



COLORADO

**Colorado Water
Conservation Board**

Department of Natural Resources

Jared Polis
Governor

Dan Gibbs
DNR Executive Director

Rebecca Mitchell
CWCB Director

DRAFT
Summary Minutes and Record of Decisions
July 17 -18, 2019 Board Meeting

A regular meeting of the Colorado Water Conservation Board (CWCB) convened at Colorado Mountain College in Leadville, located at Leadville, CO.

The meeting was called to order by Chair Heather Dutton. Nine voting members were present at the call to order, so a quorum was present (at least 6 required). Voting members present were: Jim Yahn, Jack Goble, Heather Dutton, Celene Hawkins, Steven Anderson, Jaclyn Brown, Gail Schwartz, Jessica Brody, and Curran Trick, and ex-officio voting member Dan Gibbs, Executive Director of the Department of Natural Resources. Non-voting ex officio members present or represented were; Jackie Corday, Colorado Parks and Wildlife; Kevin Rein, State Engineer; Russell George, Director of Compact Negotiations; and Rebecca Mitchell, Colorado Water Conservation Board Director. Counsel to the Board, Deputy Attorney General Amy Beatie was also in attendance.

On the second day, the meeting was called to order by Chair Heather Dutton. Ten voting members were present at the call to order, so a quorum was present (at least 6 required). The voting members present were: Jaclyn Brown, Gail Schwartz, Jessica Brody, Steven Anderson, Curran Trick, Jim Yahn, Jack Goble, Heather Dutton, Celene Hawkins, and ex-officio voting member Dan Gibbs, Executive Director of the Department of Natural Resources. Non-voting ex officio members present or represented were; Kevin Rein, State Engineer; Jackie Corday, Colorado Parks and Wildlife; Russell George, Director of Compact Negotiations; and Rebecca Mitchell, Colorado Water Conservation Board Director. Counsel to the Board, Deputy Attorney General Amy Beatie was also in attendance.



Wednesday, July 17, 2019

CWCB Call to Order and Pledge of Allegiance

1. Review and Approve Agenda

A motion to approve the agenda was made by Jim Yahn, which was seconded by Jessica Brown. The motion was approved unanimously (10-0).

2. Review and Approve May 15 & 16, 2019 Board Meeting Minutes

A motion to approve the March 2019 Board minutes was made by Jim Yahn, which was seconded by Jessica Brody. The motion was approved unanimously (10-0).

3. Approve and/or Remove Consent Agenda Items

A motion to approve the Consent Agenda Items as adjusted was made by Jim Yahn, which was seconded by Gail Schwartz. The motion was approved unanimously (10-0).

5. Directors' Reports

- a. DNR Executive Director - Dan Gibbs
- b. IBCC Director - Russell George
- c. Agriculture Commissioner - Amy Beatie gave the report
- d. CWCB Director - Becky Mitchell
- e. State Engineer - Kevin Rein Bill Tyner addressed the Board
- f. Division of Parks and Wildlife Director - Jackie Corday
- g. Water Resource and Power Development Authority - report was in the board packet

6. Rocky Mountain Fen Research Project

Interstate, Federal, and Water Information Section

Action: Report by CWCB staff member Jojo La and Katy Warner with Colorado Mountain College addressed the Board. This is an informational item with no Board action required.

7. Rainwater Harvesting Pilot Projects: Regional Factor Development

Water Supply Planning Section

Action: Report by DWR staff member Tracy Kosloff and Ryan Guilliom a graduate student with Colorado School of Mines addressed the Board. This is an informational item with no Board action required.

8. WSRF Grant Applications

Water Supply Reserve Fund Application Grants at the May 2019 CWCB Board Meeting

Agenda Item	Basin	Applicant	Name of Water Activity
a.	South Platte	Colorado Corn Administrative Committee	Historical Analysis of South Platte River Salinity to Identify Severity, Trends, and Potential Sources – Amended Grant Request
	Metro		

Action: Report by CWCB staff member Craig Godbout. A motion to approve the staff recommendation was made by Jim Yahn, which was seconded by Jessica Brody. The motion was approved unanimously (10-0).

Staff recommendation: Staff recommends approval of up to \$15,270 from the South Platte Basin Account and up to \$15,270 from the Metro Account to help fund the project titled: Historical Analysis of South Platte River Salinity to Identify Severity, Trends, and Potential Sources.

b.	Metro	Arapahoe Water and Wastewater Authority	Chambers Reservoir Rehabilitation Project – Phase 1
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Action: Report by CWCB staff member Megan Holcomb. A motion to approve the staff recommendation was made by Jessica Brody, which was seconded by Jim Yahn. The motion was approved unanimously (10-0).

Staff recommendation: Staff recommends approval of up to \$85,000 from the Metro Account to help fund the project titled: Chambers Reservoir Rehabilitation Project: Phase One

c.	Colorado	Learning By Doing, Inc	Design of Hammond Ditch Improvements
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Action: Report by CWCB staff member Megan Holcomb. A motion to approve the staff recommendation was made by Gail Schwartz, which was seconded by Jack Goble. The motion was approved unanimously (10-0).

Staff recommendation: Staff recommends approval of up to \$27,000 from the Colorado Basin Account to help fund the project titled: Design of Hammond Ditch Improvements: Phase One

d.	Colorado	Charles F. Perry	The Toponas Project
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Action: Report by CWCB staff member Megan Holcomb and Chuck Perry and Merissa Perry addressed the Board. A motion to approve the staff recommendation was made by Gail Schwartz, which was seconded by Jaclyn Brown. The motion was approved unanimously (10-0).

Staff recommendation: Staff recommends approval of up to \$25,490 from the Colorado Basin

e.	North Platte	Owl Mountain Partnership	Jackson County Water Structure Improvement Project #2
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Action: Report by CWCB staff member Craig Godbout. A motion to approve the staff recommendation was made by Curran Trick, which was seconded by Jack Goble. The motion was approved unanimously (10-0).

Staff recommendation: Staff recommends approval of up to \$242,769 from the North Platte Basin Account to help fund the project titled: Jackson County Water Structure Improvement Project #2

f.	North Platte	Crosby Creek Ranch LLC	Ross Reservoir Repair
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Action: Report by CWCB staff member Craig Godbout and Scott Hofner owner of Crosby Creek Ranch addressed the Board. A motion to approve the staff recommendation was made by Curran Trick, which was seconded by Celene Hawkins. The motion was approved unanimously (10-0).

Staff recommendation: **Staff recommends approval of up to \$16,750 from the North Platte Basin Account to help fund the project titled: Ross Reservoir Repair**

**9. Financial Matter - Construction Fund and Severance Tax
Perpetual Base Fund**

Finance Section

a) Financial Projections and Cash Management Report

Action: Report by CWCB staff member Kirk Russell. This is an informational item with no Board action

10. Water Project Loans

Finance Section

a) Taylor & Gill Ditch Company - Ditch Piping

Action: Report by CWCB staff member Jonathan Hernandez. A motion to approve the staff recommendation was made by Jim Yahn, which was seconded by Jaclyn Brown. The motion was approved unanimously (10-0).

Staff recommendation: **Staff recommends the Board approve a loan not to exceed \$126,250 (\$125,00 for Project costs and \$1,250 for the 1% service fee) to the Taylor and Gill Ditch Company for costs related to the Ditch Piping Project, from the Construction Fund. The loan terms shall be 30 years at a blended interest rate of 3.10% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.**

b) Hidden Valley Water District - Master Water Meter
Connection

Action: Report by CWCB staff member Rachel Pittinger. A motion to approve the staff recommendation was made by Jim Yahn, which was seconded by Jaclyn Brown. The motion was approved unanimously (10-0).

Staff recommendation: **Staff recommends the Board approve a loan not to exceed \$1,737,200 (\$1,720,000 for Project costs and \$17,200 for the 1% service fee) to the Hidden Valley Water District for costs related to the Master Water Meter Connection Project, from the Construction Fund. The loan terms shall be 30 years at a high interest rate of 3.0% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.**

11. Water Project Loans/Grants

Finance Section

- a) Lower Arkansas Water Management Association - West
Farm Gravel Pit Storage Purchase

Action: Report by CWCB staff member Rachel Pittinger and Don Higby with Lower Arkansas Water Management Association addressed the Board. Jaclyn Brown recused herself from the agenda item and left the room for presentation, discussion, and vote. A motion to approve the staff recommendation was made by Jack Goble, which was seconded by Jim Yahn. The motion was approved unanimously (9-0).

Staff recommendation for the Loan: Staff recommends the Board approve a loan not to exceed \$3,630,950 (\$3,595,000 for Project costs and \$35,950 for the 1% service fee) to the Lower Arkansas Water Management Association for costs related to the West Farm Gravel Pit Storage Purchase, from the Construction Fund. The loan terms shall be 30 years at a blended interest rate of 2.45% per annum. Security for the loan shall be in compliance with CWCB Financial Policy #5.

Staff recommendation for the Water Plan Grant: Staff recommends the Board approve a grant of up to \$1,000,000 from the Water Plan Grant - Storage and Supply category to the Lower Arkansas Water Management Association for costs related to the West Farm Gravel Pit Storage Purchase.

12. Arkansas River Decision Support System Update

Interstate, Federal, and Water Information Section

Action: Report by CWCB staff member Brian Macpherson. This is an informational item with no Board action required.

13. Alternative Transfer Method Grant Program - City of Aspen, Upper Roaring Fork ATM Project, Phase 1

Interstate, Federal, and Water Information Section

Action: Report by CWCB staff member Alex Funk and Margaret Medellin with City of Aspen, Laura Bollinger with Western Resource Advocates, and Todd Doherty with Western Water Partnerships. A motion to approve the staff recommendation was made by Gail Schwartz, which was seconded by Celene Hawkins. The motion was approved unanimously (10-0).

Staff recommendation: Staff recommends approval of up to \$183,356 from the Alternative Agricultural Water Transfer Methods Program to help fund the "Upper Roaring Fork ATM Phase I" project.

14. 2019 Instream Flow Appropriation

Stream and Lake Protection Section

a) Himes Creek, Water Division 7 - Final Action

Action: Report by CWCB staff member Rob Viehl, Steve Harris addressed the Board under Public Comment. A motion to approve the staff recommendation with an amendment to part 3 of the staff recommendation was made by Celene Hawkins, which was seconded by Jim Yahn. The motion was approved unanimously (10-0).

Staff recommendation: Staff recommends that the Board take final action on the Himes Creek ISF appropriation and make the following determinations and take the following actions on Himes Creek, based on the information presented by the USFS and CPW at the March 21, 2019 board meeting, information contained in this memo, as well as the information presented by Staff both in writing and orally at the March 21, 2019 Board meeting.

b) Trout Creek, Water Division 6 and Disappointment Creek (Upper and Lower Segments), Water Division 7 - Update

Action: Report by CWCB staff member Rob Viehl. This is an informational item with no Board action required.

15. Contested ISF Hearing Process Overview

Attorney General's Office

Action: Report by AG's staff member Amy Beatie. This is an informational item with no Board action required.

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

Action: Report by Deputy Attorney General Amy Beatie. A motion to go into Executive Session was made by Jessica Brody, which was seconded by Jaclyn Brown. The motion was approved unanimously (10-0). Steven Anderson disclosed that his employer is involved with?? And Jessica Brody will be stepping out of the room during the discussion of 17b. because her employer Denver Water is involved in this item.

18. Report from Executive Session

Action: Report by Deputy Attorney General Amy Beatie. A motion to go out of Executive Session was made by Jim Yahn, which was seconded by Jaclyn Brown. The motion was approved unanimously (9-0), Dan Gibbs left before the vote.

19. City of Boulder Water Delivery Agreement from Gross Reservoir for Instream Flow Use in South Boulder Creek (Water Div. 1)

Stream and Lake Protection Section

Action: Report by CWCB staff member Linda Bassi. A motion to approve the staff recommendation was made by Jim Yahn, which was seconded by Celene Hawkins. The motion was approved unanimously (9-0).

Staff recommendation: Staff recommends that the Board:

- Accept the interest in the water that would be provided by Boulder under the Water Delivery Agreement;
- Based on its consideration of the ISF Rule 6e. factors, including potential material injury to existing decreed water rights, determine that the amounts set forth in the Water Delivery Agreement are appropriate to preserve the natural environment to a reasonable degree on the subject reach of South Boulder Creek in the time, amounts and locations provided by the Agreement:
 - Segments 1 & 2: up to 8 cfs in the winter (Oct. - April) and 15 cfs in the summer (May - Sept.);
 - Segment 3: up to 2.5 cfs in the winter (Oct. - April) and up to 5.8 cfs in the summer (May - Sept.);
- Determine that the best use of the interest in water to be acquired is to preserve the natural environment to a reasonable degree in the time, amounts, and locations provided by the Water Delivery Agreement; and
- Authorize the CWCB Director to finalize and sign the Water Delivery Agreement in a form substantially similar to the version attached to board memo..

Thursday, July 18, 2019

20. Basin Directors' Reports

- a. Colorado River (Mainstem) Basin Director's Report
- b. San Juan/San Miguel-Dolores River Basin Director's Report
- c. Gunnison River Basin Director's Report
- d. North Platte River Basin Director's Report
- e. South Platte River Basin Director's Report
- f. Arkansas River Basin Director's Report
- g. City and County of Denver Director's Report
- h. Rio Grande River Basin Director's Report
- i. Yampa-White River Basin Director's Report

Executive Session	
Action: A motion to go into Executive Session to further discuss Demand Management Confidentiality Agreement was made by Jaclyn Brown, which was seconded by Celene Hawkins. The motion was approved unanimously (10-0).	
Report from Executive Session	
Action: Report by Deputy Attorney General Amy Beatie. A motion to go out of Executive Session was made by , which was seconded by . The motion was approved unanimously (10-0)	
CWCB Board and Interbasin Compact Committee (IBCC) Joint Meeting	
21. Colorado River Drought Contingency Planning and Demand Management Feasibility	
Action: Report by CWCB staff member Brent Newman. This is an informational item with no Board action required.	
22. Demand Management Process and the IBCC	
23. IBCC Demand Management Discussion Panel - Sean Cronin, Jaclyn Brown, Andy Mueller, and Lisa Darling	
24. Water Plan Technical Update Preliminary Release	
Action: Report by CWCB staff member Greg Johnson. This is an informational item with no Board action required.	
Insights, Tools, Recommendations and Next Steps	
ADJOURN	
A motion to adjourn the July 2019 Board meeting was made by Jim Yahn, which was seconded by Jaclyn Brown. The motion was approved unanimously (8-0) Dan Gibbs and Gail Schwartz were not present.	

