

**Interbasin Compact Committee  
Gunnison Basin Roundtable Meeting  
Holiday Inn Express  
Montrose, Colorado  
June 6, 2016**

**Voting Members Present:**

Thomas Alvey	North Fork WCD
Bruce Bair	At-Large Member
Mike Berry	Tri-County WCD
Rick Brinkman	Mesa Municipalities
Kathleen Curry	Upper Gunnison River WCD
Cary Denison	Environmental
Cindy Dozier	Hinsdale County
Joanne Fagan	Ouray Municipalities
Steve Fletcher	At-Large Member
Ray Hanson	Delta Municipalities
John Harris	Montrose Municipalities
Austin Keiser	Grand Mesa WCD
Frank Kugel	At-Large Member
Henry LeValley	Crawford WCD
Dixie Luke	At-Large Member
John McClow	House and Senate Ag Committees, CWCB Liaison
Chuck Mitisek	Ute WCD
Dan Murphy	Hinsdale Municipalities
Bill Nesbitt	Gunnison Municipalities
Greg Peterson	Saguache County
Hugh Sanburg	Industrial
Neal Schwieterman	Recreational
Ron Shaver	At-Large Member
Steve Shea	Agricultural
Bill Trampe	Colorado River Water Conservation District
Adam Turner	Local Domestic Water Supplier
Martha Whitmore	Ouray County
Rufus Wilderson	Gunnison County

**Voting Members Absent:**

Allen Distel	Bostwick Park WCD
John Justman	Mesa County
Jay Jutten	Montrose County
Mark Roeber	Delta County

**Liaisons and Non-Voting Members Present:**

Sharon Dunning (Assistant Recorder), David Graf (CPW Liaison), Hannah Holm (CMU Water Center), Bob Hurford (DWR Liaison), Dave Kanzer (At-Large, CRD Liaison), Brent Newman (DNR, CWCB), Jedd Sondergard (BLM Liaison).

**Public:** Jason Ulmann (DWR), Mara MacKillop and Viola Bralish (CWCB), Michael Dale (NPS), Ken Lipton and Bert Earle (Shavano Conservation District), Richard Vangytenbeek (Trout Unlimited), Julia Bowman (Western Slope Conservation Center), Aaron Derwingson (The Nature Conservancy), Steve Anders (USGS), Julie Nania (HCCA).

### **Welcome**

The meeting was called to order at 4:00 p.m. by Chairperson Hugh Sanburg.

### **Roll Call/Introductions**

After roll call a quorum was declared to be present.

### **Approve Agenda**

Tom Alvey moved to approve the agenda as presented. Neal Schwieterman seconded the motion and it carried unanimously.

### **Approve April 4, 2016 Meeting Minutes**

Tom Alvey requested a change to item 2 on page 4 discussing the Bureau of Reclamation grant for Orchard Ranch Ditch; it is a “salinity” grant not a “selenium” grant.

Tom Alvey moved to approve the April 4, 2016 meeting minutes as amended. Greg Peterson seconded, and the motion carried unanimously.

### **Report from the IBCC Representatives**

Bill Trampe reported on the IBCC meeting on May 24 in Salida. The meeting was well attended. The bulk of the morning was a presentation from the Arkansas Roundtable. There were updates from staff on PEPO. They discussed new 2016 legislation regarding issues the IBCC has been talking about for the past couple of years, as well as conservation and land use. The rest of the morning was spent talking about WSRA criterion guidelines. Rick is on the committee dealing with those issues. The afternoon was spent on funding issues and the crisis the CWCB is going through.

Rick Brinkman discussed the committee he is now on whose job is to look at the guidelines for WSRA grants. The committee met the night before the IBCC meeting. It is a requirement to look at the guidelines every 2 or 3 years. The committee was created because the CWC Board wants them to take an even harder look at the guidelines see what can be done to improve or tighten them up. They want larger grants to be more competitive. The committee discussed things such as how contractors are hired, financial needs, match requirements, whether the project addresses the gap, is it a high priority in our BIP, accountability, and conflicts of interest. They need input from the Roundtable.

Bill Trampe said there was mention of the potential of hiring a coordinator to handle Roundtable funds, but whether that would be within our Roundtable or a statewide coordinator he was not sure. Rick added he thought they were looking at a Roundtable level, but the GBRT may not be a large enough committee.

Cary Denison moved to ratify the reports of the IBCC representatives. Ron Shaver seconded, and the motion carried unanimously.

### **Report from the Educational Committee**

Marti Whitmore said she received an updated proposal from Dave Kanzer regarding building a website. Dave has addressed the concerns brought up at the last meeting, but the committee has yet to discuss. However, the PEPO funds have to be spent before the end of June, before the next Roundtable meeting. Marti asked if the Educational Committee could review the project and make a decision whether to use the funds for this project. Hugh Sanburg suggested the Roundtable allow the Educational Committee to review the proposal and make the decision for those funds, and if anyone has input they should send it to Marti. There was no objection from the Roundtable.

### **Report from the CWCB Representative**

John McClow began his report by saying he has mostly bad news. The more strict criteria and guidelines discussed earlier is a result of recent developments where the Supreme Court handed down a ruling in favor of BP America regarding deductions they were not allowed to take by the Colorado Department of Revenue. As a result the Department of Revenue estimates they will have a refund liability of about \$125,000,000, which puts a significant dent in state funds. It is estimated severance tax revenues will be reduced by additional 12.5%. What this means is there will be no money to put into reserve water accounts next year, and possibly not for the next 3 years. The state is looking at alternatives to paying the refund liability, but that has not yet been worked out. Any grant letter of approval from the Roundtable must include an acknowledgment of this 0% funding for the future and to emphasize the priority given to these grants.

The CWCB is currently drafting a future funding implementation plan for the next 5 years, and will have a full draft by the November meeting. And if there is any severance tax available again it will be a good shot in the arm for getting the water plan moving forward. The Board also approved \$370,000 for projects in the lower Gunnison of the \$500,000 allocated for RCCP projects.

Kathleen Curry asked if it would make sense for the roundtables to advocate for legislation next year to address this deduction issue. We should not just sit back and let this happen. We should recommend to our legislators to push for this or there won't be any funds for the water supply reserve accounts or even the statewide accounts. Kathleen said she would get with John McClow and they will follow up on this. This item will be on next agenda. Raymond Hanson mentioned this will affect a lot more than water but also roads, etc. He said it might be possible to mobilize the CML to join the coalition.

Bill Trampe said that he and several others on the IBCC see the future of the severance tax in general will continue to be depleted since extraction of the natural resources is continuing to decline. At the IBCC meeting they also discussed other methods of financing. John McClow added the CWCB finance staff has a statewide advisory committee that meets periodically that brainstorms these new funding ideas. Currently there is no member on the committee from the Gunnison Basin. If anyone is interested, contact Brent for the time being since the current director is leaving.

# **1. WSRA Grant Requests – Tom Alvey**

Tom Alvey presented 4 grant proposal requests, 3 of which are basin only, and 1 is requesting basin and state funds. Tom pointed out the Project Screening Committee has made the following recommendations without knowing about the dire funding situation.

## **A. Fire Mountain Canal (FMC)**

This grant request is for \$120,000 total, \$60,000 each from the basin and state accounts. The requested amount would be used as part of a salinity control project funded by the Bureau of Reclamation and the Regional Conservation Partnership Program (RCPP) in the total amount of \$4.46 million. The project would pipe 3.6 miles of the Fire Mountain Canal on Rogers Mesa and replace an existing siphon. The FMC and North Fork Water Conservancy District are contributing more than \$111,000 to the project which will have efficiency, water savings, water quality and endangered species benefits. This effort is part of a Tier 1 BIP project and the committee recommends approval.

Tom Alvey said he is involved with this project and recused himself from the vote.

Bill Nesbitt moved to approve the grant request for the piping of the Fire Mountain Canal for \$60,000 each from the basin and state accounts. Frank Kugel seconded and the motion carried unanimously.

## **B. Shavano Conservation District**

This is a grant request for \$13,658 from basin funds for the completion of GIS mapping of ditches in the Colona area of the Upper Uncompahgre. This mapping is a prerequisite for applying for Bureau of Reclamation (BOR) salinity control funding and has been requested by the local ditch companies. BOR funds for the mapping are not currently available and the ditch companies want to proceed with improvement plans. Some money has already been spent on the project and Trout Unlimited is providing some matching funds. Shavano Conservation District will also provide in-kind matching for overseeing the project. This area has not been targeted with basin funding and this project will address a Tier 1 need for Upper Uncompahgre infrastructure needs assessment. The committee recommends approval.

Cary Denison added it is important to get these ditches mapped. He uses one of the ditches for irrigation and so he recused himself from voting.

Raymond Hanson moved to approve the grant request of \$13,658 from basin funds for the completion of GIS mapping of ditches in the Colona area of the Upper Uncompahgre. Neal Schwieterman seconded and the motion carried unanimously.

C. Repair outlet works on Grand Mesa – Eggleston Reservoir - Surface Creek Ditch and Reservoir Company (SCDR)

This is a grant request for \$46,911 from basin account funds to install a CIPP (cured in place pipe) liner in the outlet pipe of Eggleston Reservoir on Grand Mesa. This reservoir stores 2,555 acre feet for the SCDR and provides recreational as well as agricultural water storage. There is a small component of municipal ownership but not decreed municipal use. The State Engineer's office identified a problem with the outlet works and required a repair. The stockholders will provide \$31,947 in matching funds. The grant request was originally for \$55,189 but the Committee suggested a reduction to \$46,911. This is a Tier 1 project which preserves agricultural water use, protects pre-1922 water rights and improves existing infrastructure. The Committee recommends approval of the modified request.

D. Repair outlet works on Grand Mesa – Marcot Reservoir

This is a grant request for \$49,649 from basin funds for a project similar to Eggleston to install a CIPP liner for a deteriorating outlet works. The Roundtable provided funds with an earlier grant to investigate solutions to the outlet problem. DOWL Engineering evaluated the problem and recommended the cured in place pipe option. The State Engineer's office has approved this repair. The Marcot Reservoir shareholders will provide \$37,461 in matching funds. This reservoir provides agricultural water and some recreation. Repairs will improve existing infrastructure and complete a Tier 1 project. Also similar to Eggleston, the Screening Committee suggested a reduction from the original request of \$58,410. The applicants agreed to the new total of \$49,649. The Committee recommends approval.

Frank Kugel moved to approve both the Eggleston Reservoir grant request for \$46,911 and the Marcot Reservoir grant request for \$49,649 from basin account funds to install CIPP (cured in place pipe) liners. Bill Nesbitt seconded and the motion carried unanimously.

Tom Alvey said these last 2 projects prompted some discussion with the Project Screening Committee and they would like to get some input from the Roundtable. Both projects started out requesting over \$50,000 with a high percentage of the total funding coming from the grant proposal. The Project Screening Committee would like to suggest limiting basin-only funding to \$30,000 to \$40,000 and requesting the applicant match at least 40% of the total cost. Tom said this doesn't have to be a hard limit but only as a guideline for the applicant. The Roundtable members discussed the idea and made some suggestions. Tom said it was good input. The Committee will continue to discuss the idea and will bring it back to the Roundtable at the next meeting.

2. **BIP Phase 2 – Frank Kugel**

Frank Kugel discussed the scope of work for the BIP Phase 2 grant, and the WSRA grant funds that were previously approved for the Wilson Water Group to do follow up work on the BIP. There is roughly \$10,000 remaining in that grant. He has asked Greg Johnson for a scope of work for continuing work, but it is a little different scope than originally laid out. It is now directed toward watershed planning efforts.

A draft scope of work has been prepared and the Project Screening Committee has given its approval. This is just an update on the use of the remaining funds.

3. **Colorado Water Workshop and Gunnison River Festival – Frank Kugel**

Frank Kugel announced events at the upcoming water week in the Gunnison Basin. The Colorado Water Workshop and Gunnison River Festival will take place June 21 through 26. The Gunnison Basin Tour by the Colorado Foundation for Water Education will be on Monday and Tuesday. Members were encouraged to attend the tour. The Colorado Water Workshop will then be Wednesday through Friday. The Gunnison River Festival begins Friday afternoon through Saturday. Sunday will be a down river race on the Taylor River. Additional events will happen throughout the week as well.

4. **Our Colorado River – Presentation by Richard Vangytenbeek, Trout Unlimited**

Richard Vangytenbeek of Trout Unlimited gave a presentation called Our Colorado River. He is asking the Gunnison Basin Roundtable to support their policy goals. Mr. Vangytenbeek explained the policy goals started with their core concepts, and are an effort to try and take some of the good ideas that have come out and put them into action. The purpose today is to begin discussion in these areas.

The Roundtable members discussed the policy goals as they were presented, and there were a lot of different opinions among the members. Some had strong concerns with the language or intent of the document.

**Other Business**

The State of the River Meeting took place immediately after the Roundtable meeting.

**Next Meeting**

The next regular meeting of the Gunnison Basin Roundtable will be at 4:00 p.m. on Monday, August 1, 2016, at the Holiday Inn Express in Montrose.

**Adjourn**

There being no further business to come before the Roundtable, the meeting adjourned at 5:39 p.m.

A handwritten signature in black ink, appearing to be 'MB' with a stylized flourish.

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Mike Berry, Recorder

**Action Items**

Kathleen Curry and John McClow will look into and follow up on advocating for legislation next year to straighten out the severance tax deduction issue. This item will be on the next agenda.

The Project Screening Committee will discuss limiting of basin-only funding to \$30,000 to \$40,000 and requesting the applicant match at least 40% of the total cost. This item will be on the next agenda.