



COLORADO

Colorado Water Conservation Board

Department of Natural Resources

John W. Hickenlooper
Governor

Mike King
DNR Executive Director

James Eklund
CWCB Director

DRAFT

Summary Minutes and Record of Decisions May 21 - 22, 2014 Board Meeting

A regular meeting of the Colorado Water Conservation Board (CWCB) was convened at the Pueblo Convention Center, located at 320 Central Main St, Pueblo, CO 81003. The meeting was called to order by Chair April Montgomery. Nine voting members were present at the call to order, so a quorum was present (at least 6 required). Voting members present were: Alan Hamel, John McClow, Diane Hoppe, April Montgomery, Ty Wattenberg, Travis Smith, Patricia Wells, Russell George, and Jay Gallagher. Non-voting *ex officio* members present or represented were Casey Shpall, Deputy Attorney General for Natural Resources; Dick Wolfe, Colorado State Engineer; John Salazar, Commissioner for the Colorado Department of Agriculture; Bob Broscheid, Colorado Parks and Wildlife Director; John Stulp, Director of the IBCC; and James Eklund, CWCB Director.

On the second day, the meeting was called to order by Chair April Montgomery. Nine voting members were present at the call to order, so a quorum was present (at least 6 required). Voting members present were: Alan Hamel, John McClow, Russell George, Ty Wattenberg, Diane Hoppe, Patricia Wells, April Montgomery, Travis Smith, Russell George, and Jay Gallagher. Non-voting *ex officio* members present or represented were Dick Wolfe, Colorado State Engineer; John Stulp, Director of the IBCC; and James Eklund, CWCB Director.

Note: While the Board's consideration of agenda items does not always follow the sequence indicated by the agenda numbers, these minutes are listed in agenda item order for easier reference.



Wednesday, May 21, 2014

CWCB Call to Order 8:00 AM

1. Review and Approval of Agenda

Action: Chair Montgomery updated the agenda as follows: agenda item 36 will be heard after agenda item 15, there were two additional WSRA agenda items that will be heard as 23k and 23l.

2. Review and Approval of March 18-19, 2014 Board Meeting Minutes

Action: Alan Hamel amended to minutes to reflect his rescusal from the vote on agenda item 18. The vote count now reads 9-0. A motion to approve the amended minutes was made by Diane Hoppe, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

3. Approve and/or Remove Consent Agenda Items

Action: A motion to approve the consent agenda was made by Patricia Wells, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).

1. Postponement of Public Deliberation *Interstate, Federal, and Water Information Section*
 - a. Case No. 5-13CW3109: Application for Surface Water Rights for Recreational In-Channel Diversion Uses by the City of Glenwood Springs
2. Statements of Opposition *Stream and Lake Protection Section*
 - a. Case No. 2-14CW3005: Application of Helen Sharon Hammer
 - b. Case No. 7-14CW3003: Application of Pagosa Area Water and Sanitation District
3. Floodplain Designations *Watershed and Flood Protection Section*
 - a. "Flood Hazard Area Delineation, Cherry Creek (Cherry Creek Dam to South Platte River," dated November 2013 by Matrix Design Group, Inc.

4. Future Board Meeting Dates in 2014

Action: This was an informational item only. No Board action was required.

5. Directors' Reports

- a. Department of Natural Resources Executive Director

Action: Mike King was unavailable to provide a report.

- b. Interbasin Compact Committee Director

Action: Report by John Stulp. This was an informational item only. No Board action was required.

c. Agriculture Commissioner

Action: Report by John Salazar. This was an informational item only. No Board action was required.

d. Colorado Water Conservation Board Director

Action: Report by James Eklund. This was an informational item only. No Board action was required.

e. State Engineer

Action: Report by Dick Wolfe. This was an informational item only. No Board action was required.

f. Division of Parks and Wildlife

Action: Report by Bob Broscheid. This was an informational item only. No Board action was required.

g. Water Recourse and Power Development Authority

Action: Report submitted by letter to the Board. This was an informational item only. No Board action was required.

6. Basin Implementation Plan Statue Update

Water Supply Planning Section

Action: Presentation by staff members: Jacob Bornstein, Brent Newman and Craig Godbout. Betty Konarski, Chair of the Arkansas Basin Roundtable, addressed the Board. This was an informational item only. No Board action was required.

7. Progress on IBCC Developing a Conceptual Agreement

Water Supply Planning Section

Action: Presentation by staff member Jacob Bornstein. Jay Winner, Melinda Kassen, and Eric Kuhn, all representing the IBCC, addressed the Board. This was an informational item only. No Board action was required.

8. Colorado's Water Plan Chapter Review

Water Supply Planning Section

a. Updated Annotated Framework

Action: Presentation by staff member Rebecca Mitchell. This was an informational item only. No Board action was required.

b. Discussion and Update on Short-Term Time-Frame

Action: Presentation by staff member Rebecca Mitchell. This was an informational item only. No Board action was required.

c. Initial Draft of Section 5.4 Water Quality

Action: Presentation by staff member Brent Newman. Mark Pfiepher, Arkansas Basin representative on the Water Quality Board, addressed the Board. Dick Parkeen and Nicole Rowan, representing CDPHE, addressed the Board. This was an informational item only. No Board action was required.

d. Initial Draft of Section 5.6 Conservation and Reuse

Action: Presentaion by staff member Kevin Reidy. This was an informational item only. No Board action was required.

e. Initial Draft of Section 5.7 Alternative Agricultural to Urban Transfers

Action: Presentation by staff member Tom Browning. This was an informational item only. No Board action was required.

f. Initial Draft of Section 5.10 Framework on more efficient water project permitting processes

Action: Presentation by staff member Rebecca Mitchell. This was an informational item only. No Board action was required.

g. Discussion and Update on Chapter 9 Process for Plan Update

Action: Presentation by staff member Rebecca Mitchell. This was an informational item only. No Board action was required.

9. Colorado's Water Plan Public Input and Outreach

Water Supply Planning Section

a. Basin and Statewide Outreach

Action: Presentation by staff member Kate McIntire. This was an informational item only. No Board action was required.

b. Review of Public Input Received to Date and Staff Response

Action: Presentation by staff member Rebecca Mitchell. This was an informational item only. No Board action was required.

c. Public Input Presentations

Action: Presentation by staff member Kate McIntire. The following members of the public addressed the Board: Kathy Chandler-Henry, representing Northwest Colorado Council of Governments; Drew Beckwith, representing Western Resource Advocates; Aaron Citron, representing the Environmental Defense Fund; John le Coq, representing Protect the Flows, Fishponds and Lilypond; Stephanie Scott, representing Trout Unlimited; Dave Miller, representing Natural Energy; Ken Neubecker, representing American Rivers; and Seetta Moss, representing the Arkansas Basin Roundtable – Environment Section. This was an informational item only. No Board action was required.

10. Colorado Foundation for Water Education Presentation of 2014-2015 Scope of Work

Action: Presentation by staff member Kate McIntire. Nicole Seltzer, Executive Director of the Colorado Foundation for Water Education, addressed the Board. A motion to approve the 2014-2015 scope of

work was made by Travis Smith, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

11. Upper Colorado River Commission (UCRC) Update

Interstate, Federal, and Water Information Section

Action: Presentation by Board member John McClow and staff member Ted Kowalski. This was an informational item only. No Board action was required.

12. Litigation Account Request

Interstate, Federal, and Water Information Section

Action: Presentation by staff member Ted Kowalski. A motion to approve the first staff recommendation was made by Travis Smith, which was seconded by Diane Hoppe. The motion was approved unanimously (9-0). The motion was approved the second staff recommendation was made by Alan Hamal, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).

First Staff Recommendation: The staff recommends that the Board: 1) Authorize expenditure of \$170,000 for the Defense of the Colorado River from the Litigation Fund for FY15, and reauthorize the expenditure of \$700,000 from FY14 for related activities; 2) Reauthorize the expenditure of \$100,000 for FY15 from FY14 to support technical work on Rule 10 Irrigation Plans; 3) Reauthorize the expenditure of \$140,000 for FY15, in addition to the total amount expended in FY14, not to exceed the original authorization of \$420,000 for litigation work related to the Republican River litigation; 4) Reauthorize the expenditure of \$200,000, in addition to the total amount expended in FY14, not to exceed the original authorization of \$250,000 litigation work related to the Rio Grande River Litigation; 5) Direct the CWCB Director and Staff to expend these funds consistent with the request by the Office of the Attorney General, and; 6) Direct the CWCB Director, CWCB Staff and Office of the Attorney General to comply with the annual reporting requirements as specifically provided for in Section 37-60-121(2.5).

First Staff Recommendation: The staff and the Department of Natural Resources recommend that the CWCB authorize the Staff to forward the report (with appropriate formatting on the new letterhead) to the appropriate committees.

13. Attorney General's Report, Legal Briefing and Executive Session

Action: Presentation by Karen Kwon. This was an informational item only. No Board action was required.

14. Executive Session

Action: Under the Colorado Open Meetings Act, C.R.S. Section 24-6-402(3)(a)(II), a motion was made by Diane Hoppe for the Board to go into executive session for the discussion of agenda items 14.a. through 14.f. The motion was seconded by Alan Hamel. The motion was approved unanimously (9-0).

- a. Colorado River Issues and Legal Questions
- b. Aspinall Unit Operations and Legal Questions
- c. Animas-La Plata Litigation
- d. Rio Grande River Litigation
- e. Republican River Litigation
- f. Water Transfers Litigation (Catskill Mountains TU v. US EPA)

Patricia Wells made a motion for the Board to leave executive session, which was seconded by Diane Hoppe. The motion was approved unanimously (9-0).

15. Report from Executive Session

Action: First Assistant Attorney General Karen Kwon reported that the Board went into Executive Session, pursuant to C.R.S. Section 24-6-402(3)(a)(II) for discussion of agenda items 14.a. through 14.f., and that the discussion was limited to those items only, with no action taken.

16. Alternative Agriculture Transfer Methods Grand Program

Water Supply Planning Section

Action: A motion to approve the staff recommendation was made by Patricia Wells, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval of up to \$173,080.17 from the Alternative Agricultural Water Transfer Methods Program to help fund the "No Chico Brush Agricultural Water Research Project."

17. Zero Liquid Discharge Grant Presentation

Water Supply Planning Section

Action: This was an informational item only. No Board action was required.

18. Basin Directors' Reports

a. Colorado River (Mainstream) Basin Director's Report

Action: Report by Russell George. This was an informational item only. No Board action was required.

b. San Juan/San Miguel-Dolores River Basin Director's Report

Action: Report by April Montgomery. This was an informational item only. No Board action was required.

c. Gunnison River Basin Director's Report

Action: Report by John McClow. This was an informational item only. No Board action was required.

d. North Platte River Basin Director's Report

Action: Report by Ty Wattenberg. This was an informational item only. No Board action was required.

e. South Platte River Basin Director's Report

Action: Report by Diane Hoppe. This was an informational item only. No Board action was required.

f. Arkansas River Basin Director's Report

Action: Report by Alan Hamel. This was an informational item only. No Board action was required.

g. City and County of Denver Director's Report

Action: Report by Patricia Wells. This was an informational item only. No Board action was required.

h. Rio Grande River Basin Director's Report

Action: Report by Travis Smith. This was an informational item only. No Board action was required.

i. Yampa-White River Basin Director's Report

Action: Report by Jay Gallagher. This was an informational item only. No Board action was required.

19. Arkansas Valley Conduit Presentation

Action: Presentations by staff member Steve Miller and James Broderick of the Southeastern Colorado Water Conservancy District. This was an informational item only. No Board action was required.

20. Wild and Scenic River Alternatives Update

*Interstate, Federal, and Water Information Section &
Stream and Lake Protection Sections*

Action: Presentations by staff member Suzanne Sellers and Roy Smith of the Bureau of Land Management. A motion to approve the staff recommendation was made by Russell George, which was seconded by Travis Smith. The motion was approved unanimously (9-0).

Staff Recommendation: Regarding the Wild and Scenic Alternatives Fund, the Staff recommends that the Board: 1) Acknowledge that the need and purpose of the Wild and Scenic Alternatives Fund still exists and is expected to continue in the future, and 2) make no revisions to the existing Terms and Conditions.

21. 2014 Instream Flow Appropriations

Stream and Lake Protection Section

Action: Presentation by staff member Jeffrey Baessler. A motion to approve the staff recommendation was made by Alan Hamel, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).

Staff Recommendation: Staff requests that the Board make the following determinations and take the following actions on each of the appropriations identified in the attached table, based on the information contained in this memo as well as the information presented by staff both in writing and orally at the January 28, 2014 Board meeting. 1) Determine, pursuant to section 37-92-102(3), C.R.S. (2013), and based upon the recommendations of Colorado Parks and Wildlife (CPW) and the Bureau of Land Management (BLM) addressing biological needs, flow rates, reaches and time periods, and a review of the data and other information presented by Staff in this memo and orally, that for each ISF appropriation in the amounts identified in the attached table: (a) There is a natural environment that can be preserved to a reasonable degree with the recommended water rights, if granted; (b) The natural environment will be preserved to a reasonable degree by the water available for the recommended appropriations; and (c) Such natural environment can exist without material injury to

water rights. 2) Pursuant to ISF Rule 5f., establish January 28, 2014 as the appropriation date for these water rights. 3) Direct staff to request the Attorney General's Office to file the necessary water rights applications.

22. Proposed Approach to Instream Flow Protection for Riparian Communities

Stream and Lake Protection Section

Action: Presentations by staff member Jeffrey Baessler and Roy Smith of the Bureau of Land Management. This was an informational item only. No Board action was required.

23. WSRA Basin Grants

Water Supply Planning Section

a. Arkansas - Huerfano County Water Conservancy District: Red Wing Augmentation Facility

Action: Presentation by staff member Craig Godbout. A motion to approve the staff recommendation was made by Alan Hamel, which was seconded by Diane Hoppe. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval of up to \$200,000 from the Statewide Account and up to \$50,000 from the Arkansas Basin Account to help fund the Red Wing Augmentation Facility - Huerfano Regional Augmentation Project.

b. Gunnison - City of Gunnison: Gunnison River Riparian and Diversion Project

Action: Presentation by staff member Craig Godbout. A motion to approve the staff recommendation was made by John McClow, which was seconded by Travis Smith. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval upon the condition of providing the additional documentation specified below in Issues/Additional Needs section of up to \$400,752 from the Statewide account to help fund the Gunnison River Riparian and Diversion Restoration Project.

c. Gunnison - Stewart Mesa Water Company: Stewart Mesa Water Company Improvement Project

Action: Presentation by staff member Craig Godbout. A motion to approve the staff recommendation was made by John McClow, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval of up to \$12,876 from the Gunnison Basin Account to assist in the funding of the project titled: Stewart Mesa Water Company Improvement Project.

d. Rio Grande - San Luis Valley Well Owner's Inc.: Hydrologic Recharge Feasibility Study for the Rio Grande Basin Augmentation - Phase I

Action: Presentation by staff member Craig Godbout. A motion to approve the staff recommendation was made by Travis Smith, which was seconded by John McClow. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval of up to \$142,000 of Statewide WSRA funds and up to \$8,000 of Rio Grande Basin WSRA funds to help complete the feasibility study titled: Ground Water Recharge for Augmentation and Aquifer Sustainability in the three study areas in Conejos County.

e. Rio Grande - Trinchera Irrigation Company: Mountain Home Reservoir Dam Outlet Works Upgrade Feasibility Study

Action: Presentation by staff member Craig Godbout. A motion to approve the staff recommendation was made by Travis Smith, which was seconded by Patricia Wells. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval of up to \$25,000 from the Rio Grande Basin Account to assist in the funding of the study titled: Mountain Home Reservoir Outlet Study - Phase I.

f. Southwest - Geothermal Greenhouse Partnership, Inc.: Geothermal Greenhouse Partnership Project

Action: Presentation by staff member Craig Godbout. Pauline Benetti of Geothermal Greenhouse Partnerships addressed the Board. A motion to approve the staff recommendation was made by Diane Hoppe, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval of up to \$50,000 from the Statewide Account for the project titled: Geothermal Greenhouse Partnership Project.

g. Southwest - Montezuma County: McElmo Flume Rehabilitation Project

Action: Presentation by staff member Craig Godbout. A motion to approve the staff recommendation was made by Diane Hoppe, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval of up to \$20,000 from the Southwest Basin Account to assist in the funding of the study titled: McElmo Creek Flume Rehabilitation.

h. Southwest - Red Mesa Reservoir and Ditch Company: Red Mesa Feasibility Study

Action: Presentation by staff member Craig Godbout. A motion to approve the staff recommendation was made by Ty Wattenberg, which was seconded by Jay Gallagher. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval of up to \$30,000 from the Southwest Basin Account to assist in the funding of the study titled: Red Mesa Feasibility Study.

i. South Platte - County of Boulder/Green Ditch Company: Green Ditch Rehabilitation and Fish Passage Project

Action: Presentation by staff member Craig Godbout. A motion to approve the staff recommendation, amended to take place in Boulder County, was made by Diane Hoppe, which was seconded by Jay Gallagher. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval upon the condition of providing the additional documentation specified below in Issues/Additional Needs section of up to \$25,000 from the South Platte Basin account and \$220,000 from the Statewide account to help fund the Green Ditch Diversion Rehabilitation and Fish Passage Project.

j. Statewide WSRA Screening Matrix Update

Action: Presentation by staff member Craig Godbout. A motion to approve the WSRA screening matrix was made by Diane Hoppe, which was seconded by Travis Smith. The motion was approved unanimously (9-0).

k. Southwest – Rehabilitation of the Old Fort at Hesperus Water System

Action: Presentation by staff member Craig Godbout. A motion to approve the staff recommendation was made by Diane Hoppe, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends conditional approval (subject to satisfaction of additional clarification) of up to \$25,000 from the Southwest Basin Account to assist in the funding of the project titled: Rehabilitation of the Old Fort at Hesperus Water System.

l. Yampa/White/Green – Yampa/White Basin Implementation Plan

Action: Presentation by staff member Craig Godbout. A motion to approve the staff recommendation was made by Jay Gallagher, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval of up to \$60,000 from the Yampa/White Basin Account to help complete the project titled: Yampa/White Basin Implementation Plan, contingent on roundtable approval at the second reading during the June YWG Roundtable Meeting.

24. Stream Restoration Grant Criteria

Watershed and Flood Protection Section

Action: Presentation by staff member Kevin Houck and Chris Sturm. A motion to approve the amended staff recommendation was made by Diane Hoppe, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval the amended stream restoration grant criteria.

25. Stream Restoration and Watershed Master Planning Update

Watershed and Flood Protection Section

Action: Presentation by staff member Chris Sturm. This was an informational item only. No Board action was required.

26. Wildfire Recovery Update

Watershed and Flood Protection Section

Action: Presentation by staff member Kevin Houck. This was an informational item only. No Board action was required.

27. West Fork Complex Wildfire – RWEACT Update

Action: Introduction by staff member Kevin Houck, presentation by Tom Speeze of RWEACT. This was an informational item only. No Board action was required.

28. Financial Matters of the Construction Fund and Severance Tax Perpetual Base Fund

Finance Section

a. Projections and Cash Balance Report

Action: This was an informational item only. No Board action was required.

b. Gunnison - City of Gunnison: Gunnison River Riparian and Diversion Project

Action: A motion to approve the staff recommendation was made by Ty Wattenberg, which was seconded by Diane Hoppe. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends that the Board adopt the following schedule of 30-year lending rates effective for loans approved by the Board after July 1, 2014. (Organized: Borrower Type - Rates) Agricultural - 2.0%, Municipal Low Income - 2.75%, Municipal Middle Income - 3.25%, Municipal High Income - 3.50%, Commercial/Industrial - 6.0%, Hydropower - 2.0%, Restricted Reservoir Reduction - 0.5%

29. Chatfield Reallocation Project Loans

Finance Section

a. Centennial Water and Sanitation District

Action: Presentation by staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Patricia Wells, which was seconded by Russ George. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$44,440,000 (\$44,000,000 for Project costs and \$440,000 for the 1% Loan Service Fee) to the Centennial Water and Sanitation District, for its participation in the Chatfield Reallocation Project, from the Severance Tax Perpetual Base Fund. The loan terms shall be 30 years at the high-income municipal interest rate of 3.0% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

b. Castle Pines Metropolitan District

Action: Presentation by staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Patricia Wells, which was seconded by Diane Hoppe. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$5,050,000 (\$5,000,000 for Project costs and \$50,000 for the 1% Loan Service Fee) to the Castle Pines Metropolitan District, acting by and through its water activity enterprise, for its participation in the Chatfield Reallocation Project, from the Severance Tax Perpetual Base Fund. The loan terms shall be 30 years at the high-income municipal interest rate of 3.0% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

c. Castle Pines North Metropolitan District

Action: Presentation by staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Patricia Wells, which was seconded by Diane Hoppe. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$6,453,900 (\$6,390,000 for Project costs and \$63,900 for the 1% Loan Service Fee) to the Castle Pines North Metropolitan District, acting by and through its water activity enterprise, for its participation in the Chatfield Reallocation Project, from the Severance Tax Perpetual Base Fund. The loan terms shall be 30 years at the high-income municipal interest rate of 3.0% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

d. Center of Colorado Water Conservancy District

Action: Presentation by staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Patrica Wells, which was seconded by Diane Hoppe. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$606,000 (\$600,000 for Project costs and \$6,000 for the 1% Loan Service Fee) to the Center of Colorado Water Conservancy District, for its participation in the Chatfield Reallocation Project, from the Severance Tax Perpetual Base Fund. The loan terms shall be 15 years at the middle-income municipal interest rate of 2.50% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

e. Central Colorado Water Conservancy District

Action: Presentation by staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Diane Hoppe, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$28,451,700 (\$28,170,000 for Project costs and \$281,700 for the 1% Loan Service Fee) to the Central Colorado Water Conservancy District for 100% of its participation cost in the Chatfield Reallocation Project, from the Severance Tax Perpetual Base Fund. The loan terms shall be 30 years at the agricultural interest rate of 1.75% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

30. Water Infrastructure & Supply Efficiency (WISE) Project Loans

Finance Section

a. Cottonwood Water and Sanitation District

Action: Presentation by staff member Derek Johnson. Eric Hecox of the South Metro Water Supply Authority addressed the Board. A motion to approve the staff recommendation was made by Patricia Wells, which was seconded by Russ George. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a total loan not to exceed \$4,508,640 (\$4,464,000 for Project costs and \$44,640 for the 1% Loan Service Fee) to the Cottonwood Water & Sanitation District, acting by and through its water activity enterprise, for its participation in the Water Infrastructure and Supply Efficiency (WISE) Project from the Construction Fund. The loan terms shall be 30 years at the high-income municipal interest rate of 3.0% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

b. Inverness Water and Sanitation District

Action: Presentation by staff member Derek Johnson. A motion to approve the staff recommendation was made by Patricia Wells, which was seconded by Diane Hoppe. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a total loan amount not to exceed \$4,908,600 (\$4,860,000 for Project costs and \$ 48,600 for the 1% Loan Service Fee) to the Inverness Water & Sanitation District for its participation in the Water Infrastructure and Supply Efficiency (WISE) Project from the Construction Fund. The loan terms shall be 20 years at the reduced high- income municipal interest rate of 2.75% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

c. Parker Water and Sanitation District

Action: Presentation by staff member Derek Johnson. A motion to approve the staff recommendation was made by Patricia Wells, which was seconded by Diane Hoppe. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a combined total loan amount not to exceed \$15,734,790 (\$15,579,000 for Project costs and \$155,790 for the 1% Loan Service Fee) to the Parker Water & Sanitation District, acting by and through its water activity enterprise, for its participation in the Water Infrastructure and Supply Efficiency (WISE) Project from the Construction Fund. The loan terms shall be 20 years at the high-income municipal interest rate of 2.75% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

d. Pinery Water and Wastewater District

Action: Presentation by staff member Derek Johnson. A motion to approve the staff recommendation was made by Patricia Wells, which was seconded by Diane Hoppe. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a combined total loans amount not to exceed \$9,926,280 (\$9,828,000 for Project costs and \$98,280 for the 1% Loan Service Fee) to the Denver Southeast Suburban Water and Sanitation District, acting by and through its water activity enterprise, for its participation in the Water Infrastructure and Supply Efficiency (WISE) Project from the Construction Fund. The loan terms shall be 30 years at the high-income municipal interest rate of 3.0% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

31. Plaza Project Phase 3: Prairie Ditch Implementation Project

Finance & Water Supply Planning Sections

a. Colorado Rio Grande Restoration Foundation (WSRA GRANT)

Action: Presentation by staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Travis Smith, which was seconded by Patricia Wells. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval of up to \$21,500 from the Rio Grande Basin Account and \$408,500 from the Statewide Account to help complete the Plaza Project Phase 3: Prairie Ditch Implementation Project.

b. Prairie Ditch Company (CWCB LOAN)

Action: Presentation by staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Travis Smith, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$131,300 (\$130,000 for Project costs and \$1,300 for the 1% Loan Service Fee) to the Prairie Ditch Company for the Plaza Project Phase 3: Prairie Ditch Implementation Project, from the Construction Fund. The loan terms shall be 10 years at the reduced agricultural interest rate of 1.25% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

32. Conejos River System Confluence Management Project

Finance & Water Supply Planning Sections

a. Conejos Water Conservancy District Ditch (WSRA GRANT)

Action: Presentation by staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Travis Smith, which was seconded by Jay Gallagher. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends approval of up to \$280,000 of Statewide WSRA funds and up to \$15,000 of WSRA funds from the Rio Grande Basin Account to help complete the Conejos River System Confluence Management Project.

b. Sanford Canal Company (CWCB LOAN) - Sanford Diversion and Headgate Rehabilitation Project

Action: Presentation by staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Travis Smith, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$101,000 (\$100,000 for Project costs and \$1,000 for the 1% Loan Service Fee) to the Sanford Canal Company for the Sanford Diversion and Headgate Rehabilitation Project from the Construction Fund. The loan terms shall be 30 years at the agricultural interest rate of 1.75% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

c. Ephraim Ditch Company (CWCB LOAN) - Ephraim Diversion and Headgate Rehabilitation Project

Action: Presentation by staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Travis Smith, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$101,000 (\$100,000 for Project costs and \$1,000 for the 1% Loan Service Fee) to the Ephraim Ditch Company for the Ephraim Diversion and Headgate Rehabilitation Project from the Construction Fund. The loan terms shall be 30 years at the agricultural interest rate of 1.75% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

33. Change to Existing Loan

Finance Section

a. Left Hand Ditch Company - Allen Lake and Lake Isabelle Repair Project

Action: Presentation by staff member Anna Mauss. A motion to approve the staff recommendation was made by Diane Hoppe, which was seconded by Jay Gallagher. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan increase, from the Construction Fund, not to exceed \$318,150 (\$315,000 for Project costs and \$3,150 for the 1% Loan Service Fee) for a total loan not to exceed \$1,475,307 (\$1,460,700 for Project cost and \$14,607 for the 1% Loan Service Fee) to the Left Hand Ditch Company for the Allen Lake and Lake Isabelle Repair Project. The loan terms shall remain 30 years at a blended interest rate of 2.45% per annum. Security for the loan shall be as originally approved and is in compliance with CWCB Financial Policy #5.

34. Water Project Loans

Finance Section

a. Farmers Pawnee Canal Company - Diversion Structure Replacement Project

Action: Presentation by staff member Anna Mauss. A motion to approve the staff recommendation was made by Diane Hoppe, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$2,067,470 (\$2,047,000 for project costs and \$20,470 for the 1% Loan Service Fee) to the Farmers Pawnee Canal Company for costs associated with design and construction of the Diversion Structure Replacement Project from the Construction Fund. The loan terms shall be 30 years at the agricultural interest rate of 1.75% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

b. Northern Colorado Water Conservancy District - Granby Hydropower Project

Action: Presentation by staff member Anna Mauss. A motion to approve the staff recommendation was made by Diane Hoppe, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$5,135,183 (\$5,084,340 for Project costs and \$50,843 for the 1% Loan Service Fee) to the Northern Colorado Water Conservancy District, acting by and through its hydropower enterprise, for costs associated with the design and construction of the Granby Hydropower Project from the Severance Tax Fund. The loan terms shall be 30 years at the hydroelectric interest rate of 2.0% per annum. Security for the loan shall be a pledge of power revenues. Staff further recommends that no funds be disbursed until the following contract conditions have been satisfied: 1) Execution of the Lease of Power Privilege 2) Execution of the Power Purchase Agreement

c. Fulton Irrigating Ditch Company - Diversion Structure Rehabilitation Project

Action: Presentation by staff member Kirk Russell. A motion to approve the staff recommendation was made by Diane Hoppe, which was seconded by Jay Gallagher. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$2,027,070 (\$2,007,000 for project costs and \$20,070 for the 1% Loan Service Fee) to the Fulton Irrigating Ditch Company for engineering and construction costs related to the Diversion Structure Rehabilitation Project from the Construction Fund. The loan terms shall be 30 years at a blended interest rate of 2.45% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

35. Emergency Loans

Finance Section

a. Sylvan Dale Ranch LLLP - Emergency Irrigation Pond Excavation

Action: Presentation by staff member Anna Mauss. A motion to approve the staff recommendation was made by Diane Hoppe, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$105,171 (\$104,130 for Project cost and \$1,041 for the 1% service fee) to the Sylvan Dale Ranch, LLLP for the engineering and construction costs related to the Emergency Irrigation Pond Excavation Project from the Severance Tax Perpetual Base Fund, up to the approved loan amount. The loan terms shall be three years of no interest followed by 27-years at the agricultural interest rate of 1.75% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5. Staff additionally recommends the following contract conditions: Any future grant funds obtained and for the purpose of this Project shall be submitted to CWCB to be applied to the balance of the loan within thirty (30) calendar days after receipt of said funds.

b. Loudon Irrigating Canal and Reservoir Company - Emergency Diversion Structure and Ditch Repair

Action: Presentation by staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Diane Hoppe, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).

Staff Recommendation: Staff recommends the Board approve a loan not to exceed \$161,600 (\$160,000 for Project cost and \$1,600 for the 1% service fee) to the Loudon Irrigating Canal and Reservoir Company for engineering and construction costs related to the Emergency Diversion Structure and Ditch Repair Project from the Severance Tax Perpetual Base Fund, up to the approved loan amount. The loan terms shall be 30 years at the blended interest rate of 2.70%. Security for the loan shall be in compliance with CWCB Financial Policy #5.

36. Animas-La Plata Update

Finance & Interstate, Federal and Water Information Sections

Action: Presentation by staff member Ted Kowalski. This was an informational item only. No Board action was required.

37. Severance Tax Operational Account (Tier 1 and Tier 2) for DNR

Action: Presentation by Department of Natural Resources staff member Bill Levine. This was an informational item only. No Board action was required.

A motion to adjourn was made by Alan Hamel, which was seconded by Jay Gallagher. The motion was approved unanimously (9-0).