



# COLORADO

## Colorado Water Conservation Board

Department of Natural Resources

John W. Hickenlooper  
Governor

Robert Randall  
DNR Interim Executive  
Director

James Eklund  
CWCB Director

## Final Summary Minutes and Record of Decisions March 22 - 23, 2017 Board Meeting

A regular meeting of the Colorado Water Conservation Board (CWCB) convened at the Greeley Guest House, located at 5401 West 9<sup>th</sup> Street, Greeley, CO 80634. The meeting was called to order by Chair Russell George. Six voting members were present at the call to order, so a quorum was present (at least 6 required). Voting members present were: Russell George, Patti Wells, Ty Wattenberg, Jay Gallagher, Jim Yahn and John McClow (Alan Hamel, April Montgomery, and Travis Smith joined via telephone). Ex-officio voting member Robert Randall, Executive Director of the Department of Natural Resources, was present. Non-voting ex officio members present or represented were John Stulp, Director of the IBCC; Laura Chartrand, Deputy Attorney General, Colorado Department of Natural Resources and Environment Section, Bob Broscheid, Director of Colorado Parks and Wildlife, and James Eklund, Colorado Water Conservation Board Director.

On the second day, the meeting was called to order by Chair Ty Wattenberg. Six voting members were present at the call to order, so a quorum was present (at least 6 required). The six voting members present were: Russell George, Ty Wattenberg, Jay Gallagher, Jim Yahn, John McClow, and Patti Wells (Alan Hamel joined later via telephone). Ex-officio voting member Robert Randall, Executive Director of the Department of Natural Resources, was present. Non-voting ex officio members present or represented were John Stulp, Director of the IBCC; Laura Chartrand, Deputy Attorney General, Colorado Department of Natural Resources and Environment Section, 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.*



## **1. Board Reappointment & Election of Officers**

**Action:** A motion to elect Ty Wattenberg to Chair was made by John McCLOW, which was seconded by Jay Gallagher. The motion was approved unanimously (7-0).

A motion to elect Patti Wells to Vice-Chair was made by Jay Gallagher, which was seconded by John McCLOW. The motion was approved unanimously (7-0).

## **2. Review and Approve Agenda**

**Action:** A motion to approve the agenda was made by John McCLOW, which was seconded by Jay Gallagher. The motion was approved unanimously (7-0).

## **3. Review and Approve January 25 - 26, 2016 Board Meeting Minutes**

**Action:** A motion to approve the minutes was made by Patti Wells, which was seconded by Jim Yahn. The motion was approved unanimously (7-0).

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

**Action:** A motion to approve the Consent Agenda was made by Patti Wells, which was seconded by Jay Gallagher. The motion was approved unanimously (7-0).

### **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. 16CW3193, Water Division 1, Application of USA - Bureau of Reclamation
- b. Case No. 16CW3076, Water Division 2, Application of Southeastern Colorado Water Conservancy District
- c. Case No. 16CW3079, Water Division 2, Application of Southeastern Colorado Water Conservancy District
- d. Case No. 16CW0027, Water Division 2, Application of Music Meadows LLC
- e. Case No. 16CW3101, Water Division 2, Application of Town of Buena Vista
- f. Case No. 16CW3103, Water Division 2, Application of Pueblo Board of Water Works
- g. Case No. 16CW3022, Water Division 3, Application of Town of Del Norte
- h. Case No. 16CW3024, Water Division 3, Application of City of Monte Vista
- i. Case No. 16CW3085, Water Division 4, Application of Town of Crested Butte
- j. Case No. 16CW3086, Water Division 4, Application of Town of Crested Butte
- k. Case No. 16CW3097, Water Division 4, Application of Moonrise Enterprise, LLC
- l. Case No. 16CW3144, Water Division 5, Application of Vail Summit Resorts, Inc.

- m. Case No. 16CW3164, Water Division 5, Application of Redstone Water & Sanitation District*
- n. Case No. 16CW3169, Water Division 5, Application of Powdr - Copper Mountain LLC*
- o. Case No. 16CW3177, Water Division 5, Application of Crawford Properties, LLC*
- p. Case No. 16CW3181, Water Division 5, Application of Juniper Family Investment, LLC*
- q. Case No. 16CW3182, Water Division 5, Application of Eagle Springs Golf Club*
- r. Case No. 16CW3039, Water Division 6, Application of Donald Lee Johnson*
- s. Case No. 16CW3042, Water Division 6, Application of Elk Creek Ranch Owners Association*
- t. Case No. 16CW3055, Water Division 7, Application of Charles L. Mooney*

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

- a. May 17 & 18                      Pagosa Springs
- b. July 19 & 20                      Crested Butte
- c. September 19 - 21              Walden
- d. 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 Robert Randall. 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: No report given. 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: No report given. No Board action was required.

- f. Division of Parks and Wildlife

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

g. Water Resource and Power Development Authority

Action: Report by Mike Brod. This was an informational item only. No Board action was required.

**7. South Platte River Easement Request - Stormwater Piping Project, City of Englewood**

*Watershed and Flood Protection Section*

Action: Report by CWCB staff member Joe Busto. A motion to approve the staff recommendation was made by Patti Wells, which was seconded by Jim Yahn. The motion was approved unanimously (7-0).

Staff recommendation: Approve the City of Englewood request for a 25-year non exclusive easement for the Big Dry Creek Diversion Structure Project in Englewood, Colorado. Using Method II and Method III fee considerations, the Board recommends staff collect a \$33,903 fee. The Board further directs staff to work with the Attorney General's Office and Englewood to prepare easement documents for Director signature.

**8. Colorado Hazard Mapping Program Coordination Efforts**

*Watershed and Flood Protection Section*

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

**9. Floodplain Designation, "Hydrologic Analysis of Fall River, Upper Big Thompson River, Black Canyon Creek & Dry Gulch, Estes Park, Colorado," by Wright Water Engineers, Inc**

*Watershed and Flood Protection Section*

Action: Report by CWCB staff member Kevin Houck. A motion to approve the staff recommendation was made by Russell George, which was seconded by Jim Yahn. The motion was approved unanimously (7-0).

Staff recommendation: Staff recommends that the Board: 1) designate and approve the 100-year and 500-year hydrologic information contained in said report for Fall River, Big Thompson River, Black Canyon Creek, and Dry Gulch within the Town of Estes Park and Larimer County, and 2) authorize staff to prepare a floodplain resolution to be signed by the Director and transmitted to the Town of Estes Park, Larimer County, and FEMA. This action is recommended in order to meet statutory requirements.

**10. Colorado's Water Plan and Statewide Water Supply Initiative (SWSI) Update**

### *Water Supply and Planning Section*

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

#### **11. 2017 Water Projects Bill Update**

##### *Finance Section*

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

#### **12. Open Water Foundation - Progress Update on CWCB Data and Visualization Products**

##### *Water Supply and Planning Section*

**Action:** Report by CWCB staff member Greg Johnson. Steve Malers, Open Water Foundation, addressed the Board. This was an informational item only. No Board action was required.

#### **13. Reservoir Dredging Grants**

##### *Finance Section*

- a. Jackson Lake Reservoir and Irrigation Company - Jackson Lake Dredging Feasibility Study

**Action:** Report by CWCB staff member Derek Johnson. A motion to approve the staff recommendation for the CWCB grant was made by Jim Yahn, which was seconded by Russell George. The motion was approved unanimously (7-0).

**Staff recommendation:** Staff recommends the Board approve a grant covering 50% of project costs not to exceed \$24,378 to the Jackson Lake Reservoir and Irrigation Company for the Jackson Lake Dredging Feasibility Study Project from the CWCB Reservoir Dredging Grant Program.

#### **14. City of Greeley - Water Budget Program**

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

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

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

#### **16. (i) Executive Session**

**Action:** Under the Colorado Open Meetings Act, C.R.S. Section 24-6-402(3)(a)(II), a motion was made by Patti Wells for the Board to go into executive session for the discussion of agenda items 16.a. through 16.e. The motion was seconded by Jim Yahn. The motion was approved unanimously (7-0).

- a. Case No. 15CW3111, Water Division 4 (Application of Colorado Water Conservation Board in Dolores River)
- b. Instream Flow Acquisition Tools
- c. Bear Creek Lake
- d. Rio Grande: First report of the Special Master
- e. Colorado River Issues
  - Drought Contingency Planning in the Upper and Lower Basins
  - Minute 32X
  - System Conservation Pilot Program
- f. Colorado River Compact Compliance
- g. Personnel Matters

#### **16. (ii) Report From Executive Session**

John McClow made a motion for the Board to leave Executive Session, which was seconded by Jim Yahn. The motion was approved unanimously (7-0).

#### **17. Board Discussion of Agenda Item 24(l): Basin Roundtable Technical Study on Colorado River Risk Response Options**

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

#### **18. Basin Directors' Reports**

- a. 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:** No report given.

- 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: No report given.

i. Yampa-White River Basin Director's Report

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

**19. Public Comment on 2017 Instream Flow and Natural Lake Level Recommendations in Water Divisions 1, 2, 4, 5 and 6**

*Stream and Lake Protection Section*

Action: Report given by CWCB staff member Jeff Baessler. This was an informational item only. No Board action was required.

**20. 2017 Instream Flow Recommendations in Water Division 7**

*Stream and Lake Protection Section*

Action: Report and recommendation given by CWCB staff member Jeff Baessler. Mary Beth Gustafson, Forest Service representative, addressed the Board. Beth Van Vurst, Southwestern Water Conservancy District, 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 unanimously (8-0).

Staff recommendation: Staff recommends that the Board:

1. Pursuant to ISF Rule 5d., declare its intent to appropriate an ISF water right on each stream segment listed on the attached Tabulation of Instream Flow Recommendations.
2. Direct Staff to publicly notice the Board's declaration of its intent to appropriate.
3. Establish the following initial schedule for notice and comment procedure pursuant to ISF Rule 5c.

**21. Notice of Instream Flow and Natural Lake Level Recommendations for 2018**

*Stream and Lake Protection Section*

**Action:** Report given by CWCB staff member Jeff Baessler. This was an informational item only. No Board action was required.

## **22. Colorado Water Trust Annual Update**

### *Stream and Lake Protection Section*

**Action:** Amy Beatie, Executive Director of the Colorado Water Trust, addressed the Board. This was an informational item only. No Board action was required.

## **23. Ruedi Lease Renewal**

### *Stream and Lake Protection Section*

**Action:** Report given by CWCB staff member Michelle Garrison. A motion to approve the staff recommendation was made by John McCLOW, which was seconded by Patti Wells. The motion was approved unanimously (7-0).

**Staff recommendation:** Staff recommends that the Board approve a one-year renewal of the lease of Ruedi water from the Ute Water Conservancy District subject to the following conditions:

1. Staff will present at a public meeting, and receive and consider comments and concerns regarding Ruedi Reservoir operations and the possible impacts of this lease.
2. Releases of Ruedi water under the Water Lease Agreement shall not cause the releases out of Ruedi Reservoir to exceed 300 cfs and shall not cause flows in the Fryingpan River below Ruedi Reservoir to exceed 350 cfs. Staff shall coordinate with the Bureau of Reclamation to ensure that this condition is met.
3. If CWCB and Ute Water desire to renew the Water Lease Agreement after this third year, CWCB staff will notify local stakeholders of the potential renewal and seek input, and will seek the Board's approval for any lease renewal at a regularly scheduled CWCB meeting.
4. CWCB staff shall consult and coordinate weekly with CPW staff on proposed releases to minimize impacts to the fishery on the Fryingpan River below Ruedi Reservoir.

## **24. Water Supply Reserve Fund (WSRF)**

### *Water Supply and Planning Section*

| WSRA Applications for Consideration at the CWCB March 2016 Board Meeting  |          |                                  |  |
|---|----------|----------------------------------|--|
| Item  | Basin(s) | Applicant                        | Name of Water Activity   |
| a.  | Arkansas | Arkansas River Basin Water Forum | Implementing the Education & Outreach Goals of the ArkBIP through Education To Action Projects/Programs over a 3-year Period |
| <b>Action:</b> Report by CWCB staff member Craig Godbout. Chelsey Nutter, Arkansas River Basin Water Forum, addressed the Board. A motion to approve the staff recommendation made by |          |                                  |  |



Alan Hamel, which was seconded by John McClow. The motion was approved unanimously (7-0).

**Staff recommendation:** Staff recommends approval of up to \$8,000 from the Arkansas Basin Account and \$18,000 from the Statewide account to help fund the project titled: Implementing the Education & Outreach Goals of the Arkansas Basin Implementation Plan through Education to Action Projects/Programs.

|    |          |   |  |
|----|----------|---|--|
| b. | Arkansas | Colorado Water Protection and Development Association & Catlin Augmentation Association | Catlin Canal Recharge Pond Demonstration Project |
|----|----------|---|--|

**Action:** Report by CWCB staff member Craig Godbout. Ken Ricken, Colorado Water Protection and Development Association, addressed the Board. A motion to approve the staff recommendation made by Alan Hamel, which was seconded by Jim Yahn. The motion was approved unanimously (7-0).

**Staff recommendation:** Staff recommends approval of up to \$5,000 from the Arkansas Basin Account; and \$30,500 from the Statewide Account to help fund the project titled: Catlin Canal Recharge Pond Demonstration Project

|    |          |  |  |
|----|----------|--|--|
| c. | Colorado | John McConnell Math and Science Center | Advancing K-12 Water Education in Western Colorado |
|----|----------|--|--|

**Action:** Report by CWCB staff member Craig Godbout. A motion to approve the staff recommendation was made by John McClow, which was seconded by Jim Yahn. The motion was approved unanimously (7-0).

**Staff recommendation:** Staff recommends approval of up to \$25,000 from the Colorado Basin Account to help fund the project titled: Advancing K-12 Water Education in Western Colorado.

|    |          |  |                                      |
|----|----------|--|--------------------------------------|
| d. | Colorado | Trout Unlimited & Buckhorn Valley Metropolitan District #1 | Abrams Creek Cutthroat Trout Project |
|----|----------|--|--------------------------------------|

**Action:** Report by CWCB staff member Craig Godbout. Mely Whiting, Trout Unlimited, addressed the Board. Kendall Bakich, local Colorado Parks and Wildlife aquatic biologist, addressed the Board. John Hill, Buckhorn, addressed the Board. A motion to approve the staff recommendation made by John McClow, which was seconded by Jim Yahn. The motion was approved unanimously (7-0).

**Staff recommendation:** Staff recommends approval of up to \$45,000 from the Colorado Basin Account; and \$319,711 from the Statewide Account to help fund the project titled: Abrams Creek Cutthroat Trout Project.

|    |          |              |                         |
|----|----------|--------------|-------------------------|
| e. | Colorado | Grand Valley | Grand Valley Roller Dam |
|----|----------|--------------|-------------------------|

|  |              |                         |  |
|--|--------------|-------------------------|--|
|  |              | Water Users Association | Rehabilitation Phase 2 Master Plan             |
| <p><b>Action:</b> Report by CWCB staff member Craig Godbout. Mark Harris, Grand Valley Water Users Association, addressed the Board. A motion to approve the staff recommendation made by John McCLOW, which was seconded by Jim Yahn. The motion was approved unanimously (7-0).</p> <p><b>Staff recommendation:</b> Staff recommends approval of up to \$50,000 from the Colorado Basin Account to help fund the project titled: Grand Valley Roller Dam Rehabilitation Phase 2 Master Plan.</p> |              |                         |  |
| f.   | Southwest    | Town of Norwood         | Raw Water System                               |
| <p><b>Action:</b> Report by CWCB staff member Craig Godbout. A motion to approve the staff recommendation made by Jim Yahn, which was seconded by Patti Wells. The motion was approved unanimously (7-0).</p> <p><b>Staff recommendation:</b> Staff recommends approval of up to \$50,000 from the Southwest Basin Account to help fund the project titled: Town of Norwood Raw Water System.</p>  |              |                         |  |
| g.   | Southwest    | Montezuma County        | McElmo Flume - Rehabilitation of Wooden Trough |
| <p><b>Action:</b> Report by CWCB staff member Craig Godbout. A motion to approve the staff recommendation made by Jim Yahn, which was seconded by Jay Gallagher. The motion was approved unanimously (7-0).</p> <p><b>Staff recommendation:</b> Staff recommends approval of up to \$20,000 from the Southwest Basin Account to help fund the project titled: Rehabilitate the Wooden Trough of the McElmo Creek Flume.</p>  |              |                         |  |
| h.   | Southwest    | Northstar Horse Rescue  | Little Blanco Highline Ditch Renovation        |
| <p><b>Action:</b> Report by CWCB staff member Craig Godbout. A motion to approve the staff recommendation made by Jim Yahn, which was seconded by Jay Gallagher. The motion was approved unanimously (7-0).</p> <p><b>Staff recommendation:</b> Staff recommends a conditional approval of up to \$7,500 from the Southwest Basin Account to help fund the project titled: Little Blanco Ditch Renovation Project.</p>   |              |                         |  |
| i.   | South Platte | Ducks Unlimited         | Peterson Bend Farm Recharge Project            |
| <p><b>Action:</b> Report by CWCB staff member Craig Godbout. Jason Roudebush, Ducks Unlimited, addressed the Board. A motion to approve the staff recommendation made by Jim Yahn, which was seconded by John McCLOW. The motion was approved unanimously (7-0).</p>   |              |                         |  |

|   |   |  |  |
|---|---|--|--|
| <b>Staff recommendation:</b> Staff recommends <b>conditional</b> approval (contingent upon the applicant satisfying the issues in the <i>Issues/Additional Needs</i> section below) of up to \$46,945 from the South Platte Basin Account; and \$111,177 from the Statewide Account to help fund the project titled: Peterson Farm Ponds Recharge Project.  |   |  |  |
| j.  | South Platte                                  | Colorado School of Mines                   | Designing River Basin Storage Along the Lower South Platte River         |
| <p><b>Action:</b> Report by CWCB staff member Craig Godbout. Andy Burrows, School of Mines, addressed the Board. A motion to approve the staff recommendation made by Jim Yahn, which was seconded by Jay Gallagher. The motion was approved unanimously (7-0).</p> <p><b>Staff recommendation:</b> Staff recommends approval of up to \$39,089 from the South Platte Basin Account; and \$11,841 from the Statewide Account to help fund the project titled: Designing River Basin Storage Along the South Platte River.</p>                       |   |  |  |
| k.  | Yampa/White/Green                             | Rio Blanco Water Conservancy District      | White River Storage Project - Phase 2 Study                              |
| <p><b>Action:</b> Report by CWCB staff member Craig Godbout. Aldan Vander Brink, Rio Blanco Water Conservancy District, addressed the Board. A motion to approve the staff recommendation made by Jay Gallagher, which was seconded by John McClow. The motion was approved unanimously (7-0).</p> <p><b>Staff recommendation:</b> Staff recommends approval of up to \$85,000 from the Yampa/White/Green Basin Account; and \$82,888 from the Statewide Account to help fund the project titled: White River Storage Project - Phase 2A Study.</p> |   |  |  |
| l.  | Colorado/Gunnison/Southwest Yampa/White/Green | Colorado River Water Conservation District | Basin Roundtable Technical Study on Colorado River Risk Response Options |
| <p><b>Action:</b> Report by CWCB staff member Craig Godbout. James Eklund, Director of the Colorado Water Conservation Board, addressed the Board. A motion to approve the staff recommendation made by John McClow, which was seconded by Alan Hamel. The motion was approved unanimously (7-0).</p> <p><b>Staff recommendation:</b> Staff recommends approval of up to \$10,000 from each of the Basin's Accounts to help fund the project titled: Basin Roundtable Technical Study on Colorado River Risk Response Options.</p>                  |   |  |  |

## 25. Spring Climate Outlook

*Watershed and Flood Protection Section & Sr. Climate Change Specialist*

**Action:** Report given by CWCB staff member Taryn Finnessey and Kevin Houck. This was an informational item only. No Board action was required.

## **26. HB15-1178 Emergency Dewatering Grant Fund Update**

### *Interstate, Federal, & Water Information Section*

**Action:** Report given by CWCB staff member Erik Skeie. Trudy Peterson, Town of Gilcrest Administrator, addressed the Board. This was an informational item only. No Board action was required.

## **27. Financial Matters - Construction Fund and Severance Tax Perpetual Base Fund**

### *Finance Section*

- a. Financial Projections and Cash Management Report

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

## **28. Water Project Loans**

### *Finance Section*

- a. North Poudre Irrigation Company - Mountain Supply Reservoir No. 10 Repairs
- b. Town Of Wiggins - Wiggins Recharge Facility at Glassey Farms

**28 (a) Action:** Report given by CWCB staff member Derek Johnson. Tad Moen, North Poudre Irrigation Company, addressed the board. A motion to approve the staff recommendation was made by Jim Yahn, which was seconded by Jay Gallagher. The motion was approved unanimously (8-0).

**Staff recommendation:** Staff recommends the Board approve a loan not to exceed \$499,950 (\$495,000 for Project costs and \$4,950 for the 1% Loan Service Fee) to the North Poudre Irrigation Company for the Mountain Supply Reservoir No. 10 Repairs Project from the Severance Tax Perpetual Base Fund. Loan terms shall be 30 years at the blended rate of 2.50% per annum. Security for the loan shall comply with CWCB Financial Policy #5.

**28 (b) Action:** Report given by CWCB staff member Jonathan Hernandez. Paul Larino, Town of Wiggins Administrator, addressed the board. A motion to approve the staff recommendation was made by Jim Yahn, which was seconded by John McClow. The motion was approved unanimously (8-0).

**Staff recommendation:** Staff recommends the Board approve a loan not to exceed \$2,408,850 (\$2,385,000 for Project costs and \$23,850 for the 1% service fee) to the Town of Wiggins, acting by and through its water activity enterprise, for costs related to the Wiggins Recharge Facility at Glassey Farms Project, from the Severance Tax Perpetual Base Fund. The loan terms shall be 30 years at the municipal low income interest rate of 2.40% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

## **29. Change to Existing Loans**

### *Finance Section*

#### **a. Big Elk Meadows Association - Emergency Raw Water Storage Reconstruction**

**Action:** Report given by CWCB staff member Jonathan Hernandez. Glenn Christensen, Vice President for Big Elk Meadows Association, addressed the Board. A motion to approve the staff recommendation was made by Jim Yahn, which was seconded by Jay Gallagher. The motion was approved unanimously (8-0).

**Staff recommendation:** Staff recommends the Board approve a loan increase of \$505,000 (\$500,000 for Project costs and \$5,000 for the 1% service fee), for a total loan not to exceed \$2,020,000 (\$2,000,000 for Project costs and \$20,000 for the 1% Loan Service Fee) to the Big Elk Meadows Association for costs related to the Emergency Raw Water Storage Reconstruction Project, from the Severance Tax Perpetual Base Fund. The loan terms shall be modified to 6 years of no interest, followed by 30-years at the interest rate of 2.75% 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 restricted account prior to Project Closeout. FEMA grant funds shall only be used for the repayment of rescinded grant funds, Project cost, or to pay down the loan principal.”*

## **30. Aquatic Nuisance Species Program Funding Update**

### *Interstate, Federal, & Water Information Section*

**Action:** Report given by CWCB staff member Michelle Garrison. This was an informational item only. No Board action was required.

## **31. Severance Tax Operational Fund Grants**

### *Finance Section*

**Action:** Report given by CWCB staff Steve Biondo. A motion to approve the staff recommendation was made by John McClow, which was seconded by Jim Yahn. The motion was approved unanimously (8-0).

**Staff recommendation:** Staff recommends that the Board approve the proposed funding for each of the projects from the Severance Tax Operational Fund as summarized as Table 1 to the memo. Recommended projects are numbered 1 - 25 and projects not recommended are numbered 26 - 30.

### **32. BLM Royal Gorge Field Office Draft Wild and Scenic River Suitability Report**

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

**Action:** Report given by CWCB staff member Suzanne Sellers. 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 direct the CWCB Director to prepare and submit a comment letter to the RGFO on behalf of the Board. Further, Staff recommends that the comment letter remain neutral on the subject of suitability until a Wild and Scenic stakeholder group has the opportunity to convene. Finally, Staff recommends that the Board request that the BLM consider modifying any proposed suitable segments to exclude stream reaches adjacent to non-federal land where the land owner has not consented.

#### **Meeting Adjourned**

A motion to adjourn the March 2017 Board meeting was made by John McClow, which was seconded by Jay Gallagher. The motion was approved unanimously (8-0).