



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 September 15-17, 2015 Board Meeting

A regular meeting of the Colorado Water Conservation Board (CWCB) convened at the Holiday Inn Express & Suites Montrose, located at 1391 S Townsend Ave, Montrose, CO 81401 on September 16 - 17, 2015. The meeting was called to order by Chair Diane Hoppe. Eight voting members were present at the call to order, so a quorum was present (at least 6 required). Voting members present were: Diane Hoppe, Alan Hamel, Patti Wells, John McClow, April Montgomery, Ty Wattenberg, Travis Smith, and Jay Gallagher. Ex-officio member Mike King, Executive Director of the Department of Natural Resources, was not present. Non-voting ex officio members present or represented were Casey Shpall, Deputy Attorney General for Natural Resources, Colorado Department of Law; Dick Wolfe, Colorado State Engineer for Division of Water Resources; Patt Dorsey, Southwest Region Manager, Colorado Parks and Wildlife; John Stulp, Director of the IBCC; Chris Wiseman, Deputy Commissioner for the Colorado Department of Agriculture; Lauren Ris, Assistant Director Water for the Executive Director's Office; and James Eklund, Colorado Water Conservation Board Director.

On the second day, the meeting was called to order by Chair Diane Hoppe. Eight voting members were present at the call to order, so a quorum was present (at least 6 required). Voting members present were: Diane Hoppe, Alan Hamel, Patti Wells, John McClow, April Montgomery, Ty Wattenberg, Travis Smith, and Jay Gallagher. Ex-officio member Mike King, Executive Director of the Department of Natural Resources, was not present. Non-voting ex officio members present or represented were Casey Shpall, Deputy Attorney General for Natural Resources, Colorado Department of Law; Dick Wolfe, Colorado State Engineer for Division of Water Resources; Patt Dorsey, Southwest Region Manager, Colorado Parks and Wildlife; and James Eklund, Colorado Water Conservation Board 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.



The meeting was called to order by Chair Diane Hoppe. Nine voting members were present at the call to order, so a quorum was present (at least 6 required). Voting members present were: Diane Hoppe, Alan Hamel, Patti Wells, John McClow, April Montgomery, Ty Wattenberg, Travis Smith, and Jay Gallagher. Ex-officio member Mike King, Executive Director of the Department of Natural Resources, was present. Non-voting ex officio members present or represented were Casey Shpall, Deputy Attorney General for Natural Resources, Colorado Department of Law; Dick Wolfe, Colorado State Engineer for Division of Water Resources; Lauren Ris, Assistant Director Water for the Executive Director's Office; and James Eklund, Colorado Water Conservation Board Director.

Dolores River Instream Flow Hearing

Action: A motion to approve the staff recommendation with stipulations was made by April Montgomery, which was seconded by John McClow. The motion was approved unanimously (9-0).

Staff recommendation:

1. Approve stipulations with John Hendricks and the Dolores Water Conservancy District.
2. Move the lower terminus upstream from West Creek to a point where the bridge crosses the river located at Lat 38 40 05N long 108 57 55W. Total reach length changed to 33.15 miles.
3. Determine, pursuant to section 37-92-102(3), CRS, and based upon the recommendations of the BLM and CPW, a review of the data and other information presented by Staff, and Staff's recommendation for instream flow appropriations on the subject reach of the Dolores River, that:
 - a) there is a natural environment that can be preserved to a reasonable degree with the Board's water right, if granted;
 - b) the natural environment will be preserved to a reasonable degree by the water available for the appropriation to be made; and
 - c) such environment can exist without material injury to water rights.
4. Pursuant to Rule 5f., establish January 28, 2014 as the appropriation date for the Dolores River ISF right.
5. Request the Attorney General's Office to file the necessary water rights application.

Terror Creek Instream Flow Hearing

Action: 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:

1. Determine, pursuant to section 37-92-102(3), CRS, and based upon the recommendations of the BLM, a review of the data and other information presented by Staff, and Staff's recommendation for instream flow appropriations on the subject reaches of Terror Creek, that:
 - a) there is a natural environment that can be preserved to a reasonable degree with the Board's water rights, if granted;

- b) the natural environment will be preserved to a reasonable degree by the water available for the appropriations to be made; and
- c) such environment can exist without material injury to water rights.
- 2. Pursuant to Rule 5f., establish January 26, 2015 as the appropriation date for the Terror Creek ISF rights.
- 3. Request the Attorney General's Office to file the necessary water rights applications.

WEDNESDAY, SEPTEMBER 16 - THURSDAY, SEPTEMBER 17, 2015

1. Review and Approve Agenda

Action: A motion to approve the agenda was made by Ty Wattenberg, which was seconded by Patti Wells. The motion was approved unanimously (8-0).

2. Review and Approve July 15-16, 2015 Board Meeting Minutes

Action: A motion to approve the minutes was made by Jay Gallagher, which was seconded by April Montgomery. The motion was approved unanimously (8-0).

3. Approve and/or Remove Consent Agenda Items

Action: A motion to approve the Consent Agenda as amended by removing item 2.a. from the consent agenda and adding to the regular agenda was made by Patti Wells, which was seconded by Alan Hamel. The motion was approved unanimously (8-0).

1. New Prequalification Loans

Finance Section

- a. *Evans Land Co. LLC - MacFarlane Dam Rehabilitation Project*

Staff recommendation: Staff recommends that the Board approve the projects, as listed on page 2, to be placed on the Prequalified Project List.

2. Statements of Opposition

Stream & Lake Protection Section

The Board will be asked to ratify Statements of Opposition that have been filed by staff to protect instream flow and natural lake level water rights in the following water court cases:

- a. *Case No. 4-15CW3042: Application of Bildor Real Estate, LTD (removed from Consent Agenda and added to regular Agenda. Heard before item #18).*

Action: Report by CWCB staff Linda Bassi. A motion to approve Consent Agenda item 2.a. was made by John McClow, which was seconded by Alan Hamel. The motion was approved unanimously (8-0).

Staff recommendation: Staff requests ratification of the Statement of Opposition filed to protect CWCB's instream flow water rights.

- b. *Case No. 4-15CW3044: Application of Crystal Creek Homeowners Association*
- c. *Case No. 5-15CW3052: Application of AVR AH LLC*
- d. *Case No. 5-15CW3054: Application of CLP Granby, LLC and Town of Granby*
- e. *Case No. 4-15CW0016: Application of Cross Bar Ranch, Claudio Alvarez*

Staff recommendation: Staff requests ratification of the Statement of Opposition filed to protect CWCB's instream flow water rights.

3. Criteria and Guidelines for HB15-1013 Pilot Projects for Lowering Groundwater Table *Interstate, Federal, & Water Information Section*

Staff recommendation: CWCB staff recommends that the Board approve the criteria and guidelines for the HB15-1013 Pilot Projects for Lowering Groundwater Table.

4. Future Board Meeting Dates in 2015

- a. November 18 & 19 Denver - History Colorado

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

5. Proposed Board Meeting Dates in 2016

- a. January 25 & 26 Denver Tech Center
- b. March 16 & 17 La Junta
- c. May 18 & 19 Del Norte
- d. July 13 & 14 Steamboat
- e. September 13 - 15 Colorado Basin
- f. November 16 & 17 Denver

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

6. Directors' Reports

- a. Department of Natural Resources Executive Director

Action: Report by Lauren Ris. This was an informational Item only. No Board action was required.

- 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 Chris Wiseman. 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 Patt Dorsey. This was an informational item only. No Board action was required.

g. Water Resource and Power Development Authority

Action: No report given as Michael Brod was not present. No Board action was required.

7. Colorado's Water Plan

Water Supply & Planning Section

Action: Report by CWCB staff Becky Mitchell. John Stulp, Chairman of the IBCC, presented to the Board. CWCB staff Jacob Bornstein and CWCB staff Kate McIntire presented to the Board. This was an informational item only. No Board action was required.

Public Comment:

Bart Miller, Western Resource Advocates, addressed the Board. Kathy Chandler-Henry, Eagle County Commissioner and Colorado Basin Roundtable member addressed the Board. Ken Neubecker, American Rivers, addressed the Board.

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

Action: Report by Casey Shpall, Deputy Attorney General for Natural Resources. This was an informational item only. No Board action was required.

9. Executive Session

Action: Under the Colorado Open Meetings Act, C.R.S. Section 24-6-402(3)(a)(II), a motion was made by April Montgomery for the Board to go into executive session for the discussion of agenda items 9.a. through 9.h. The motion was seconded by Jay Gallagher. The motion was approved unanimously (8-0).

a. Chatfield Reallocation Project

- b. Case Nos. 2-09CW088 and 2-09CW090 (Applications of CWCB for ISFs on the South Fork Purgatoire River and Purgatoire River)
- c. Case No. 2013SA132 (St. Jude's Co. and Reno Cerise v. Roaring Fork Club, LLC, Basalt Water Conservancy District; and Colorado Water Conservation Board)
- d. Colorado River Issues
- e. Bear Creek Lake
- f. Glenwood Springs RICD
- g. Rio Grande Interstate Litigation
- h. Animas-La Plata Litigation

Alan Hamel made a motion for the Board to leave Executive Session, which was seconded by Ty Wattenberg. The motion was approved unanimously (8-0).

10. Report from Executive Session

Action: Casey Shpall 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 9.a. through 9.h., and that the discussion was limited to those items only, with no action taken.

11. Basin Directors' Report

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

Action: No report given 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.

Ben Tisdell, Ouray County Commissioner, addressed the Board.

12. Colorado Climate Plan

Water Supply & Planning Section

Action: Report by CWCB staff Taryn Finnessey. This was an informational item only. No Board action was required.

13. Final Action on Hubbard Creek and Schaefer Creek ISF Appropriations

Stream & Lake Protection Section

Action: Report by CWCB staff Jeff Baessler. A motion to approve the staff recommendation was made by Alan Hamel, which was seconded by John McClow. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends 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 26, 2015 Board meeting.

(1) Pursuant to section 37-92-102(3), C.R.S. (2014) and based upon: (1) the recommendations of the Bureau of Land Management addressing biological needs, flow rates/volume, reaches and time periods, and (2) a review of the data and other information presented by Staff in this memo and orally, determine for each instream flow in the amounts identified in the attached table that:

- (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 26, 2015 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.

14. 2-Year Update on the September 2013 Flood

Watershed & Flood Protection Section

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

15. Emergency Watershed Protection Program, Phase 2 Update

Watershed & Flood Protection Section

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

16. Updated Criteria and Guidelines for Following-Leasing Pilot Projects

Integrated Resources Management

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

17. Center for Snow and CODOS Report

Chris Landry, Center for Snow and Avalanche Studies

Action: Report by Chris Landry. This was an informational item only. No Board action was required.

18. WSRA Grants

Water Supply & Planning Section

WSRA Applications for Consideration at the CWCB September 2015 Board Meeting			
	Basin	Applicant	Name of Water Activity
a.	Arkansas Colorado Gunnison Metro North Platte South Platte Yampa/White /Green	South Metro Wise Authority	WISE Partnership: Conjunctive Use Infrastructure
Action: Report by CWCB staff Craig Godbout. Eric Hecox, South Metro Water Supply Authority, addressed the Board. A motion to approve the staff recommendation was made by Alan Hamel, which was seconded by April Montgomery. The motion was approved unanimously (7-0) as Director Wells			

recused herself from the vote.

Staff recommendation: Staff recommends approval of up to \$105,000 from the following Basin Accounts:

- Metro Account: \$40,000
 - North Platte Basin Account: \$10,000
 - South Platte Basin Account: \$15,000
 - Colorado Basin Account: \$10,000
 - Arkansas Basin Account: \$10,000
 - Gunnison Basin Account: \$10,000
 - Yampa/White/Green Basin Account: \$10,000 (pending Sept. 9 RT approval)
- and \$800,000 from the Statewide Account to help fund the implementation of the water project titled: WISE Partnership: Conjunctive Use Infrastructure

b.	Arkansas	Huerfano County Water Conservancy District	Cucharas Basin Collaborative Storage Study
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Action: Report by CWCB staff Craig Godbout. Sandy White, Huerfano County Water Conservancy District, addressed the Board. A motion to approve the staff recommendation was made by Alan Hamel, which was seconded by Patti Wells. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends approval of up to \$25,000 from the Arkansas Basin Account, and \$195,000 from the Statewide Account to help fund the needs assessment titled: Huerfano County Water Conservancy District: Cucharas Basin Collaborative Storage Study.

c.	Arkansas	Box Springs Canal & Reservoir Company	Agricultural Improvements and Sustainable Water Supply using Horizontal Wells
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Action: Report by CWCB staff Craig Godbout. Garrett Markus, Box Springs Canal & Reservoir Company addressed, the Board. A motion to approve the staff recommendation was made by Alan Hamel, which was seconded by Ty Wattenberg. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends approval of up to \$50,000 from the Arkansas Basin Account and \$150,000 from the Statewide Account to help fund the project titled: Box Springs Canal and Reservoir Company: Agricultural Improvements and Sustainable Water Supply Using Horizontal Wells.

d.	Arkansas	Lower Arkansas Valley Water Conservancy District	Arkansas Roundtable BIP Coordinator
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Action: Report by CWCB staff Craig Godbout. Jay Winner, Lower Arkansas Valley Water Conservancy District, addressed the Board. A motion to approve the staff recommendation was made by Alan Hamel which was seconded by Travis Smith. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends approval of up to \$27,880 from the Arkansas Basin Account and \$70,000 from the Statewide Account to help fund the project titled: Lower Arkansas Valley Water Conservancy District: Arkansas Roundtable Basin Implementation Plan Coordinator.

e.	Colorado	Grand Valley Water Users Association	Grand Valley Roller Dam Rehabilitation Phase I: Development of the Dam and and Canyon Facilities Master Plan
<p>Action: Report by CWCB staff Craig Godbout. Mark Harris, Grand Valley Water Users Association, addressed the Board. A motion to approve the staff recommendation was made by John McClow, which was seconded by April Montgomery. The motion was approved unanimously (8-0).</p> <p>Staff recommendation: Staff recommends approval of up to \$42,700 from the Colorado Basin Account to help fund the project titled: Grand Valley Water Users Association; Grand Valley Roller Dam Rehabilitation Phase I, Development of the Dam and Canyon Facilities Master Plan</p>			
f.	Gunnison	Ouray County	Upper Uncompahgre Basin Water Supply Protection & Enhancement Project
<p>Action: Report by CWCB staff Craig Godbout. Marti Whitmore, Ouray County Attorney, addressed the Board. A motion to approve the staff recommendation was made by John McClow, which was seconded by April Montgomery. The motion was approved unanimously (8-0).</p> <p>Staff recommendation: Staff recommends approval of up to \$25,000 from the Gunnison Basin Account and \$25,000 from the Statewide Account to help fund the project titled: Ouray County: Upper Uncompahgre Basin Water Supply Protection and Enhancement Project.</p>			
g.	Metro	Bluff Lake Nature Center	Aquatic Habitat Improvement Project
<p>Action: Report by CWCB staff Craig Godbout. Jeff Lamontagne, Bluff Lake Nature Center, addressed the Board. A motion to approve the staff recommendation was made by Patti Wells, which was seconded by Alan Hamel. The motion was approved unanimously (8-0).</p> <p>Staff recommendation: Staff recommends approval of up to \$10,000 from the Metro Account and \$200,000 from the Statewide Account to help fund the project titled: Bluff Lake Nature Center: Aquatic Habitat Improvement Project.</p>			
h.	North Platte	Ducks Unlimited	MacFarlane Dam Rehabilitation
<p>Action: Report by CWCB staff Craig Godbout. Blaine Evans, Evans Land Company, addressed the Board. A motion to approve the staff recommendation was made by Ty Wattenberg, which was seconded by Travis Smith. The motion was approved unanimously (8-0).</p> <p>Staff recommendation: Staff recommends conditional approval (refer to <i>Issues/Additional Need</i> section below) of up to \$500,000 from the North Platte Basin Account, and \$100,000 from the Statewide Account to help fund the project titled: Ducks Unlimited: MacFarlane Dam Rehabilitation.</p>			
i.	North Platte	Jackson County Water Conservancy District	Jackson County Basin-Wide Augmentation Plan

Action: Report by CWCB staff Craig Godbout. Jim Ballor, Jackson County Water Conservancy District, addressed the Board. A motion to approve the staff recommendation was made by Ty Wattenberg, which was seconded by Alan Hamel. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends approval of up to \$161,000 from the North Platte Basin Account to help fund the study titled: Jackson County Water Conservancy District: Jackson County Basin-Wide Augmentation Plan.

j.	Southwest	County of Montrose	West Montrose County Reservoir
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Action: Report by CWCB staff Craig Godbout. Marc Catlin, County of Montrose, addressed the Board. A motion to approve the staff recommendation was made by April Montgomery, which was seconded by Travis Smith. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends **conditional** approval of up to \$50,000 from the Southwest Basin Account, and \$250,000 from the Statewide Account to help fund the needs assessment titled: West End of Montrose County Reservoir Project. Approval shall be contingent upon an acceptable scope of work which will include up to \$10,000 for an analysis of the impact to recreational uses of the San Miguel River.

k.	Southwest	Florida Consolidated Ditch Company	Hess Lateral Improvement
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Action: Report by CWCB staff Craig Godbout. Pete Foster, Wright Water Engineers, addressed the Board. A motion to approve the staff recommendation was made by April Montgomery, which was seconded by Alan Hamel. The motion was approved (7-1).

A motion to reconsider the staff recommendation for item 18.k. was made by Travis Smith, which was seconded by John McCLOW. The motion was approved unanimously (8-0).

A motion to approve the staff recommendation for item 18.k. was made by Travis Smith, which was seconded by Patti Wells. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends **conditional** approval (refer to *Issues/Additional Needs* section below) of up to \$38,750 from the Southwest Basin Account, and \$736,250 from the Statewide Account to help fund the agricultural project titled: Florida Consolidated Ditch Company; Hess Lateral Improvement Project.

l.	Southwest	La Plata West Water Authority	Raw Water Pipeline Upgrade & Operations Funding
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Action: Report by CWCB staff Craig Godbout. Mardi Gebhart, La Plata West Water Authority, addressed the Board. A motion to approve the staff recommendation was made by April Montgomery, which was seconded by Alan Hamel. The motion was approved unanimously (8-0).

A motion to reconsider the staff recommendation for item 18.l. was made by April Montgomery, which was seconded by John McClow. The motion was approved unanimously (8-0).

A motion to approve the staff recommendation for item 18.l. with an added condition that state funding be conditional upon working out a financial matter with the Colorado Water and Power Authority to the satisfaction of the authority was made by April Montgomery, which was seconded by John McClow. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends approval of up to \$50,000 from the Southwest Basin Account, and \$500,000 from the Statewide Account to help fund the project titled: La Plata West Water Authority Raw Water Pipeline Upgrade & Operations Funding.

m.	South Platte	Upper Platte and Beaver Canal Company	Upper Platte and Beaver/Deuel and Snyder Feasibility Study
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Action: Report by CWCB staff Craig Godbout. Mark Ginther, Upper Platte and Beaver Canal Company, addressed the Board. A motion to approve the staff recommendation was made by John McClow, which was seconded by Ty Wattenberg. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends approval of up to \$46,875 from the South Platte Basin Account and \$46,875 from the Statewide Account to help fund the study titled: Upper Platte and Beaver / Deuel & Snyder Feasibility Study

n.	South Platte	Boulder County Parks and Open Space	Swede Lake Dam and Reservoir Rehabilitation
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Action: Report by CWCB staff Craig Godbout. Doug Laiho, Boulder County Parks and Open Space, addressed the Board. A motion to approve the staff recommendation was made by John McClow, which was seconded by Patti Wells. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends approval of up to \$40,000 from the South Platte Basin Account and \$160,000 from the Statewide Account to help fund the project titled: Boulder County: Swede Lake Dam and Reservoir Rehabilitation Project.

o.	South Platte	Ducks Unlimited	Water Development of BOR Property (Narrows Tract) Feasibility Study
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Action: Report by CWCB staff Craig Godbout. Jason Roudebush, Ducks Unlimited, addressed the board. A motion to approve the staff recommendation was made by John McClow, which was seconded by Patti Wells. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends approval of up to \$15,554 from the South Platte Basin Account and \$121,633 from the Statewide Account to help fund the project titled: Ducks Unlimited: Water Development of the Bureau of Reclamation properties, known as the Narrows Tract, along the South Platte River.

19. Change of Fiscal Agent

Water Supply & Planning Section

Change of Fiscal Agent at the CWCB September 2015 Board Meeting			
	Basin	Current Fiscal Agent/Proposed Fiscal Agent	Name of Water Activity
a.	Southwest	Trout Unlimited/Dolores River Angler's Chapter of Trout Unlimited	Upper Dolores CAMP (Coldwater-Fisheries Adaptive Management Plan)
<p>Action: Report by CWCB staff Craig Godbout. A motion to approve the staff recommendation was made by April Montgomery, which was seconded by Ty Wattenberg. The motion was approved unanimously (8-0).</p> <p>Staff recommendation: Staff recommends approval of change of fiscal agent from Trout Unlimited to Dolores River Anglers.</p>			

20. Larimer County: Open Space ATM Pilot Project

Water Supply & Planning Section

Action: Report by CWCB staff Craig Godbout. Alex Castino, Larimer County, addressed the Board. A motion to approve the staff recommendation was made by Patti Wells, which was seconded by Jay Gallagher. The motion was approved (8-0).

Staff recommendation: Staff recommends approval of up to \$178,425 from the Alternative Agricultural Water Transfer Methods Grant Program to help fund the "Larimer County: Open Space ATM Pilot Project".

21. Financial Matters - Construction Fund and Severance Tax Perpetual Base Fund

Finance Section

a. Projections and Cash Management Report

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

22. Water Project Loans

Finance Section

a. Brighton Ditch Company - River Breach Repair Project

Action: Report by CWCB staff Jonathan Hernandez. Tricia Williams, Brighton Ditch Company Board member, addressed the Board. A motion to approve the staff recommendation was made by John McClow, which was seconded by Patti Wells. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends the Board approve a loan not to exceed \$481,770 (\$477,000 for Project costs and \$4,770 for the 1% service fee) to the Brighton Ditch Company for costs related to the River Breach Repair Project from the Construction Fund. The loan terms shall be 30 years at a blended interest rate of 2.55% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

b. Lower Poudre Augmentation Company - Box Elder Ditch Water Rights Purchase

Action: Report by CWCB staff Jonathan Hernandez. Dale Trowbridge, Lower Poudre Augmentation Company, addressed the Board. A motion to approve the staff recommendation was made by John McClow, which was seconded by Patti Wells. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends the Board approve a loan not to exceed \$454,500 (\$450,000 for Project costs and \$4,500 for the 1% service fee) to the Lower Poudre Augmentation Company for costs related to the Box Elder Ditch Water Rights Purchase from the Severance Tax Perpetual Base Fund. The loan terms shall be 30 years at a blended interest rate of 1.85% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

c. The Tunnel Water Company - Laramie-Poudre Tunnel Rehabilitation Project

Action: Report by CWCB staff Jonathan Hernandez. Dennis Harmon, The Tunnel Water Company, addressed the Board. A motion to approve the staff recommendation was made by John McClow, which was seconded by Ty Wattenberg. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends the Board approve a loan not to exceed \$1,111,000 (\$1,100,000 for Project costs and \$11,000 for the 1% service fee) to the Tunnel Water Company for costs related to the Laramie-Poudre Tunnel Rehabilitation Project from the Construction Fund. The loan terms shall be 30 years at a blended interest rate of 2.55% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

d. Colorado Parks and Wildlife - Chatfield Reallocation Project

Action: Report by CWCB staff Tim Feehan and CWCB staff Tom Browning. A motion to approve the staff recommendation was made by Patti Wells, which was seconded by Alan Hamel. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends the Board approve a loan not to exceed \$7,000,000 from the Construction Fund to the Colorado Parks and Wildlife, for costs related to the Chatfield Reservoir Reallocation Project. The loan terms shall be 30 years at an interest rate

of 0% per annum. The Colorado Parks and Wildlife, in coordination with the Department Controller, will encumber from its Wildlife Cash Fund or other legally available fund, an amount of \$233,333, to be transferred annually to CWCB's Construction Fund, until such time as its debt obligation is paid in full.

23. CWCB Loan and WSRA Grant

Finance and Water Supply & Planning Sections

a. Fort Lyon Canal Company - Replacement of the Horse Creek Flume

Action: Report by CWCB staff Derek Johnson. Phil Hemphill, Fort Lyon Canal Company, and Jay Winner, Lower Arkansas Valley Water Conservancy District, addressed the Board. A motion to approve the staff recommendation for the WSRA Grant portion was made by Alan Hamel, which was seconded by Jay Gallagher. The motion was approved unanimously (8-0).

A motion to approve the staff recommendation for the CWCB Loan portion was made by Alan Hamel, which was seconded by Jay Gallagher. The motion was approved unanimously (8-0).

Staff recommendation for WSRA Grant: Staff recommends approval of up to \$450,000 from the Statewide Account and \$50,000 from the Arkansas Basin Account to the Fort Lyon Canal Company to fund the Replacement of the Horse Creek Flume project.

Staff recommendation for CWCB Loan: Staff recommends the Board approve a loan not to exceed \$1,629,130 (\$1,613,000 for Project costs and \$16,130 for the 1% Loan Service Fee) to the Fort Lyon Canal Company for the Replacement of the Horse Creek Flume Project from the Severance Tax Perpetual Base Fund. Loan terms shall be 30 years at a blended rate of 1.75% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

b. City of Lamar - Repurposing of Wells 12 and 13

Action: Report by CWCB staff Derek Johnson. Rob Batdorf, City of Lamar, addressed the Board. A motion to approve the staff recommendation for the WSRA Grant portion was made by Alan Hamel, which was seconded by Patti Wells. The motion was approved unanimously (8-0).

A motion to approve the staff recommendation for the CWCB Loan portion was made by Alan Hamel, which was seconded by John McClow. The motion was approved unanimously (8-0).

Staff recommendation for WSRA Grant: Staff recommends approval of up to \$136,625 from the Statewide Account and \$25,000 from the Arkansas Basin Account to the City of Lamar, acting by and through its water activity enterprise, to fund the Repurposing of Wells 12 and 13 Project.

Staff recommendation for CWCB Loan: 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 City of Lamar, acting by and through its water activity enterprise, for the Repurposing of Wells 12 and 13 project from the Severance Tax Perpetual Base Fund. Loan terms shall be 10 years at the reduced low-income municipal rate of 1.95% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

c. Parkville Water District - Evans Reservoir Bypass Flume Replacement

Action: Report by CWCB staff Derek Johnson. Greg Teter, Parkville Water District, addressed the Board. A motion to approve the staff recommendation for the WSRA Grant portion was made by Alan Hamel, which was seconded by Jay Gallagher. The motion was approved unanimously (8-0).

A motion to approve the staff recommendation for the CWCB Loan portion was made by Alan Hamel, which was seconded by Jay Gallagher. The motion was approved unanimously (8-0).

Staff recommendation for WSRA Grant: Staff recommends approval of up to \$250,000 from the Statewide Account and \$50,000 from the Arkansas Basin Account to the Parkville Water District to fund the Evans Reservoir Bypass Flume Replacement project.

Staff recommendation for CWCB Loan: Staff recommends the Board approve a loan not to exceed \$181,800 (\$180,000 for Project costs and \$1,800 for the 1% Loan Service Fee) to the Parkville Water District for the Evans Reservoir Bypass Flume Replacement project from the Severance Tax Perpetual Base Fund. The loan terms shall be 10 years at the reduced low-income municipal rate of 1.95% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

24. Change to Existing Loans

Finance Section

a. Bull Creek Reservoir, Canal and Power Company - Collateral Change

Action: Report by CWCB staff Kirk Russell. A motion to approve the staff recommendation was made by John McClow, which was seconded by Ty Wattenberg. The motion was approved unanimously (8-0).

Staff recommendation to Change Collateral: Upon payment of the 2016 annual payment, the Loan Contract collateral shall be changed to a pledge of assessment revenues backed by an assessment covenant and the Company's storage water rights. This is in compliance with the CWCB Financial Policy #5.

b. North Poudre Irrigation Company - Emergency Fossil Creek Reservoir Inlet Diversion Structure Repair

Action: Report by CWCB staff Jonathan Hernandez. Scott Hummer, North Poudre Irrigation Company, addressed the Board. A motion to approve the staff recommendation was made by Patti Wells, which was seconded by Alan Hamel. The motion was approved unanimously (8-0).

Staff recommendation: Staff recommends the Board approve a loan increase of \$394,910 (\$391,000 for Project cost and \$3,910 for the 1% Loan Service Fee), for a total loan not to exceed \$876,680 (\$868,000 for Project cost and \$8,680 for the 1% Loan Service Fee) to the North Poudre Irrigation Company for 100% of Project costs related to the Emergency Fossil Creek Reservoir Diversion Structure Repair Project from the Severance Tax Perpetual Base Fund, up to the approved loan amount. The loan terms shall be modified to 5 years of no interest followed by 27-years at a blended interest rate of 2.35% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

Additionally staff recommends modifying the following existing contract condition:
“Any future grant funds obtained 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.”

to read:

“Except for FEMA grant funds, any future grant funds obtained 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. Non-rescinded FEMA grant funds shall be applied to the balance of the loan within thirty (30) calendar days after FEMA Project Closeout, as long as the borrower deposits received FEMA grant funds in a secured account prior to Project Closeout. FEMA grant funds shall only be used for the repayment of rescinded grant funds, or to pay down the loan principal.”

Meeting Adjourned

A motion to adjourn the September 2015 Board meeting was made by John McClow, which was seconded by Ty Wattenberg. The motion was approved unanimously (8-0).