

**UPPER ARKANSAS WATER
CONSERVANCY DISTRICT**

Regular Meeting of the Board of Directors

**February 13, 2025
1:30 PM**

A regular meeting of the Board of Directors of the Upper Arkansas Water Conservancy District was held Thursday, February 13, 2025, commencing at 1:30 pm at the District offices, 339 East Hwy 50, Salida, Colorado, following the Water Activity Enterprise committee meeting, notice having been given by posting of Notice and Agenda on February 12, 2025, at the offices of the Upper Arkansas Water Conservancy District, 339 East Hwy 50, Salida, Colorado.

DIRECTORS PRESENT (IN PERSON)

Timothy C. Canterbury	Robert B. (Bill) Donley	Mike Shields
Tom E. French	Tim Payne	Warren Diesslin
Thomas Goodwin	Tony Telck	Albert Eggleston
Richard Hilderbrand	Brett A. McMurry	Ben Lenth

DIRECTORS PRESENT (BY REMOTE VIDEO AND AUDIO CONFERENCING)

None

DIRECTORS ABSENT

Mannie Colon

DISTRICT OFFICIALS/STAFF MEMBERS PRESENT

Gregory W. Felt, General Manager	Chris Manera, Engineer
Ralph L. (Terry) Scanga, District Advisor	Gracy Goodwin, Projects Manager
Jord Gertson, Hydrologist	Jennifer A. Scanga, Administrative Assistant

DISTRICT OFFICIALS/STAFF MEMBERS PRESENT (BY REMOTE VIDEO AND AUDIO CONFERENCING)

Richard Brown, Legislative Consultant	Denise Sanchez, Office Manager
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DISTRICT OFFICIALS ABSENT

None

STATE OFFICIALS PRESENT

Dan Henrichs, Water Commissioner, District 12
Talon Canterbury, Deputy Water Commissioner, District 12
Jerry Livengood, Water Commissioner, District 13

STATE OFFICIALS PRESENT (BY REMOTE VIDEO AND AUDIO CONFERENCING)

None

STATE OFFICIALS ABSENT

Rachel Zancanella, Division Engineer
Joe Crabb, Augmentation Coordinator
Will Scott, Water Commissioner, District 11

EX-OFFICIO REPRESENTATIVE PRESENT

None

EX-OFFICIO REPRESENTATIVES PRESENT (BY REMOTE VIDEO AND AUDIO CONFERENCING)

Dwayne McFall, Fremont County Commissioner

EX-OFFICIO REPRESENTATIVES ABSENT

Shawn Williams, Buena Vista Public Works Director

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Christy Doon, City of Salida Administrator
Travis Payne, Canon City Water Superintendent
Sean Kelly, Town of Poncha Springs
Bill Canda, Custer County Commissioner
Dave Schneider, Round Mountain Water and Sanitation District Manager

GUESTS PRESENT

Joe Stone, Heart of the Rockies Radio News
Allen Keeling, Division of Water Resources
Travis Payne, Canon City Water Superintendent
Luke Javernick, Director of River Science
Kyle Horne, Executive Director of Canon City Area Recreation and Park District
Maggie Gointa, Colorado River Engineering
Joel Benson, Senior Policy Advisor & Project Advocate for Town of Buena

GUESTS PRESENT (BY REMOTE VIDEO AND AUDIO CONFERENCING)

Erin Minks, Regional Director at Congressman John Salazar
Andy Klakalak, USGS

PLEDGE OF ALLEGIANCE

Chairman Canterbury led attendees in the Pledge of Allegiance.

INTRODUCTION OF GUESTS

Guests were asked to introduce themselves.

MINUTES OF THE MEETING OF January 9, 2025

The minutes of the meeting on January 9, 2025, were approved upon motion by Director Donley with a second by Director Hilderbrand.

FINANCIAL REPORTS

Upon motion by Director Goodwin with a second by Director Donley, the Board approved the monthly financial reports dated January 31, 2025.

PROGRAM PRESENTATIONS

The John Griffin Regional Park Reservoir Project was presented by Luke Javernick of River Science, Travis Payne Water Superintendent for Canon City, and Kyle Horne of Canon City Area Rec and Park. Included in the presentation was the location of the project. Mr. Javernick said the location is south of downtown Canon City along the south side of the Arkansas River. He added that it is typically referred to as the River Walk since it is a main recreational site with several trails along the river. He explained that he was hired in 2018 to conduct hydraulic modeling for flood analysis. Mr. Javernick further explained that using elevation data he noticed side channels that are no longer connected to the river. He displayed an elevation model showing the higher and lower elevations. Mr. Javernick said the side channels can provide valuable aquatic habitat without disturbing the main channel. He explained that reconnecting channels is a benefit to the purpose of the project and that conversations with stakeholders, such as the District, determined that there were opportunities to reconnect and utilize the Phelps Ditch, however greater flows would be necessary for the habitat. He further explained that Canon City Water Treatment was approached about Fry-Ark Project Water stored in Pueblo Reservoir, and the conversation of storage at the John Griffin Regional Park was initiated.

Mr. Payne from the City of Canon City presented an overview of the project and outlined next steps. He identified key challenges with the current water supply:

- The settling reservoir has limited water capacity.
- The City has only 150 AF of stored water from their direct diversion (~14 day supply)
- Recent wildfires and floods have highlighted system vulnerabilities.

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However, Mr. Payne emphasized that a proposed reservoir project could significantly enhance water storage by adding 500 acre-feet. He explained that the project's initial phase involves a two-part comprehensive feasibility study. He also provided a detailed list of project development stages and addressed misinformation surrounding the project.

Mr. Horne from Canon City Area Recreation and Parks explained the land ownership for the project. The land belongs to the Canon City Recreational Park District, the Fremont Sanitation District, and the City of Canon City (for piping). No private land is involved, but some easements will require approval for use. He said that landowners are on board, the Sanitation District, Recreation District Board of Directors have unanimously supported the project benefits but understand the need for a comprehensive feasibility study before moving forward. He said from a recreation standpoint; the reservoir would be accessible to all and the project would enhance accessibility. He added that the water would be below the trails.

Engineer Manera raised concerns about the reservoir project's topography and its proximity to the river and water table. He pointed out that projects built in such locations typically require either a gravel pit well to manage groundwater levels, or a sealed liner if building structures directly into the groundwater is permitted. He asked how these considerations applied to this specific project. Mr. Javernick responded that both options had been evaluated, but a lined reservoir was the preferred approach. Mr. Manera confirmed that the project would be treated as a surface water supply, rather than a gravel pit well. He added that subdrainage needs to be in place when using a liner or the other option would be the use of an underground slurry wall.

Director Hilderbrand inquired how the proposed channels would address river contamination. Mr. Payne explained that they would use a similar approach to the settling reservoir, implementing early warning systems to detect potential pollution. In case of a significant contamination event, the channels would be shut down.

In response to Director Hilderbrand's inquiry, Mr. Payne clarified that the project would most likely utilize existing trails. Subsequently, Director Hilderbrand raised a concern regarding the reservoir's potential to occupy a significant portion of the park.

Advisor Scanga expressed support for the stream reconnection project but raised concerns regarding the proposed reservoir. He recommended a two-phase feasibility study for the reservoir, emphasizing the need for alternative solutions that meet the project's objectives. He stated that after the first phase, the second phase should focus and address deeper technical and strategic questions incorporating feedback from Phase 1 and aligning with Canon City's desired outcome. He referenced the Round Mountain Reservoir study as an example.

Director Payne responded that alternative reservoir sites had already been considered.

Manager Felt clarified that the purpose of the presentation was to gather Canon City's perspective on the project and Director Goodwin concluded with final remarks.

Several Board members commented on understanding the benefit of the project but were in agreement that a reservoir is not the solution.

EX-OFFICIO REPORTS

None

CONSULTANT REPORT – Richard Brown

A written report from Legislative Consultant Brown was made available for Board Members to review prior to the meeting.

Mr. Brown gave a brief discussion on the report stating that the future state fiscal situation is unknown and the Joint Budget Committee (JBC) has finished appropriations to make adjustments to the current fiscal year. He summarized some of his report explaining that as the legislative session reached its 37th day, surpassing the 25% mark and approaching the one-third point, 332 bills and one water-related resolution had been introduced, though this number includes numerous supplemental appropriations bills

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due to constitutional restrictions on single-subject legislation. A significant revenue shortfall, potentially reaching \$1 billion, looms over the upcoming general appropriations bill, forcing the Joint Budget Committee (JBC) to urge agencies to conserve spending and prepare for difficult budget decisions; the crucial March 20th revenue forecast will inform the final budget, expected to be introduced shortly thereafter.

Mr. Brown's report included updates on several House Bills, he briefly summarized each bill. He added that it will be busy for the next few months in the legislature.

Manager Felt inquired about HB 1115, referencing Mr. Brown's report which outlined the bill's authorization for the Colorado Water Conservation Board (CWCBC) to administer a water supply measurement and forecasting program. This program would involve collecting and disseminating snowpack data, investigating new measurement technologies, and gathering related information. Mr. Brown clarified that a meeting with CWCBC to discuss snowpack measurement, specifically staffing, is scheduled for next week. He expressed uncertainty regarding the program's integration with the existing Snotel program, including potential database consistency issues.

Manager Felt, drawing from a recent CWCBC Board meeting, clarified that the proposed program is not intended to be an adjunct to existing systems. He pointed out that various basins are independently conducting lidar and aerial snowpack measurements, creating a need for a centralized data repository. Using the District as an example, he emphasized the value of airborne snow measurement but stressed the importance of maintaining existing methods like Snotel. He suggested exploring ways to consolidate this information into a single, accessible platform.

Mr. Brown reported a conversation with Anna Mauss, Director of CWCBC, concerning project funding. He informed her that the project could potentially be run as an Enterprise to avoid TABOR limitations. Ms. Mauss indicated this option had not been previously considered.

Advisor Scanga clarified the funding structures of Snotels and flyover lidar. He explained that Snotels are federally funded, placing them outside of state control. Conversely, flyover lidar, used for specific regions, is funded by a combination of state and conservancy district resources. Mr. Scanga emphasized the expense of lidar and its periodic nature, noting that Snotels provide valuable correlative data for broader estimations. He further highlighted the established use of Snotel data for tools like stream flow predictions, questioning the necessity of state duplication.

Mr. Brown referenced a period of time during Senator Udall's tenure when federal Snotel funding disruptions caused significant data collection delays. This raised concerns about potential damage to historical records, prompting discussions at the Arkansas Basin Roundtable regarding a state-based alternative. Mr. Brown acknowledged the validity of Manager Scanga's concerns, particularly those related to climate change's impact on snow predictions. He noted the difficulty in accurately forecasting future snow impacts due to climate change. Manager Scanga added that despite over 25 years of climate change evaluation, changes have yet to be observed.

PROJECT MANAGEMENT REPORT- Gracy Goodwin

Project Manager Goodwin shared a power point for February 2025 project updates. The report included project updates on Round Mountain Reservoir Feasibility Study, Trout Creek Intra-Ditch Exchange, Cottonwood Dam and Spillway, and DeWeese Reservoir Project.

ENGINEERING REPORT – Colorado River Engineering, Chris Manera

Engineer Manera updated the board on the Cottonwood Dam construction site access, including potential project impacts. He reported that the final design has been submitted to the Dam Safety Office and is currently under final review prior to submission.

Mr. Manera introduced Maggie Gointa, a new Engineer to Colorado River Engineering. Ms. Gointa was present at the meeting.

COMMITTEE REPORTS

None

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RESUME REVIEW COMMITTEE

Manager Felt drew the Board's attention to the District's change case for u-Union Ditch shares owned by Fremont County in the December 2024 Resume. He said it is part of the District's long term arrangement with Fremont for covering their out of priority use of water for dust control projects around the county.

Manager Felt mentioned another case in the December 2024 Resume, Case No. 2024CW7, Wilbur C. Miller Family LLLP Jarvis Ditch Expansion. Commissioner Livengood briefed the Board on the case stating that it is a continuing diligence case from a 2015 conditional water right. He said applicants have applied for 4 cubic feet of surface flow under a water right to become absolute. He said his office will be filing a letter of opposition. He further stated that the case has the potential to injure the District's exchange rights that are used to move water from Pueblo Reservoir to Conquistador and DeWeese Reservoirs. He expressed the importance of opposing the case and that the water right was not diverted under a futile call as the applicants are suggesting. He said he administered it himself in 2024. He clarified for Director Donley that the water rights are owned by Robert Miller and Chuck Rorick.

Commissioner Henrich explained that while they hold 5.36 acre-feet of senior water rights, they are claiming to have diverted it all under a junior priority. He argued that this junior priority claim would negatively impact the stream. However, he clarified that not the entire 7 cfs diversion would be considered futile, only a portion of it..

Nothing of significance in the January 2025 resume.

Atty Burgemeister stated that he believed there to be one day in the accounting where senior water rights were filled and the 4 cubic feet was claimed under the junior right. He suggested looking into it to be certain how they are doing their accounting.

Regarding Attorney Burgemeister's inquiry, Mr. Henrich stated that 7 cfs of water would reach the creek. This would mean the call is not futile. Furthermore, he clarified to Mr. Scanga that diligence cannot be claimed based on a futile call in this instance

Nothing of significance in the January 2025 resume.

MANAGER'S REPORT – Greg Felt Resolution Designating Signatories Update

Upon motion by Director Donley, seconded by Director Telck, the Board approved the Resolution to designate bank signatories for the District.

In his first month as General Manager, Mr. Felt shared his initial experiences with the Board. He highlighted his participation in the CWC conference, tours of Custer County, and visits to Cottonwood and the Interditch exchange. Mr. Felt also expressed sincere gratitude to former General Manager Scanga for his invaluable assistance during the transition, and to the entire staff for their support..

DISTRICT ADVISOR REPORT- Terry Scanga USFS Reservoir Site Appraisals

Advisor Scanga presented a proposal from Chandler Appraisal Company to appraise several reservoirs. He noted Chandler is on the USFS-provided list of approved appraisers, and the appraisal cost is \$20,000.

The Board approved the appraisal following a motion by Director French and a second by Director Donley.

LEGAL REPORT – Law of the Rockies, Kendall Burgemeister

Opposition updates, transactional matters, applications, and updates were included in the Law of the Rockies written report presented by Atty Burgemeister. The report was made available to all Board members prior to the meeting.

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Following a motion by Director Goodwin and a second by Director Telck, the Board approved filing a statement of opposition to water rights application in Case No. 24CW7. This application, submitted by Wilbur C. Miller Family LLC and 2 R Land Holdings, LLC, aimed to convert a conditional water right to an absolute right.

Atty Burgemeister briefed the Board on Case No. 08CW106 Trout Creek Ditch Company Ditch Intra-Ditch Exchange.

EXECUTIVE SESSION: 3:38pm:

Upon motion by Director Telck, seconded by Director Eggleston, the Board approved moving into Executive session for **Consideration of an executive session pursuant to CRS 24-6-402(4)(b) for the purpose of receiving legal advice on specific legal questions from the District's general counsel and CRS 24-6-402(4)(e)(I) to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators, both with respect to the following subjects: (1) potential agreement with DeWeese Dye Ditch & Reservoir Company; and (2) potential Memorandum of Understanding with the Town of Buena Vista.**

OUT OF EXECUTIVE SESSION: 4:31pm:

Upon motion by Director Goodwin, seconded by Director French, the Board approved moving out of Executive Session.

CHAIRMAN & DIRECTOR REPORTS

Director Goodwin emphasized the value of Board and Staff participation in water events like the recent CWC Conference and the upcoming ARBWF. He stressed that these events are important for staying informed and connected..

NOTICES & MEETINGS

- **Southeastern Colorado Water Conservancy District Board Meeting: February 20, 9:30 AM, SECWCD Building, Pueblo**
- **Interbasin Compact Committee Meeting: February 26, Westminster Doubletree Hotel.**
- **Memorial for Dick Bratton, March 2, 2:00 PM at Western University, Gunnison**
- **Arkansas River Basin Water Forum: March 5-6, 2025, Pueblo Convention Center (Local Leaders Dinner on evening of March 4, 2025)**
- **Arkansas Basin Roundtable: March 12, 2025, Pueblo Community College**

ADJOURN

There being no further business to come before the Board or Enterprise and upon motion by Director Donley and approval of the Board, the meeting adjourned at 4:31pm.

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Respectfully submitted,



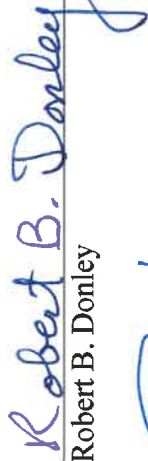
Gregory W. Felt, General Manager



Timothy C. Canterbury

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Mannie Colon



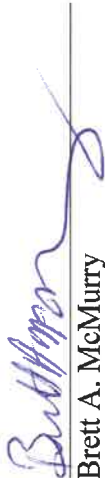
Robert B. Donley



Ben Lenth



Tom E. French



Brett A. McMurry

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Mike Shields



Ralph L. Scanga, Jr., District Advisor



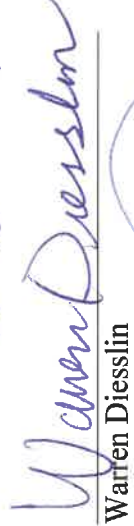
Thomas Goodwin, Treasurer



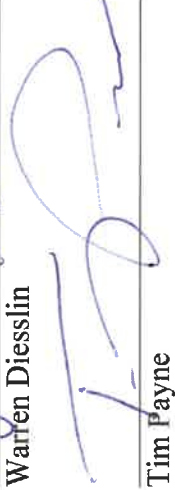
Richard Hilderbrand



Albert Eggleston



Warren Diesslin



Tim Payne



Tony Telck