Policy and Aging Infrastructure Policy have been combined as well as the Colorado River Compacts Policy with Colorado's Entitlement to Colorado River Basin Water Policy as directed by the Board at the January 2020 quarterly meeting.

Funding/Infrastructure;

Director Whitmore moved, seconded by Director Chandler-Henry, to list the River District's Funding/Infrastructure Policy on the July 21, 2020 quarterly meeting for adoption. Motion carried unanimously.

Colorado River Compacts/Entitlements:

Director Whitmore moved, seconded by Director Catlin, to list the River District's Colorado River Compacts/Entitlements Policy on the July 21, 2020 quarterly meeting for adoption. Motion carried unanimously.

Interstate Water Marketing:

Director Whitmore moved, seconded by Director Ritschard, to list the River District's Interstate Water

Marketing Policy on the July 21, 2020 quarterly meeting for adoption. Motion carried unanimously.

Transmountain Diversions:

Director Alvey moved, seconded by Director Whitmore, to list the River District's Transmountain Diversions Policy on the July 21, 2020 quarterly meeting for adoption. Motion carried unanimously.

External Affairs.

Jim Pokrandt reported that several State of the River meetings are being planned utilizing virtual platforms.

Project Operations and Updates (Enterprise Matters).

Wolford Mountain Reservoir:

Request for Approval of Continuing Services Agreement with Grand Fence, LLC re: Fencing Service at Wolford Mountain Project:

Director Alvey moved, seconded by Director Ritschard, to approve a three-year continuing services agreement with Grand Fence, LLC in an amount not to exceed \$50,000 for fencing services at Wolford Mountain Project. Motion carried unanimously.

Request for Approval of Contract with Grand Power and Plumbing, LLC, re: Miscellaneous Electrical Work at Wolford Mountain Project:

Director Alvey moved, seconded by Director Ritschard, to approve a three-year continuing services agreement with Grand Power and Plumbing, LLC in an amount not to exceed \$35,000 for miscellaneous electrical work at Wolford Mountain Project. Motion carried unanimously.

Request for Approval of Contracts, re: Semi-Qualitative Risk Analysis Process Regarding Ritschard Dam:

Director Monger moved, seconded by Director Whitmore, to approve the following contracts for participation by three subject matter experts in the Probable Failure Modes/Risk Assessment Analysis regarding Ritschard Dam. Motion carried unanimously with Director Merritt abstaining from the vote.

- a. A contract with John Cyganiewicz, P.E. in an amount not to exceed \$48,000, and a waiver of the River District's professional liability insurance requirement .
- b. A contract with Keith Ferguson, P.E. in an amount not to exceed \$48,000.
- c. A contract with Debora Miller, Ph.D., P.E. in an amount not to exceed \$40,000, and to accept Dr. Miller's professional liability insurance at \$1,000,000 as opposed to the River District's \$2 million professional liability insurance requirement.

Director Alvey moved, seconded by Director Whitmore, to approve a contract with HDR Engineering, Inc. in an amount not to exceed \$105,000 for facilitation of the Probable Failure Modes/Risk Assessment Analysis process including preparation of supporting materials, document handling, and preparation of draft and final reports among other support functions. Motion carried unanimously with Director Merritt abstaining from the vote.

Director Hazard moved, seconded by Director Catlin, to approve entering into a cost-share agreement with Denver Water to reflect Denver Water's agreement to pay 50% of the associated costs and to outline the expected process for the work on the Probable Failure Modes/Risk Assessment Analysis. Motion carried unanimously with Director Merritt abstaining from the vote.

Future Meetings.

- a. Third Regular Joint Quarterly Meeting, **July 21-22, 2020, Glenwood Springs, CO**
- b. CRWCD 2020 Budget Workshop, **September 10, 2020, Grand Junction, CO.**

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- c. CRWCD Annual Seminar, **September 11, 2020, Grand Junction, CO.**
 - d. Fourth Regular Joint Quarterly Meeting, **October 20-21, 2020, Glenwood Springs, CO.**
 - e. Board Fact Finding Mission to Lower Basin, re: Agricultural Fallowing and Augmentation Programs, **November 10-13, 2020.**
 - f. Other Meetings:
 - i. CWC Summer Conference, **August 25-27, 2020, Steamboat Springs, CO.**
 - ii. CRWUA Conference, **December 14-16, 2020, Las Vegas, NV.**

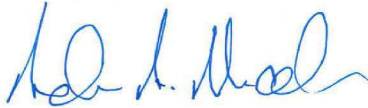
Adjourn.

There being no other business before the Board, President Merritt adjourned the meeting at 2:01 p.m.



David H. Merritt, 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