

**HB 1177 Southwest Basin Roundtable
Minutes
May 13, 2009 - Cortez**

Members present:

Jack Rogers	John Porter	Gary Kennedy
Pat Greer	Chuck Wanner	Jenny Russell
April Montgomery	Peter Ortego	Chuck Lawler
Carrie Weiss	Steve Fearn	Jim Siscoe
Russell Kennedy	Bruce Whitehead	Jim Fisher
Ken Beegles	Bruce Smart	Mike Preston

Guests included:

Sheila Berger
Greg Johnson, CWCB
Denise Rue-Pastin
Scott Brinton
Felicity Broennan
Mike Barber
Marty Robbins
David Vackar
Andy Logan
Vern Harrell

Chairman Mike Preston called the meeting to order at 3:00 p.m.

Mike announced that a quorum was present. There are several unfilled positions—they need to be filled. Any appointment to fill vacancies that are at discretion of an entity such as a local government can be filled by a letter from that entity confirming a new appointment. Mike introduced a new member, April Montgomery, who has been appointed to represent San Miguel County.

Administrative Reports

Review & Approve Minutes

The minutes of March 11, 2009 were approved as written.

Officer & IBCC Representatives Reports

John Porter reported on the last IBCC meeting. They've been discussing strategies, particularly in the areas of conservation, ag transfer, and new water supply. He read some of the members' comments.

Conservation – 20% conservation is possible, but anything higher would require mandates or legislation. It's difficult to force conservation through rate hikes, particularly when water is available.

Ag Transfer – there is a clear, strong symbiotic relationship between the West Slope livestock producers and East Slope agriculture. There was some discussion that transfers should come from "marginal" lands first. 70% of Colorado agriculture is the livestock industry.

Water Supply: Three big projects being studied include Green Mountain Exchange, the Yuma Concept (NWCD's pump-back), and the Flaming Gorge concept (Aaron Million). There was discussion whether we should be looking at other than big projects.

All IBCC members feel that the Roundtable process is valid and worthwhile and want to see it continue.

Consumptive Needs Assessment

Mike stated that the only project from the SWSI list that has been updated was Dry Creek Reservoir in Archuleta County provided by Carrie Weiss. Mike will redistribute the list of projects already generated—members are to review and make corrections or additions soon.

Non-Consumptive Needs Assessment

Chuck Wanner and committee met with Jacob Bornstein (SWCB)—300 comments were added to the maps. State is pushing to get approval of maps by June 30. Consumptive & Non-Consumptive should be considered together in the geo-database so all the needs can be considered together. No money was set aside to do the non-consumptive needs assessments—it was suggested that we put aside some money (\$50k) from the basin fund in order to support quantification as priorities are determined. Jim Siscoe reported that the state has done a good job creating maps and spreadsheets with comments. Need a geo-database and a prioritization methodology. The same needs to be done for the consumptive side as well. Greg Johnson added that the state anticipates doing this at some point in the future. Discussion took place. It was suggested that SWRT set aside \$50k, but not appropriate it at this time and see what steps the State takes. Greg shows a balance of \$214,000 at this time for SWRT. It was agreed to set aside \$50,000 and revisit it in one year.

Harvey Economics Report

Carrie Weiss referred to the report that is used by the State to predict population growth. PAWSD has a concern that the criteria used for projecting population growth is based on permanent residency, which can be misleading for a lot of Colorado communities that have greatly fluctuating seasonal populations. The results from this report could underestimate future demand and undermine justification for needed water projects. Carrie asked if the Roundtable members felt it would be appropriate to send a letter to the State with this concern; it should be a matter of record. Mike circulated the report earlier, but will send it again to the members. We will discuss again at the next meeting. Greg Johnson shared that the results are considered in various CWCB studies i.e. water availability and said that concerns should be shared with the State.

Quagga/Zebra Mussel Strategy

Elizabeth Brown, Invasive Species Coordinator, CDOW was scheduled, but was not able to attend.

Water Supply Strategies & Reserve Account Update

Greg Johnson, CWCB Water Supply Reserve Account liaison, reported that there is \$214,000 in the Southwest Basin Roundtable account. SB-106 was passed to extend the water supply reserve account indefinitely; it also requires that conservation plans are on file with CWCB for entities with 2,000 af or more of treated water. HB-1017 passed (water efficiency grant fund). SB-293 passed that will provide the following: \$7.75 million for the water supply reserve account, \$750,000 to roundtable IBCC operation, \$4.5 million for species conservation trust fund, and \$4 million for the aquatic invasive species control. CWCB lost over \$107 million in cash funds over 2008-09 and 2009-10 fiscal years. The loan program will probably be sustainable, but will take a big hit next year, making requests more competitive. CWCB and the roundtables will need to continue to defend the revenue streams in the future.

Greg reported on IBCC work. As John Porter indicated earlier, discussions centered on conservation, agricultural transfer strategies and basin transfer strategies and development of new water supplies. SWRT's homework is to provide feedback on the strategies. Greg explained the presentation tables; they will be emailed to the roundtable members. (A recording of the meeting is available to members who want to hear more of the detail). Things to consider include: 1) how much more Colorado River water should be developed?, 2) what is the definition of "Potential Attributes"? One concern expressed was that the large project proposals may well have an impact on our ability to develop water in our basin. Mike added that this should be a major focus for this roundtable.

Water Supply Reserve Account Requests

Application – Sawpit Domestic Water System

Mike Kimball, Town of Sawpit mayor, gave a history of the town and the water system. In the 1990's they experienced a small earthquake that shifted the springs. They developed a 3-step plan for a spring box collection plan. They received DOLA loans to fix the worst problems. They've completed a preliminary engineering report and are requesting \$25,000 from the basin roundtable to construct line replacement. The money would help leverage loans/grants of up to \$350,000. They also applied to SWCD for a grant. The system is not currently metered; this project would install meters. The town's population of 45 people is on 22 taps. The water supply is solely reliant on a spring. Gary Kennedy moved and Jenny Russell seconded that a \$25,000 grant be approved. There was general consensus to approve the grant.

Application – Park Ditch

Sheila Berger representing Park Ditch Co. presented the request. The ditch company was first established in 1896 and serves 30 farms and ranches. It is a private mutual share company, covering 2300 acres of irrigation. They are requesting a \$95,000 grant to do the following:

1. Replace headgates
2. Improve & stabilize a landslide section
3. Improve a blowout area

They applied to NCRS for \$95,000. Park Ditch would contribute 16% in cash and in-kind, resulting in a total of over 20% of total cost which is \$227,000. PAWSD owns 99 shares and SJWCD owns 11 shares. San Miguel Municipalities representative Jenny Russell stated that her region has a few projects to be considered and they don't have funding for administrative assistance on applications---they were concerned that there may not be money for them when they submit their applications. Archuleta County has already received a significant amount of funding and this might be the last money the roundtable has to award this year. It was believed that this was part of the Dry Gulch project. They would like to see a different application review process that would make awards based on merit, not first-come, first-served.

There was a suggestion that the owners should be able to take on more debt.

Gary Kennedy moved to grant the request for \$95,000. After some discussion, Chuck Wanner stated he would support a grant of \$85,000. After further discussion, there was general consensus that an \$85,000 grant be awarded.

Next meeting and events:

July 8	Durango Rec Center	2:30/3:00
Sept 9	Cortez/DWCD Office	2:30/3:00

Mike adjourned the meeting at 5:59 p.m.