



# COLORADO

## Colorado Water Conservation Board

Department of Natural Resources

John W. Hickenlooper  
Governor

Robert Randall  
DNR Executive Director

James Eklund  
CWCB Director

### **FINAL**

## **Summary Minutes and Record of Decisions**

### **September 20 - 22, 2016**

## **Finance Committee Meeting and Board Meeting**

The Finance Committee meeting and the regular Board meeting of the Colorado Water Conservation Board (CWCB) convened at the Lodge and Spa at Cordillera located at 2205 Cordillera Way, Edwards, CO 81632. The Finance Committee meeting was called to order by Chair Russell George. Ten voting members were present at the call to order, so a quorum was present (at least 6 required). Voting members present were: Russell George, April Montgomery, Patricia Wells, Ty Wattenberg, Jay Gallagher, Travis Smith, John McClow, Jim Yahn, and Alan Hamel. Ex-officio voting member Robert Randall, Executive Director, Department of Natural Resources, was present. Non-voting ex officio members present or represented were: Laura Chartrand, Deputy Attorney General, Natural Resources and Environment Section, Colorado Department of Law and James Eklund, Director, Colorado Water Conservation Board.

On the second day, the regular Board meeting was called to order by Chair Russell George. Nine voting members were present at the call to order, so a quorum was present (at least 6 required). Voting members present were: Russell George, April Montgomery, Ty Wattenberg, Jay Gallagher, Travis Smith, John McClow, Patricia Wells, Jim Yahn, and Alan Hamel. Ex-officio voting member Robert Randall, Executive Director, Department of Natural Resources, was not present. Non-voting ex officio members present or represented were: John Stulp, Director, Interbasin Compact Committee; Laura Chartrand, Deputy Attorney General, Natural Resources and Environment Section, Colorado Department of Law; Chris Wiseman, Deputy Commissioner, Colorado Department of Agriculture; Lauren Ris, Assistant Director for Water, Colorado Department of Natural Resources; Kevin Rein, State Engineer, Colorado Division of Water Resources; and James Eklund, Director, Colorado Water Conservation Board.

On the third day, the regular Board meeting was called to order by Chair Russell George. Nine voting members were present at the call to order, so a quorum was present (at least 6 required). Voting members present were: Russell George, April Montgomery, Ty Wattenberg, Jay Gallagher, Travis Smith, John McClow, Patricia Wells, Jim Yahn, and Alan Hamel. Ex-officio voting member Robert Randall, Executive Director, Department of Natural Resources, was not present. Non-voting ex officio members present or represented were: Laura Chartrand, Deputy Attorney General, Natural Resources and Environment Section, Colorado Department of Law; Lauren Ris, Assistant Director for Water, Colorado Department of Natural Resources; Kevin Rein, State Engineer, Colorado Division of Water Resources; and James Eklund, Director, Colorado Water Conservation Board.



*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.*

## **Tuesday, September 20, 2016**

### **1. Opening Comments**

- 1. Review Agenda*
- 2. 2016 Projects Bill*
- 3. Past Funds Performance Graphs*
- 4. Projections and Budget*
- 5. Funds Available for Non-Reimbursable Investments - Policy #13*

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

### **2. Non-Reimbursable Project Investment (NRI) Applications**

- 1. Flood & Drought Response Fund - Refresh*

**Action:** The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

- 2. Colorado Floodplain Map Modernization Program*

**Action:** The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

- 3. Satellite Monitoring/Maintenance Program*

**Action:** The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

- 4. Weather Modification Permitting Program*

**Action:** Presentation by CWCB staff member Joe Busto. The Committee recommended an increase in staff's request for funds. Staff will provide an updated budget at the November Board meeting.

- 5. Litigation Fund Budget - Refresh*

**Action:** The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

- 6. CDSS Operation and Maintenance*

**Action:** Presentation by CWCB staff member Andy Moore. The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

### *7. Colorado Mesonet Project*

**Action:** Presentation by CWCB staff member Rebecca Mitchell. The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

### *8. Tech Assist. for Federal Irrigation Improvement Cost-sharing*

**Action:** Presentation by CWCB staff member Steve Miller. The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

### *9. Colorado Water Loss Control Initiative*

**Action:** Presentation by CWCB staff member Rebecca Mitchell. The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

### *10. Water Forecasting Partnerships Project*

**Action:** Presentation by CWCB staff member Joe Busto. The Committee recommended staff to add \$200,000.00 to the request for remote sensing data collection for hydrologic modeling.

### *11. Feasibility Study Small Grant Fund Increase*

**Action:** Presentation by CWCB staff member Anna Mauss. The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

### *12. Fish & Wildlife Resources Fund (122.2) - Refresh*

**Action:** Presentation by CWCB staff member Chris Sturm. The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

### *13. Alternative Agricultural Transfer Methods (ATMs) Grant Program*

**Action:** Presentation by CWCB staff member Craig Godbout. The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

### *14. Severance Tax Perpetual Base Fund - Water Plan Funding (Water Supply Reserve Fund - Supplemental Funding , Watershed Restoration Program, and Water Plan Implementation)*

**Action:** Presentation by CWCB staff member Kirk Russell. The Committee approved staff recommendation for the Board to consider approval at the November Board meeting.

**General Action for agenda item #2:** The Committee directed staff to determine which NRI project should be presented en bloc and which projects should be presented individually for further discussion.

## **3. Project Funding Update and Discussion**

### *1. Rio Grande Cooperative Project*

**Action:** Presentation by CWCB staff member Kirk Russell and Director Smith. The Committee approved staff recommendation for the Board to consider approval of advancing the request for an additional \$10 million at the November Board meeting.

*2. Arkansas Valley Conduit Project*

**Action:** Presentation by CWCB staff member Kirk Russell and Director Hamel. This was an informational item only, no Committee action was required.

*3. Windy Gap Firing Project*

**Action:** Presentation by CWCB staff member Kirk Russell and Mike Brod, Director, Water Resource and Power Development Authority. This was an informational item only, no Committee action was required.

*4. Loan Guarantee Fund*

**Action:** Presentation by CWCB staff member Kirk Russell. This was an informational item only, no Committee action was required.

**4. Discussion regarding changes to Statutes, Policies and Procedures of CWCB**

*1. Allowable Loan Amount - Change to Financial Policy #11*

**Action:** Presentation by CWCB staff member Anna Mauss. This was an informational item only, no Committee action was required.

*2. Dredging Application and Guidelines*

**Action:** Presentation by CWCB staff member Derek Johnson. This was an informational item only, no Committee action was required.

*Recommendation from Directors Yahn and Wells: The guidelines should be broadened to include funding of dredging engineering feasibility studies.*

*3. WSRF Criteria & Guidelines - Changes*

**Action:** This was an informational item only, no Committee action was required.

**5. Miscellaneous Funding Discussion**

**Action:** This was an informational item only, no Committee action was required.

- 1. Aquatic Nuisance Species Funding*
- 2. Reg 84 (Reuse) and Reg 86 (Graywater) - Rule Making Process Funding*
- 3. Other*

**ADJOURN**

The Chair, Russell George, adjourned the September 2016 Finance Committee meeting.

## **Wednesday, September 21, 2016 - Thursday, September, 22, 2016**

### **1. Review and Approve Agenda**

**Action:** A motion to approve the agenda with amendments as provided by James Eklund, was made by Travis Smith, which was seconded by John McClow. The motion was approved unanimously (9-0).

*Amendments from Director Eklund: Agenda item #20 was removed from the agenda.*

### **2. Review and Approve July 20-21, 2016 Board Meeting Minutes**

**Action:** A motion to approve the agenda with amendments as provided by Jim Yahn, was made by Jim Yahn, which was seconded by Jay Gallagher. The motion was approved unanimously (9-0).

*Amendments from Director Yahn: A report was given for agenda item #18e.*

### **3. Approve and/or Remove Consent Agenda Items**

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

#### **1. 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 and to protect CWCB's exclusive authority to hold instream flow water rights in the following water court cases:*

- a. Case No. 15CW3001 (Water Division 2) : Application of City of Colorado Springs*
- b. Case No. 10CW0036 (Water Division 3) : Application of Timothy N. Lovato and Lori S. Lovato*
- c. Case No. 16CW3035 (Water Division 4) : Application of L&D Ranches, LLC, A Colorado Limited Liability Company*
- d. Case No. 16CW3047 (Water Division 4) : Application of Specie Wilderness Water, LLC*
- e. Case No. 16CW3037 (Water Division 5) : Application of YMCA of the Rockies*
- f. Case No. 16CW3040 (Water Division 5) : Application of Everist Materials, LLC and the Town of Silverthorne*

#### **2. Flood Plain Designations Watershed and Flood Protection Section**

- a. *"Flood Hazard Area Delineation, Happy Canyon Creek",  
by Muller Engineering Company, dated July 2014*
- b. *"Flood Hazard Area Delineation, Box Elder Creek  
(downstream of Jewell Avenue) and Coyote Run", by Olsson Associates,  
dated December 2014*
- c. *"Flood Hazard Area Delineation, Coal Creek (East Yale Avenue to East County Line  
Road)", by Matrix Design Group, dated August 2014*
- d. *"Flood Hazard Area Delineation, Newlin Gulch", by Muller Engineering Company,  
dated November 2015*
- e. *"Flood Hazard Area Delineation, Coal Creek and Rock Creek", by RESPEC Consulting  
and Services, dated November 2014f.*
- f. *"South Platte River Watershed, Phase II Hydrologic Evaluation, by URS, dated August  
2015*

3. **Amendment to the Southern Delivery System (SDS) Fish and Wildlife Mitigation Plan**

4. **New Prequalification Loans**  
*Finance Section*

- a. *Upper Platte & Beaver Canal Company - Upper Platte & Beaver / Deuel &  
Snyder Diversion Dam*

**4. Proposed Board Meeting Dates in 2017**

- a. January 23 & 24      Denver Tech Center
- b. March 22 & 23      South Platte Basin
- c. May 17 & 18      Southwest Basin
- d. July 19 & 20      Gunnison Basin
- e. September 19 - 21      North Platte Basin
- f. November 15 & 16      Denver Metro Area

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

**5. Future Board Meeting Dates in 2016**

- a. November 16 & 17      Denver

**6. Directors' Reports**

- a. Department of Natural Resources Executive Director

Action: Report by Lauren Ris, Assistant Director for Water, Colorado Department of Natural Resources. 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, Deputy Commissioner, Colorado Department of Agriculture. 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 Kevin Rein, Deputy State Engineer, Colorado Division of Water Resources. This was an informational item only. No Board action was required.

**f. Division of Parks and Wildlife**

**Action:** No report was given. No Board action was required.

**g. Water Resource and Power Development Authority**

**Action:** No report was given. No Board action was required.

**7. Colorado Water Conservation Board Strategic Planning**

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

**8. Request for Approval of Stipulation and Potential Final Action on Upper and Lower Willow Creek Instream Flow Appropriations**  
*Stream and Lake Protection Section*

**Action:** Report by CWCB staff member, Jeff Baessler. Jay Skinner, Instream Flow Specialist, Colorado Parks and Wildlife, addressed the Board. A motion to approve the staff recommendation with amendments as provided by CWCB staff member Jeff Baessler, was made by Jay Gallagher, which was seconded by Alan Hamel. 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 26, 2016 Board meeting.

(1) Determine, pursuant to section 37-92-102(3), C.R.S. (2015), and based upon the recommendations of 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 26, 2016 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, and to include the terms and conditions contained in Staff's stipulation with the City in the water court applications and decrees for these ISF appropriations.

*Amendments from CWCB staff member Jeff Baessler: Staff recommendation #3 to read: "Direct staff to request the Attorney General's Office to file the necessary water rights applications."*

## **9. Attorney General's Report, Legal Briefing, and Executive Session**

**Action:** Report by Laura Chartrand, Deputy Attorney General, Natural Resources and Environment, Colorado Department of Law. This was an informational item only. No Board action was required.

## **10. Executive Session**

**Action:** Under the Colorado Open Meetings Act, C.R.S. Section 24-6-402(3)(a)(II), a motion was made by Patricia Wells for the Board to go into executive session for the discussion of agenda items 10.a. through 10.h. The motion was seconded by Jim Yahn. The motion was approved unanimously (9-0).

- a. Requests for Administration of Instream Flow Water Rights
- b. Appropriation of Return Flows in Water Rights Cases
- c. Animas La Plata Project
- d. Colorado River Matters
- e. Rio Grande
- f. Republican River
- g. Bear Creek
- h. Windy Gap Connectivity Channel

## **11. Report from Executive Session**

**Action:** Report by Laura Chartrand, Deputy Attorney General, Natural Resources and Environment, Colorado Department of Law, 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 10.a. through 10.h.,



and that the discussion was limited to those items only, with no action taken.

## **12. Basin Directors' Report**

### **Colorado River (Mainstem) 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 Jim Yahn. 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.

**13. Bureau of Land Management (BLM)'s Uncompahgre Field Office (UFO)**  
**Recommendations on Suitability for the National Wild and Scenic Rivers System (NWSRS)**

*Interstate, Federal, and Water Information Section*

**Action:** Report by CWCB staff members, Linda Bassi and Suzanne Sellers. Mike Preston, General Manager, Dolores Water Conservancy District; Steve Smith, Contract Representative, American Rivers; Peter Mueller, former member of Bureau of Land Management's (BLM) Colorado South West Resource Advisory Committee; and Roy Smith, Water Rights Specialist, BLM addressed the Board. A motion to approve the staff recommendation with amendments as provided by John McClow, was made by Jim Yahn, which was seconded by April Montgomery. The motion was approved unanimously (9-0).

*Amendments from Director McClow: Requested to adopt option B in the proposed clean draft letter sent to the Board on September 16th with the following revisions to the indented paragraph on Page 3:*

*DELETE: "The BLM recognizes that Montrose County secured these water rights to meet future demands. To avoid conflicts with any applicable suitability requirements, the BLM commits to working with Montrose County on water supply project design and mitigation features."*

*REPLACE WITH: ", or a limitation that would result in Montrose County being unable to meet its water supply needs with the Montrose County Firming Project."*

**14. Chatfield Environmental Pool**

**Action:** Report by DNR staff member Lauren Ris. Devon Buckels, Director of The Water Connection; Bart Miller, Healthy Rivers Program Director, Western Resource Advocates; and Tim Feehan, General Manager, Chatfield Reservoir Mitigation Co. addressed the Board. A motion to approve the staff recommendation was made by John McClow, which was seconded Patricia Wells. The motion was approved unanimously (9-0).

**Staff Recommendation:** Staff recommends that the Board approve the re-purposing of 600 acre-feet of CWCB owned storage space in the Chatfield Reservoir Reallocation Project for environmental and recreational purposes as part of a larger environmental pool in the Project.

**15. Financial Matters - Construction Fund and Severance Tax Perpetual Base Fund**  
*Finance Section*

- a. Projections and Cash Management Report

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

**16. Water Project Loans**  
*Finance Section*

- a. Larimer and Weld Irrigation Company- Headgate Structure Replacement

**Action:** Report by CWCB staff member Jonathan Hernandez. Mayo Sommermeyer, General Counsel, Larimer and Weld Irrigation Co. addressed the Board. A motion to approve the staff recommendation was made by Patricia Wells, which was seconded by Jim Yahn. The motion was approved unanimously (9-0).

**Staff Recommendation:** Staff recommends the Board approve a loan not to exceed \$681,750 (\$675,000 for Project costs and \$6,750 for the 1% service fee) to the Larimer and Weld Irrigation Company, for costs related to the Headgate Structure Replacement Project, from the Construction Fund. The loan terms shall be 30 years at a blended interest rate of 1.50% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

**17. Water Project Loans and Water Supply Reserve Fund (WSRF) Grants**  
*Finance Section*

- a. Grand Valley Water Users Association - Government Highline Canal Lining

**Action:** Report by CWCB staff member Anna Mauss. Mark Harris, General Manager, Grand Valley Water Users Association addressed the Board. A motion to approve the staff recommendation was made by John McCloy, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

**Staff Recommendation for CWCB Loan:**

Staff recommends the Board approve a loan not to exceed \$151,500 (\$150,000 for Project costs and \$1,500 for the 1% service fee) to the Grand Valley Water Users Association, for costs related to the Government Highline Canal Lining Project, from the Construction Fund. The loan terms shall be 30 years at a blended interest rate of 1.55% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

**Staff Recommendation for WSRF Grant:**

Staff recommends approval of up to \$285,000 from the Statewide Account and \$15,000 from the Colorado Basin Account to the Grand Valley Water Users Association for costs related to the Government Highline Canal Lining Project.

**18. Water Plan Implementation**  
*Water Supply Planning Section*

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

## 19. Water Supply Reserve Fund (WSRF)

### *Water Supply Planning Section*

WSRF Applications for Consideration at the CWCB September 2016 Board Meeting			
	Basin	Applicant	Name of Water Activity
a.	Metro and South Platte	Lower South Platte Water Conservancy District	South Platte River Storage Study (HB16-1256)
<p><b>Action:</b> Presentation by CWCB staff member Andy Moore. A motion to approve the staff recommendation was made by Jim Yahn, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$211,168 from the Statewide Account to fund the project titled: HB16-1256 South Platte Storage Study.</p>			
b.	Colorado, Gunnison, Rio Grande, and Southwest	Center for Snow and Avalanche Studies	Dust on Snow Monitoring Study
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Jeff Derry, Executive Director, Center for Snow and Avalanche Studies, addressed the Board. A motion to approve the staff recommendation was made by April Montgomery, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$2,500 from the Rio Grande Basin Account; \$2,500 from the Colorado Basin Account; \$2,500 from the Gunnison Basin Account; \$2,500 from the Southwest Basin Account; and \$140,000 from the Statewide Account to help fund the Study titled: Colorado Dust-on-Snow Project.</p>			
c.	Arkansas	Huerfano County Water Conservancy District	Arkansas BIP Coordinator - Phase 2
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Gary Barber, current Arkansas BIP Coordinator, Huerfano County 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 (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$20,267 from the Arkansas Basin Account; and \$40,533 from the Statewide Account to help fund the project titled: Arkansas Roundtable BIP Coordinator - Phase 2.</p>			

d.	Arkansas	St. Charles Mesa Water District	Long-term Water Supply for Zinno Subdivision
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Daniel Molello, President of the Zinno Water User's Association and Jay Winner, General Manager, 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 Patricia Wells. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends <b>conditional</b> approval of up to \$25,000 from the Arkansas Basin Account; and \$50,000 from the Statewide Account to help fund the project titled: Long-term Potable Water Supply to Zinno Subdivision (contingent upon the resolution of legal issues associated with the water provider transition).</p>			
e.	Arkansas	Fountain Creek Watershed Flood Control and Greenway District	Feasibility Study of Flood Control Alternatives for Fountain Creek
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Larry Small, Executive Director, Fountain Creek Watershed Flood Control and Greenway District, addressed the Board. A motion to approve the staff recommendation was made by Alan Hamel, which was seconded by Patricia Wells. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$21,200 from the Arkansas Basin Account; and \$72,100 from the Statewide Account to help fund the project titled: Feasibility Study of Flood Control Alternatives for Fountain Creek.</p>			
f.	Arkansas	Fort Lyon Canal Company	Adobe Creek Dam Seepage Evaluation (Ft Lyon)
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Phil Hemphill, Vice President, Fort Lyon Canal Company, addressed the Board. A motion to approve the staff recommendation as provided by CWCB staff member Craig Godbout was made by Alan Hamel, which was seconded by Ty Wattenberg. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$5,000 from the Arkansas Basin Account; and \$45,000 from the Statewide Account to help fund the project titled: Adobe Creek Dam Seepage Evaluation.</p>			
g.	Arkansas	Lower Arkansas Valley Water Conservancy District & Fort Lyons Rule 10 Association	Phase 2 of Tailwater Return Flow Study of Fort Lyon Canal
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Jay Winner, General Manager, 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 (9-0).</p>			

<b>Staff Recommendation:</b> Staff recommends approval of up to \$26,000 from the Arkansas Basin Account; and \$148,796 from the Statewide Account to help fund the project titled: Phase 2 of Tailwater Return Flow Study of Fort Lyon Canal.			
h.	Arkansas	Upper Arkansas Water Conservancy District	Groundwater and Surface Water Interactions and Potential for Underground Storage
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Terry Scanger, Manager of the Upper Arkansas Water Conservancy District addressed the Board. A motion to approve the staff recommendation as provided by CWCB staff member Craig Godbout was made by Alan Hamel, which was seconded by Travis Smith. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$50,000 from the Arkansas Basin Account; and \$256,618 from the Statewide Account to help fund the project titled: Groundwater and Surface Water Interactions and Potential for Underground Storage.</p>			
i.	Arkansas	Holbrook Mutual Irrigation Company	Holbrook Reservoir #1 Outlet Flow Measurement Upgrade, Phase I
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Nick Koch, Engineer, Holbrook Mutual Irrigation Company, addressed the Board. A motion to approve the staff recommendation was made by Alan Hamel, which was seconded by Jay Gallagher. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$10,000 from the Arkansas Basin Account; and \$20,000 from the Statewide Account to help fund the project titled: Holbrook Reservoir #1 Outlet Flow Measurement Upgrade, Phase 1.</p>			
j.	Colorado	Trout Unlimited	Ware and Hinds Fish Passage Project
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Richard Van Gytenbeek, Colorado River Basin Outreach Coordinator, Trout Unlimited, addressed the Board. A motion to approve the staff recommendation was made by John McClow, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$31,750 from the Arkansas Basin Account; and \$31,750 from the Statewide Account to help fund the project titled: Ware and Hinds Fish Passage Project.</p>			
k.	Gunnison	Fire Mountain Canal and Reservoir Company	Fire Mountain Canal Piping Project
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Dixie Luke, President of the Fire Mountain Canal Company; Dave Kanzer, Deputy Chief Engineer, Colorado River District; Steve Fletcher, Superintendent, Fire Mountain Canal and Reservoir Company; and Beth Karberg, Lower Gunnison Basin Salinity Coordinator, Colorado Department of Agriculture, addressed the Board. A</p>			

motion to approve the staff recommendation was made by John McClow, which was seconded by Jim Yahn. The motion was approved unanimously (9-0).

**Staff Recommendation:** Staff recommends approval of up to \$60,000 from the Gunnison Basin Account; and \$60,000 from the Statewide Account to help fund the project titled: Fire Mountain Canal Piping Project.

l.	Gunnison	Orchard Ranch Ditch Company	Orchard Ranch Piping Project
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Paul Kehmeier, Vice President, Orchard Ranch Ditch Co., addressed the Board. A motion to approve the staff recommendation was made by John McClow, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> 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: Orchard Ranch Ditch Company Pipe Project.</p>			
m.	Rio Grande	Trout Unlimited	San Luis Valley Wetland Wildlife Conservation Assessment
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Jenny Nehring and Cary Aloia, Wetland Dynamics, LLC., addressed the Board. 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).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$39,000 from the Rio Grande Basin Account to help fund the project titled: San Luis Valley Wetland Wildlife Conservation Assessment.</p>			
n.	North Platte	Crosby Creek Ranch	Stambaugh Reservoir Outlet Repair
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Scott Hoffner, Owner, Crosby Creek Ranch, addressed the Board. A motion to approve the staff recommendation was made by Ty Wattenberg, which was seconded by John McClow. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$29,200 from the North Platte Basin Account to help fund the project titled: Stambaugh Reservoir Outlet Repair.</p>			
o.	South West	La Plata Water Conservancy District	Joseph Freed & Red Mesa Headgate and Ditch Improvement Project
<p><b>Action:</b> Presentation by CWCB staff member 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 (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$55,000 from the Southwest Basin Account to help fund the project titled: Joseph Freed &amp; Red Mesa Headgate and Ditch</p>			

Improvement Project.				
p.	South West	Spring Creek Extension Ditch Company	Spring Creek Ditch Siphon Replacement	
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. A motion to approve the staff recommendation was made by April Montgomery, which was seconded by Jay Gallagher. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$29,000 from the Southwest Basin Account to help fund the project titled: Spring Creek Ditch Siphon Replacement.</p>				
q.	South West	King Consolidated Ditch Company	Gaging Station with Telemetry	
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. A motion to approve the staff recommendation was made by April Montgomery, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$12,100 from the Southwest Basin Account to help fund the project titled: Automated Gauging Station with Satellite Telemetry.</p>				
r.	South West	The Nature Conservancy	Wines Ditch Diversion Evaluation	
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. Celene Hawkins, Western CO Water Program Manager, The Nature Conservancy and Mark Hamilton, Partner, Holland &amp; Hart, 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 (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$40,000 from the Southwest Basin Account; and \$25,000 from the Statewide Account to help fund the project titled: Wines Ditch Diversion Evaluation.</p>				
s.	South West	Sullivan Ditch Company	Sullivan Ditch Repair Project	
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. A motion to approve the staff recommendation was made by April Montgomery, which was seconded by Jim Yahn. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of up to \$27,298 from the Southwest Basin Account to help fund the project titled: Sullivan Ditch Repair Project.</p>				
WSRF Change of Fiscal Agent for Consideration at the CWCB September 2016 Board Meeting				
Item	Basin	Original Fiscal Agent	New Fiscal Agent	Name of Water Activity



t.	Arkansas	Purgatoire River Water Conservancy District	Huerfano County Water Conservancy District	Ditch Infrastructure Repair Project
<p><b>Action:</b> Presentation by CWCB staff member Craig Godbout. A motion to approve the staff recommendation was made by Alan Hamel, which was seconded by Jim Yahn. The motion was approved unanimously (9-0).</p> <p><b>Staff Recommendation:</b> Staff recommends approval of in Change of Fiscal Agent from Purgatoire River Water Conservancy District to the Huerfano County Water Conservancy District for the project titled: Ditch Infrastructure Repair Project.</p>				

## **20. South Metro Water Supply Authority's (SMWSA) 2016 Master Plan update**

*This item was removed from the agenda.*

## **21. HB15-1178 Dewatering Grant Application from Pawnee Ridge HOA, Sterling**

*Interstate, Federal, and Water Information Section*

**Action:** Report by CWCB staff member Erik Skeie. Gene Thim, Pawnee Ridge Homeowner's Association, addressed the Board. A motion to approve the staff recommendation was made by Jim Yahn, which was seconded by Alan Hamel. The motion was approved unanimously (9-0).

**Staff Recommendation:** CWCB staff have reviewed the application and it meets the grant program criteria and guidelines as approved by the Board in July 2015. CWCB staff recommends that the Board approve, with conditions if necessary, this HB 15-1178 emergency dewatering grant request from the Pawnee Ridge HOA for up to \$128,407.

## **22. Water Supply Reserve Fund (WSRF) Criteria and Guidelines**

*Water Supply Planning Section*

**Action:** Report by CWCB staff member Craig Godbout. A motion to approve the staff recommendation with amendments as provided by John McClow, was made by John McClow, which was seconded Jim Yahn. The motion was approved unanimously (9-0).

**Staff Recommendation:** Staff recommends approval of 2016 WSRF Criteria and Guidelines as presented to the CWCB Board.

*Amendments from Director McClow: Requested revising "should" to "must" under Application Process; Roundtable Recommendations in reference to a written conflict of interest policy of the Roundtables on Page 5 of the 2016 WSRF Criteria and Guidelines.*

*DELETE: “However, since the WSRF involves public funds, each Roundtable **should** have an evaluation process that includes a written conflict of interest policy.”*

*REPLACE WITH: “However, since the WSRF involves public funds, each Roundtable **must** have an evaluation process that includes a written conflict of interest policy.”*

**23. Irrigator of the Lands in the Vicinity of Kremmling (ILVK) Upper Colorado River Irrigation and Restoration Project & Colorado Headwaters Project**

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

**ADJOURN**

The Chair, Russell George, adjourned the September 2016 regular Board meeting.