

These written minutes represent the general discussion of the DWCD Board of Directors, DWCD staff, and participants at the DWCD board meeting, and they include a record of any and all board actions taken at the meeting. The written minutes are not intended to provide a word-for-word account of the board meetings. Nor are they a direct quote of any statements offered at board meetings. All DWCD board meetings are recorded on audiotape.

## DOLORES WATER CONSERVANCY DISTRICT WATER ACTIVITY ENTERPRISE

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### MINUTES Regular Meeting December 8, 2022

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**CALL TO ORDER** Godwin Oliver, President, called the meeting to order at 7:02 pm

**ROLL CALL** Godwin Oliver, President  
Don Schwindt, Secretary-Treasurer  
Wes Wilson, Director  
Glen Fish, Director  
Landan Wilson, Director  
Jeremy Redshaw, Director  
Ken Curtis, General Manager  
Ben Harclerode, Chief of Engineering & Construction  
Rob Walker, Maintenance Supervisor  
Robert Stump, Bureau of Reclamation  
Gina Espeland, Admin Assistant Accounting  
Adam Reeves, Attorney

#### INTRODUCTION OF GUESTS

##### In-Person

Greg Vlaming, Soil Conservation Trent Nielson, Chris Estrada, Esmerelda Estrada, Full Service Irrigator,

##### Via Telephone/Teleconference

Brandon Johnson, MVIC General Manager, Nina Williams, Soil Conservation, Tony Tanner, Full Service Irrigator and Ed Millard

#### MINUTES

#### APPROVAL OF THE MINUTES

**MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE NOVEMBER 10, 2022, ENTERPRISE MEETING.**

**MOTION: WES WILSON  
SECOND: JEREMY REDSHAW  
MOTION CARRIED UNANIMOUSLY.**

#### FINANCIAL STATEMENTS

**MOTION: TO APPROVE THE OCTOBER '22 FINANCIAL STATEMENT AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.**

**O&M: AP/CHECK #40934-41000 & PR/CHECK #125560-125620  
\$199,240.65**

**MOTION: JEREMY REDSHAW  
SECOND: LANDAN WILSON  
MOTION CARRIED UNANIMOUSLY.**

**O&M REPORT** – Rob reported the following:

**Operator work on the THC**

We've finished mucking the sediment and cattails from a ¼ mile stretch of canal between 526-527 on Reach 3 of the THC. The mechanics have replaced the leaking gate cylinder on 527, so now we can move the water down from 524 to 528. The control room will leave the section between 524 and 525 empty while UF&R repairs a leak on their 604 turnout. We'll keep coordinating with them for their water needs. With the water moving downstream, we can empty the Pipe Chute that's upstream of the EDS. We'll coordinate with MVI on rebuilding the air vacs along the pipe chute and then move down to the cross drains from 521 to 526. We met with Simbeck this week at check 508 where a potential 500' liner will be installed near the Rocky Ford takes off. Robert has been working on the landowner permission issues for the cross-drain cleaning project south of Highway 160 by the fairgrounds. We plan on working with MVI on that project soon.

**Water Screens**

We've been going back and forth with Evoqua, and they are working on their shipping schedule and cribbing detail for hauling the screens to their plant in Mississippi. They've assured us that they will still meet their 2-24-23 deadline for returning the rebuilt screens to us even though they are picking them up a month later than they specified.

**Power Plants**

Gary's been working with Cross Canyon Engineering and Lane Electric for some testing on both power plants. I've attached a spreadsheet for power production since 2009 that Gary put together. Shows what McPhee and Towaoc produced. It averages 2,600 households.

**Control Room**

The Control Room Operators are cleaning out all of the probe wells along the canal. In January, they'll start installing our first computer server at the Field Office. Gary will install the new Maintenance Program, FIIX, for the 2023 irrigation season. We've only received a few applications for the two vacant Operator positions, so please spread the word if you know anyone that's dependable and looking for work.

**Field Shop Projects**

We're working on insulating and wiring the storage bay at the shop this winter. The crew has started their winter maintenance duties, and we've finished the valve replacements for the Full-Service boxes. We hope to receive our stock valves, meters, etc., soon and organize the valve shop. Justin and Cole just got back from training on prvs; they said it was good training and made a lot of contacts.

**Off-Season Objective**

We'll continue working on the THC for as long as the weather, and budget permits, then move to Full Service for more canal mucking, road blading, culverts, etc. The field office crew will work on the server installation, maintenance program, Tunnel Fuels Reduction project, grants, and spring schedules.

**Other**

Ben, Robert, and Ken have been working on the Fuel Reduction Project.

Rob stated that the staff completed the employee reviews this week and did a merit-style rating system slightly modified from the past ones. The crew and management thanked the Board for the bonus fund they provided. Rob asked if the personnel committee wanted to schedule another meeting. Godwin stated that he would like to meet soon but to set it at the January Board meeting.

**WATER MANAGEMENT REPORT**

**Pivot Nozzle Exchange SWBRT WSRF Grant Water**

Ken stated that he had been working on this grant with Greg Vlaming. Greg noted that he had a producer approach him and asked if he could do a center pivot nozzle package similar to the sideroll nozzle package that he previously did. Greg researched and came up with what would be included in the package, pressure regulators and nozzles. The basis of \$6,000 per center pivot includes new sprinklers with two nozzles per sprinkler to provide flexibility. It would consist of pressure regulators for everyone too. Greg thought that \$6,000 would cover the nozzle package and DWCD's/Greg's fee for administering the grant. Grand Proposal is based on 20 pivots at \$6,000.00 for a \$120,000 total. The goal would be to get \$90,000 from the Roundtable and then some from the growers, plus a match of \$18,000 from DWCD. Ken stated that the Board would need to discuss it at some point. Ken said that he would suggest 10 or 20 pivots. Greg noted that they have been doing a lot of good work in the last year for the growers. Greg stated one current project is part of the soil health initiative, which was legislation put aside by the State. We had ten total growers in our area, of which DWCD had nine irrigators, and MVIC had one irrigator. We were able to maximize the acreage and payment allowed. It was \$75/acre for about 70 acres which paid guys \$5,000/year for

three years to participate in this project. The project focused on farming management with regard to building soil health, increasing water-holding capacity through building organic matter. We maxed out the project with ten growers and close to \$50,000/year. There was also a \$25,000 equipment grant per individual that went along with it. We got a big piece of equipment and got \$60,000 with 25% match from the grower as well. Greg stated that we did get some capacity money to pay him and DWCD for managing the project; it is the first of three years. It won't have the equipment in it in the next two years. CDA had some stimulus funds and used \$10,000 to initiate a nozzle exchange program to replace worn nozzles that should last ten years plus. We are saving water and have seen remarkable differences. Greg stated that we had received \$175k in SW Colorado from the State to assist from all these projects. We will be going to Basin Roundtable for the center-pivot grant idea. Godwin asked if you are re-nozzling a pivot for starting hay or one for growing. Will you be setting them up for a normal field of alfalfa in regard to water flow? Greg said yes, that's the primary cash crop. Godwin said that his concern is the time it will take to change the nozzles on the pivot. Greg estimated it would take 10-12 hours to switch out the nozzles on a pivot. Greg stated that it does need to be done during the season but could be done when the pivot is scheduled not to run. Overall, the nozzles will build water efficiency. Landan asked if there was enough interest to fill 20 slots. Greg stated that he thought they could do more but didn't want to get greedy. Greg noted that he believes we could easily do 20 pivots. Ken stated that the timeline for submitting is a week from Monday, and Roundtable meets in January. After the Roundtable, the application would go to CWCB. Grant wouldn't be awarded till into the season. We are writing the grant to go into the following year if necessary. Wes asked how much was averaged in water savings on the siderolls? Greg stated that it varied a lot but would show Wes at a later time. Don commented that Greg correlated the water savings to the yield out of the grower. Don requests that we get the yield report and how many years to track it over multiple years. Data is not good without some length of time. Ken will work with Greg on getting the data tabulated.

Jeremy said that he thinks that the farmer should pay for the match not DWCD. He suspects that an irrigator would be willing.

**MOTION: TO APPROVE DWCD APPLYING FOR THE GRANT FOR A PIVOT NOZZLE EXCHANGE PROGRAM FOR 20 IRRIGATORS AND ANY REQUIRED IN-KIND CASH MATCH WOULD BE PROVIDED BY THE IRRIGATOR.**

**MOTION: JEREMY REDSHAW  
SECOND: WES WILSON  
MOTION CARRIED UNANIMOUSLY**

Ken stated that we can have Greg come back for a workshop to explain further. He has been doing some good work for us.

### **Water Accounting**

November: Dolores River inflow was 2,915 AF for a total inflow into McPhee of 3,387 AF. Narraguinnep fill in Narraguinnep was 1,735 AF, and Narraguinnep stored in McPhee was 1,106 AF. Below McPhee was ten CFS and will remain there.

December: Dolores River inflow was 317 AF for a total inflow into McPhee of 466 AF thus far. Narraguinnep fill in Narraguinnep was 0 AF, and Narraguinnep stored in McPhee was 302 AF. Below McPhee was ten CFS.

In the past week, Ben provided some snotel information on Lizard Head, El Diente, Scotch Creek, Sharktooth, and Lone Cone. Accumulation varied between 10-13 inches.

Ben stated that the grant application, Forest fuels Reduction, has been submitted to BOR and is awaiting an award. Once we get closer to the reward, DWCD will contract with Forestry Crew and oversee the project. Still have other grants in other phases.

### **FSA Irrigation Over Use**

Ben stated that the goal of the penalty is to mitigate their profit on the extra water they used. Not sure the Board/Staff considered a user going substantially over. The fine was formulated to punish overuse but escalates quickly after a few acre-feet to the point it is not reasonable. There needs to be a penalty, but not one that tanks the end user and prevents them from paying their bills this year and in years to come. The question is how valuable the water is and what profit may be gained by the overuse. The user should not be able to profit from the extra water.

One option that is new to this meeting. Potentially coming up with a 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> offense fine. The 1<sup>st</sup> offense would carry a lower penalty, and the opportunity would be utilized to educate the irrigator on water management instead of a heavy financial burden. If the irrigator continued to overuse in future seasons, a higher fine would be administered for continual overuse.

Ben recommends the Board consider the overuse this year independently from last year. The water years varied greatly in allocation, duration, and DWCD personnel. Once a decision is made for this year, a separate conversation can be had to consider any impacts on last year's fines.

**Discussion:** Landan asked where the fines go within the District's budget. Ken stated that it goes into the budget just like the regular fees. Whatever money we collect from base fees, water fees, etc., goes there. We actually have an overuse because, in full supply years, the Board has at least charged full rates for additional inches per acre. So basically, it's just revenue to the District that offsets expenses. Landan asked if one of the users that went over last year went over again this year. Ben answered yes. Jeremy asked on the 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> offenses if it resets after a year of not overusing? Ben stated the Board could decide that in a future policy for overuse. Godwin asked if Trent or Christ would like to address the Board?

Trent said that he felt this idea was more reasonable for the farmers. He said he had approached the Board earlier in the year on moving water. In his particular case, he would like to move water from his unused pool to his Father's pool to cover the overuse. Both pools were under his operation, just not pooled together. If the Board would like to assess a penalty for a late transfer, that would be fine.

Chris stated that it sounded better than the last option. The current cost of overage is not feasible for him. Wes asked Chris if he had learned from this mistake? Chris stated he thinks so.

Glen reiterated Jeremy's point about gaming the system and planning your management plan around the penalty. The Board will have to address that in the spring when they set the overuse penalty for WY2023. Jeremy stated he struggles with the penalty because we sell water at roughly \$50/AF, and it goes to \$250/AF; who is consciously going to put that water down? Ken stated we have had farmers say they felt they could profit from a few extra AF at \$250/AF. Ken stated that last year was the first time we floated this penalty. Last year was much different. If you took extra water, you were taking it from your neighbor. This year, not so much. Jeremy said he likes the low penalty, and we need a lower penalty for a standard base year. Landan said if we were to do in the 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> offenses, we'd need to stay consistent in future years to prevent confusion. It is not the water district's responsibility to manage the farmer's water. Outside of "Acts of God" like a line break, there needs to be consequences for poor water management. Wes stated that he still wants to stay at the \$800/AF escalation for four acre-feet, as shown in options seven or eight, to be fair to last year's penalties. Ken stated the Board does not have to base it on last year. It is a totally separate decision. If you want to do something for those who went over this year, that can be considered a separate action. The current year's overuse is the only question on the table tonight, and the penalty will come back next spring. If you want to update the overuse policy, that will be an April topic for later discussion. 2022 overuse stands independently, and we have not billed anyone yet.

Don asked Wes if he was opposed to the new option presented tonight. He said yes. Godwin said he likes the new option handed out tonight. Adam said to keep in mind when you set penalties; they are supposed to operate prospectively so people are on notice of what will happen if they do certain things. Fines are not supposed to act retroactively when you decide the penalty after the action has occurred. So the question in front of the Board currently, for this year, is if the Board wants to provide relief from its established policy in light of the strange year with increasing allocation, season duration, personnel turnover, etc., for the overuse penalty. The 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> offense would be a decision in the spring for the next water year. The decision tonight is for relief from the current policy.

**MOTION: TO PROVIDE RELEASE FROM THE ESTABLISHED POLICY BECAUSE OF THE INSTANCES AND REDUCE TO A FLAT \$250/PER ACRE FOOT FOR THIS YEAR.**

**MOTION: JEREMY REDSHAW**  
**SECOND:**  
**MOTION FAILED DUE TO LACK OF A SECOND**

Glen asked for clarification that Trent's situation is different and if he would be under this motion? Do we need to separate his request from this discussion? Ben stated that his overuse would be subject to the Board's decision on 2022 overuse. The Board could then consider his request in a separate conversation and potential motion in his unique case. Glen stated that he wants to separate it and provide relief from the pooling policy. Ken reminded the Board that Trent had requested the Board to allow him to pool with his Father late in the irrigation season a few months back, which the Board denied based on past practices. Glen wanted clarification that the motion they were about to vote on wouldn't end Trent's discussion. Ken's interpretation is that as soon as you vote, he would be subject to the penalty you decide. Now, as he has requested just tonight to balance two boxes under his control but not officially pool, someone could make a separate motion to accept his pooling if that's what Glen is after. Glen stated he wanted to separate the decisions.

Don stated that as he looks through the material provide, he would like to see a few more options from Ben and needs to give him time to put those together in the spring before a long-term policy is set. He has ideas that would cover short and full years. He'll discuss this with Ben before revising the policy in the spring.

Godwin stated that he had a comment for Glen. He has extra water left over from the year; could he give it to Chris and save him from the penalty? Jeremy said that's the problem he has with Trent's case. Godwin feels it would open up a can of worms if people could move water around. Don said we would have to define the rules before next year.

Trent asked the Board what the end goal was? Is it to use the most water possible, or are we more worried about making money for the company by fining people and not helping the farmer? What is the harm if you have a neighbor that could use water that you will not use? The water is getting put to good use. Don stated that our policy allowed the water to be used by a specific date because our goal is to put all of our available water to use. We set the policy in the spring and then live by that policy. It differs from MVIC, where you can move shares around, but the goal is the same.

Adam stated that the pooling issue brings up Reclamation law which might view pooling in a different light. It is a little unusual, so we must be mindful that it is not just the Board's decision to distribute water in any way. There is also a background with Reclamation law that determines how water is allocated. Godwin reminded the Board that Jeremy's motion was still out there.

Landan said he thinks it should be at least \$300/acre-foot, maybe \$350/acre-foot.

**MOTION: TO PROVIDE RELIEF FROM THE ESTABLISHED POLICY BECAUSE OF THE WY CIRCUMSTANCES WITH FINES ASSESSED AT \$350/AF NO ESCALATION AND IT WOULD APPLY TO THOSE AS A FIRST OFFENSE.**

**MOTION: LANDAN WILSON  
SECOND: DON SCHWINDT  
MOTION CARRIED WITH WES WILSON VOTING NO.**

Ken asked if the Board would like to take up Trent's request now or at a later time? Glen wanted to address his particular case. Jeremy said he thinks it opens up a can of worms. The late season pooling, going to find a neighbor's water to keep out of trouble. His understanding is that we let the farmers chase after extra water, or we will do it as a company with early season pooling and the waterbank to redistribute water to all users. Wes stated he agrees with Jeremy, but if we isolate it to situations where it is all within one family, he thinks that would be ok. Godwin said he believes that is unfair to the other users.

**MOTION: TO GRANT TRENT'S REQUEST ALLOWING HIM TO COMBINE HIS POOL WITH GARY NIELSON'S POOL SO THE WATER BALANCES AND COVERS GARY'S OVERUSE.**

**MOTION: GLEN FISH  
SECOND: WES WILSON  
MOTION DID NOT PASS, 4-2 AGAINST.**

Adam stated that this is an important conversation to have. He is currently uncomfortable with his understanding of Reclamation law and how it applies to this subject, so he is not ready to advise the Board. He doesn't know if there is a problem with it, but he is not certain. There also might not be a clear answer to this. Wes asked how pooling got started years back? Don stated that it was started to allow better water management regarding the water bank conversation. It was set up regarding Reclamation law not allowing any project water to be applied to class 6 lands. It was developed as a wonderful water management tool within the constraints Adam has pointed out. Mutual Ditch companies have different laws and rules they have to follow. That's why MVIC operates a little differently.

Ben stated that we still have one user, #3 on the sheet, who had a break in his line. Staff provided a memo back at the October meeting. Ben reviewed the break and performed calculations on the water loss. He conservatively estimated 9 AF of lost water due to a break in the line and recommended crediting that amount to the user. In the existing policy, the Board would review any "Act of God". Jeremy asked if we had done this in the past? Ken said this particular case is a first under the "Act of God" stipulation in the policy set by the Board. Jeremy said he thinks the policy makes sense and likes the idea of providing relief in a situation that is outside the farmer's control.

Don asked to be reminded of the staff recommendation in the original memo. Ben said he recommended crediting the irrigator 9AF on his total water usage. Don asked if the control room would notice a break in an 8-inch line? Would they be able to catch it? Ben stated the control room wouldn't see the break for a while, and someone would most likely call in the break before they noticed the canal dropping. An 8-inch break would potentially look like one or two pivots turning on, and that isn't a large enough scale to see in the canal water level trends.

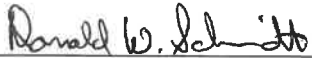
Ben clarified that the line in question does service two pivots. The line runs to the first pivot and then to the second pivot. The break occurred after the first pivot and close to the second pivot. As the memo highlights, he assumes a water hammer occurred when the first pivot turned off, and the pressure relief valve was not able to handle the surge. The break occurred in the 3-inch standpipe below the pressure relief valve.

Trent asked if it was the day before he would shut off. Ben said yes, the first pivot was scheduled to shut off first, and when it did, it blew the line. The second pivot would run a few days longer, eventually becoming stuck in the area saturated by the leak. That's when the farmer investigated further and found the leak. Jeremy asked what is DWCD's policy if a line blows during the summer? Does the farmer wait to contact DWCD or wait until the season's end? Can you only get a credit if you go over your allocation? Ben said no. Anytime there is a break in the field, the farmer shuts off, notifies the District, and staff comes out and investigates the issue. We first try to determine the cause of the break and do any necessary calculations. We instruct the farmer to address the Board and ask for relief depending on the cause of the leak.

**MOTION: TO ACCEPT STAFF RECOMMENDATION FOR USER #3 AND CREDIT 9-ACRE FEET TO THEIR WATER USAGE BECAUSE OF THE BREAK IN THE LINE.**

**MOTION: WES WILSON  
SECOND: JEREMY REDSHAW  
MOTION CARRIED UNANIMOUSLY.**

**ADJOURNMENT** Dolores Water Conservancy District Water Activity Enterprise Board meeting adjourned at 8:36 pm

  
Donald W. Schwandt, Secretary-Treasurer

  
Godwin Oliver, President

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## DOLORES WATER CONSERVANCY DISTRICT

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### MINUTES

Regular Meeting  
December 8, 2022

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**CALL TO ORDER** Godwin Oliver, President, called the meeting to order at 8:36 pm

**ROLL CALL** Godwin Oliver, President  
Don Schwindt, Secretary-Treasurer  
Wes Wilson, Director  
Glen Fish, Director  
Landan Wilson, Director  
Jeremy Redshaw, Director  
Ken Curtis, General Manager  
Ben Harclerode, Chief of Engineering & Construction  
Rob Walker, Maintenance Supervisor  
Gina Espeland, Admin Assistant Accounting  
Robert Stump, Bureau of Reclamation  
Adam Reeves, Attorney

### INTRODUCTION OF GUESTS

#### In-Person

Trent Nielson, Full Service Irrigator

#### Via Telephone/Teleconference

Brandon Johnson, General Manager; Tony Tanner, Full Service Irrigator, Ed Millard, MVIC Shareholder

### MINUTES

#### APPROVAL OF THE MINUTES

**MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE NOVEMBER 10, 2022, REGULAR MEETING.**

**MOTION: LANDAN WILSON**  
**SECOND: JEREMY REDSHAW**  
**MOTION CARRIED UNANIMOUSLY**

**MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE NOVEMBER 10, 2022, EXECUTIVE SESSION.**

**MOTION: WES WILSON**  
**SECOND: JEREMY REDSHAW**  
**MOTION CARRIED UNANIMOUSLY**

**MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE NOVEMBER 10, 2022, UPSTREAM USERS INCLUSION HEARING.**

**MOTION: JEREMY REDSHAW**  
**SECOND: WES WILSON**

**MOTION CARRIED UNANIMOUSLY.**

**MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE NOVEMBER 10, 2022, BUDGET HEARING.**

**MOTION: LANDAN WILSON  
SECOND: JEREMY REDSHAW  
MOTION CARRIED UNANIMOUSLY.**

**MOTION: TO APPROVE THE MINUTES AS SUBMITTED FOR THE NOVEMBER 16, 2022, BUDGET WORKSHOP.**

**MOTION: LANDAN WILSON  
SECOND: WES WILSON  
MOTION CARRIED UNANIMOUSLY, WITH GODWIN AND JEREMY ABSTAINING**

## **FINANCIAL STATEMENTS**

**MOTION: TO APPROVE THE OCTOBER '22 FINANCIAL STATEMENTS AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED.**

**ADMIN: AP/CHECK #12258-12270**

**\$10,646.07**

**MOTION: JEREMY REDSHAW  
SECOND: LANDAN WILSON  
MOTION CARRIED UNANIMOUSLY**

## **AGENCY REPORTS**

**BOR Report** – Robert Stump said Rob updated on the water screen work in the Enterprise Meeting. The contractor is arranging shipping of the cribbing for shipping screens. The contractor assured us that they will meet the 2/24/23 return delivery date for installation. On the Forest Fuel Reduction by the tunnel, we are working on the grant and hope to get it awarded by January. The Ute Mountain Ute Tribe 638 grant agreement, Reclamation staff asked some questions and Utes have provided answers. The projected award is sometime later this month.

**Division of Water Resources Report** – Not present.

**T/H Committee Report** – Godwin stated that the Committee met November 16, 2022 1) The Committee paid DWCD and MVIC. 2) The last THC meeting was a tour, Godwin stated that he was not able to be on the tour.

**Next T/H Meeting** – The Committee will meet at the DWCD, Cortez Office December 14, 2022 at 2:00 p.m.

**MVIC Report** – Brandon reported that MVIC continued work on the Lone Pine liner project and valve and head gate replacement. Wes asked Brandon how full is Groundhog? Brandon stated that it is up to the structure, zero, last weekend.

## **ADOPTION OF RESOLUTIONS FOR 2023 BUDGET**

**Adoption of Resolutions for 2023 Budget:** These 5 resolutions adopt the DWCD and Enterprise budgets, appropriates the funds from each and sets the mill levies for the District.

There was a change to the Resolution 22-02-E Appropriation of Enterprise Fund Money and a handout was provided. The number did go up about \$21,000. Total amount of expense and net cash flow and the \$1.4 million in funds budgeted, but not appropriated without Board approval. It is the max that we would spend. That is the only change and it was because the insurance costs and dropping some on the medical and workers compensation. Ken increased the cloud seeding revenue and



lowered the costs slightly. The fire shed costs were removed per Board direction. No other changes made.

**MOTION: ADOPT RESOLUTION NO. 22-01 2023 ADMINISTRATIVE FUND BUDGET**

**MOTION: WES WILSON**  
**SECOND: LANDAN WILSON**  
**MOTION CARRIED UNANIMOUSLY.**

**MOTION: ADOPT RESOLUTION NO. 22-02 RESOLUTION TO APPROPRIATE ADMINISTRATION FUND MONEY**

**MOTION: JEREMY REDSHAW**  
**SECOND: GLEN FISH**  
**MOTION CARRIED UNANIMOUSLY.**

**MOTION: ADOPT RESOLUTION NO. 22-03 SETTING THE MILL LEVIES**

**MOTION: GLEN FISH**  
**SECOND: WES WILSON**  
**MOTION CARRIED UNANIMOUSLY.**

**MOTION: ADOPT RESOLUTION NO. 22-01-E 2023 ENTERPRISE FUND BUDGET**

**MOTION: LANDAN WILSON**  
**SECOND: JEREMY REDSHAW**  
**MOTION CARRIED UNANIMOUSLY.**

**MOTION: ADOPT RESOLUTION NO. 22-02-E APPROPRIATION OF ENTERPRISE FUND MONEY**

**MOTION: WES WILSON**  
**SECOND: LANDAN WILSON**  
**MOTION CARRIED UNANIMOUSLY.**

**SET LOCATION FOR POSTING MEETING NOTICES IN 2023:** DWCD is required to annually set the legal location for posting meeting notices pursuant to state open meetings statutory requirements. It has traditionally been just outside the Board room. Any other postings, primarily the website, are done as a courtesy. This requires a Board motion.

**MOTION: DESIGNATING THE AREA OUTSIDE THE BOARD ROOM DOORS AS THE LOCATION FOR THE OFFICIAL POSTING OF 2023 MEETING NOTICES.**

**MOTION: DON SCHWINDT**  
**SECOND: JEREMY REDSHAW**  
**MOTION CARRIED UNANIMOUSLY.**

**Annual Appointment of DWCD Representative to the Towaoc Highline Canal Committee:**

Currently Godwin is the District's designated THCC voting member with Jeremy as the designated alternate. This requires an annual Board motion after which we will provide a letter to the THCC with the Board's decision.

**MOTION: FOR GODWIN OLIVER TO REMAIN THE DWCD REPRESENTATIVE TO THE TOWAOC HIGHLINE CANAL COMMITTEE AND JEREMY REDSHAW AS THE DESIGNATED ALTERNATE.**

**MOTION: WES WILSON  
SECOND: LANDAN WILSON  
MOTION CARRIED UNANIMOUSLY**

**GENERAL MANAGERS REPORT**

**Regular Board Meeting Time for Winter Months:** The Board showed some interest in trying a daytime, 1:00 PM or 2:00 PM start time, Board meeting. After checking calendars, the Board should decide if they want to move the start time for the January 12, February 9 & March 9, 2023 Board meetings. The Board can try an earlier start time and change as needed going forward.

Jeremy said that he likes that starting earlier, either 5:00 PM or 2:00 PM. Adam chimed in last meeting and Godwin agrees that avoiding the late drive home would be good. Godwin said he would like to try an earlier start at least during the winter months.

**MOTION: TO MOVE JANUARY, FEBRUARY AND MARCH 2023 BOARD MEETING TIME TO 2:00 P.M. FOR THOSE MONTHS ONLY.**

**MOTION: WES WILSON  
SECOND: LANDAN WILSON  
MOTION CARRIED UNANIMOUSLY**

**Colorado River Compact Issues, DCP, DROA, DM & Drought Resiliency Updates:**

The new announcement pertains to a \$250 Million commitment to improve Salton Sea mitigation. Ken included the BOR announcement and 2 articles in the packet. The only new thread in the news is the Powell levels getting low that was anticipated and relate to the lowered 7.0 MAF releases previously announced and possible changes from the 2007 IG Supplemental EIS process that recently kicked off. Two articles are included that cover current "Doomsday" fears of Powell getting to dead pool. Last week there was a webinar and when the slides are posted Ken will forward to the Board. One set of modeling was to protect the power pool at Powell, while another let Powell go below power pool. A third combined with a protected elevation at Mead. These are all the first-time modeling releases below 7.0 maf. The Powell Long Range Operating Criteria had previously targeted annual releases of 8.23 maf so this is groundbreaking that BOR looking at releases below 7.0 maf from Powell. Steve Wolff system conservation will be announced at CRWUA by the Upper Colorado River Commission and Demand Management study released. CR issues remain very active and Ken plans to make simple comments by December 20<sup>th</sup> Supplemental EIS to make sure that we are getting all the notices. The primary comments would focus on basing releases from Powell on the water year projected inflows. Mead would then have to chase Powell releases on their releases. Don said he focused on the Reclamation emergency power authority to unilaterally change Mead and Powell operations. Ken thinks Reclamation is hoping that the seven states will come up with a plan with Reclamation on water savings. The Supplemental EIS acknowledges they could consider a 7-states proposal, a Reclamation plan or a hybrid solution. Steve Harris provided a historical Colorado Compact article. There were graphs in the mailout showing Powell possibly going below power pool, 3490', next year with increasing odds in 2024. Ken expects some changes proposed to keep the power pool elevation protected.

Ed Millard had a quick comment. Articles from Alex Hagger, KUNC, about putting \$125M into a demand management program (System Conservation Pilot Program). There will not be a demand management pool and any saved water will just be released when it is called for by the LB. Sheparding water has not been discussed. UCRC is setting up a pilot program bigger than what was done previously. UCRC will be awarding SCPP/DM projects by March 1<sup>st</sup>

**Winter Work Priorities** – Ken would like to address in Executive Session.

**DWCD Board Workshops – December 14, 2023, 5:30 PM**

Ken stated that he would not be here, but the Board could meet. Wes asked where we are with the Mediator. Ken stated that you may want to wait for a decision on the workshop until after Executive Session.

**(Hydrology Project Scoping)** Ken stated that the hydrology project as previously discussed starts with a re-analysis or recreation of the DPR with more recent Dolores records. Ben said it is broken up into 4 parts based on the 8 questions that we have heard. 1) If the DPR studied the last 35+ years, post project, would the project allocation be different? 2) If yes, what is the reduction in annual available water from the Dolores Basin (DB) compared to the original DPR. 3) Based on the reduction, what is the right size of the project to mitigate drought impact on the Dolores Project (DP)? How to define "right size"? Farmer viability economics plays a major role. 4) How should DWCD address the "right size" of the project if it is currently too big, based on recent hydrology trends? 5) Can DWCD/FSA be compensated if their allocation needs to be reduced? 6) If an allocation is retired, what happens in flush year to that extra water? Evaluate carry over in operational study. 7) Need to correlate annual snowpack annual to supply and look at snowpack trends. This is a longer-term project analysis to identify future potential trends. And 8) How have post DPR operations/contracts affected the DPR study? Ken stated that there is a definite change in hydrology starting in 2000, the current drought. We need to model project operations to get at carryover, normally driven down by multiple dry years. Part of the difficult decisions are how do you perceive the hydrology continuing into the future?

Don asked that we factor in groundwater driven by forest health issues into the hydrology. It would also correlate with the snowpack that is included. There are so many variables that change crop yields such as ground water, carryover, weather and management. He hopes we can bring some semblance of these many variables into the study.

Ben said that Bob Neely came to the meeting and wanted to know how many storage years would there have been with a couple of different lenses. Consider the annual runoff only, with no carryover? What would the allocation be today based on current hydrology? His recommended process is to determine if there is over allocation, then if needed determine the solution (allocation buy back), right size the project, get money for over-allocation and determine how to downsize.

Ken stated that we need to bring this information in a useful format for the Board to understand and project forward with policy.

For a Scope of Work – Approach supportable FSA acres we approach it from supply first, then demand. We do have to do all the allocations that support the 1.96'/Acre in McPhee instead of the area of land at 1.96'/acre in McPhee equals demand.

Don said throughout that we need data for Utes in addition to full service, but can't ignore MVIC. We need to see that there use also fitted in as valuable data. How we factor all uses into future planning. We need equally valid numbers for each of 3 irrigators. Ken stated that we would use diversions of MVIC, Utes and full service and that we would count all diversions.

Ben continued. Quantify the average annual runoff from the Dolores Basin. Tabulating diversion trends over the same time period. Compare snowpack measurements/SNOTELs, Project crop distributions and water requirements for FSA. Crop management plays a role in this conversation as more alfalfa than originally planned. Climate changes, solar radiation plays a role. We would check M&I population data for DP DPR that has changed. Don said he thinks that the projected Cortez population may have ended up in the county as MWC water became available and would help to confirm. The result would recreate and update the Table 33 in the DPR – Dolores River Basin Allocations hydrograph at some point with additional years and modified practices. Ken gave some examples of actual diversions compared to DPR numbers that were forward looking estimates. Don pointed out identifying the unused allocations of each user and explaining why with hindsight could be critical.

Then have the first steps: Define 100% project supply. For crop demand, comparing crop consumption use and evapotranspiration (ET) with real diversion data. Re-estimate project crop distribution and ET – reproducing Chapter 4. Recreate an inflow/outflow spreadsheet base file for the project going back to 1990 or how many years? Turning inflow/outflow into allocation, translating into a usable product. Need to create assumptions/estimates for allocation streamlining. Ken stated that the inflow/outflow is a daily study and may be too much detail. Compare today's practices to DPR versus extending the DPR still be discussed.

This is our first cut at a scope and if we are going to send out to a firm, we will need some adjustments. Contracting can speed up the process.

## LEGAL REPORT

Adam reported on the following:

**MVIC 87.3 CFS Water Rights Filing** – Nothing new, MVIC is working through issues with the State.

**MVIC/City of Cortez Agreement for use of the Cortez 4.2 CFS direct flow right** – Nothing to report.

**Mediation with MVIC** – John and Adam talked about adding an attorney and raised the concerns the Board might have had. John suggested Judge Kuenhold from San Luis Valley, a good mediator and doesn't have any conflicts with his rate at \$400/hour.

**Division 7 Exemption** – Adam stated that this item would be for discussion in Executive Session as it relates to SCPP.

Adam asked for an Executive Session to discuss work priorities (legal issues), GM Review, Colorado River and Land Use Policy discussions involving legal advice and/or negotiations subject to Executive Session.

**MOTION: MOVE INTO EXECUTIVE SESSION PER CRS 24.6.402(b) TO OBTAIN ADVICE FROM COUNSEL AND CRS 24.6.402(e) MATTERS OF NEGOTIATION FOR DISCUSSIONS ON WORK PRIORITIES, GM REVIEW, COLORADO RIVER ISSUES, PENALTIES FOR OVERUSE, MEDIATION WITH MVIC AND LAND USE POLICIES.**

**MOTION: JEREMY REDSHAW  
SECOND: LANDAN WILSON  
MOTION CARRIED UNANIMOUSLY.**

**RECESSED FOR EXECUTIVE SESSION AT 9:48 P.M.  
RECONVENED REGULAR MEETING AT 11:08 P.M.**

#### **REPORT OUT OF EXECUTIVE SESSION**

Adam reported that in Executive Session the Board discussed legal matters with the winter work plan, mediation with MVIC, potential issues related to the Division 7 Exemption, GM Evaluation procedures and no decisions were made.

Godwin thanked all the DWCD employees for their efforts in 2022 given another tough year and asked Rob & Ben to pass that on to the employees.

#### **DWCD Workshop – December 14, 2022.**

The Board agreed to cancelled the December 14, 2022 workshop and will keep it on the agenda for January, February and March 2023 meetings.

**NEXT DWCD BOARD MEETING** – Thursday, January 12, 2023 - 2:00 P.M.

**ADJOURNMENT** Meeting adjourned at 11:14 PM

  
Donald W. Schwindt, Secretary-Treasurer

  
Godwin Oliver, President