

UPPER ARKANSAS WATER  
CONSERVANCY DISTRICT

Regular Meeting of the Board of Directors

July 14, 2022  
1:30 P.M.

A regular meeting of the Board of Directors of the Upper Arkansas Water Conservancy District was held Thursday, July 14, 2022, commencing at 1:30pm 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 July 13, 2022, at the offices of the Upper Arkansas Water Conservancy District, 339 East Hwy 50, Salida, Colorado.

**DIRECTORS PRESENT (IN PERSON)**

Tim C. Canterbury	Mannie Colon	Tony Telck
Tom French	Robert B. (Bill) Donley	Warren Diesslin
Thomas Goodwin	Brett McMurry	Albert Eggleston
Rich Hilderbrand		

**DIRECTORS PRESENT (BY REMOTE VIDEO AND AUDIO CONFERENCING)**

Tim Payne	Mike Shields	Gregory W. Felt
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**DIRECTORS ABSENT**

Franklin J. (Jay) Moore, (Honorary)

**DISTRICT OFFICIALS/STAFF MEMBERS PRESENT**

Ralph L. (Terry) Scanga, General Manager	Gracy Goodwin, Projects Manager
Kendall Burgemeister, Attorney	Jennifer A. Scanga, Administrative Assistant
Jord Gertson, Hydrologist	

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

Denise Sanchez, Office Manager  
Richard Brown, Legislative Consultant  
Wendy Ryan, Engineer

**DISTRICT OFFICIALS ABSENT**

Ken Baker, Consultant

**STATE OFFICIALS PRESENT**

None

**STATE OFFICIALS PRESENT (BY REMOTE VIDEO AND AUDIO CONFERENCING)**

None

**STATE OFFICIALS ABSENT**

Brian Sutton, Augmentation Coordinator  
Bill Tyner, Division 2 Engineer  
Dan Henrichs, Water Commissioner, District 12  
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

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### **EX-OFFICIO REPRESENTATIVES ABSENT**

John Roorda, Chaffee County Planning Manager  
Brian Berger, Poncha Springs Town Administrative Officer  
Shawn Williams, Buena Vista Public Works Director  
Philip Puckett, Buena Vista Town Administrator  
Dave Schneider, Round Mountain Water and Sanitation District Manager  
Drew Nelson, City of Salida Administrator  
Bill Canda, Custer County Commissioner

### **GUESTS PRESENT**

Nora Flynn, Colorado Water Conservation Board (CWCB)  
Kara Sobieski, Water Resource Engineer, Wilson Water Group

### **GUESTS PRESENT (BY REMOTE VIDEO AND AUDIO CONFERNING)**

Joe Stone, Heart of the Rockies Radio News  
Erin Minks, Senior Advisor on Rural Affairs and Regional Representative for Senator Mike Bennet  
Emily Tracy, Canon City Council Member

### **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 June 09, 2022**

The minutes of the meeting of June 09, 2022, were approved upon motion by Director French with second by Director Donley.

### **FINANCIAL REPORTS**

Upon motion by Director Colon with second by Chairman Goodwin, the Board approved the monthly financial reports dated June 30, 2022.

### **PROGRAM PRESENTATIONS**

The Colorado Water Plan was presented by Nora Flynn, representative of CWCB. She said the Water Plan organizes four values into active areas that connect to cities, farms, streams, and people that directs readers to different water uses and planning needs. She added that the 200-page plan will be fully adopted by year 2023. Ms. Flynn explained that the goal of the presentation is to orient the Board on what is in the plan. Ms. Flynn explained that CWCB is in the 90-day comment period until September 30<sup>th</sup>. After that time, the CWCB board of directors will again review the plan and approve any updates made through comments. She focused on Chapter 6, which she noted is the “guts” of the plan.

Ms. Flynn went on to explain the four core values in Chapter 6 of the plan. These interconnected action areas are:

**Vibrant Communities-** Counties, municipalities, utilities, cities, towns, businesses, large industries, etc.

**Robust Agriculture-** Established crops and farms, local food, orchards, ranching, ditch companies, etc.

**Thriving Watersheds-** Environment and recreation, river, watershed & forest health, wildfire mitigation, etc.

**Resilient Planning-** Climate adaptation, planning for climate extremes, embracing equity, diversity, and inclusivity, education, outreach and engagement, supportive government, etc.

Ms. Flynn further explained that the split between agency action and partner actions is an acknowledgment that CWCB is far from the only entity that works on water in Colorado. She said there are many agencies and groups, such as the UAWCD, that can help lead multi-beneficial water

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projects.

Ms. Flynn noted that there are 4 new CWCB staff members who will be regionally stationed to help with projects and collaborations and get projects off the ground.

Director Donley asked the location of the new positions Ms. Flynn stated that positions will be in the 4 corners of the state, The Rio Grande and Southwest Basin, South Platte and possibly the Upper Arkansas Basin.

Ms. Sobieski expressed how overwhelming the grant process is and these regional coordinators are the first step in helping facilitate the grant process and bring partners together to address water needs. She added that the coordinators are not strictly for agriculture, although hopefully the partnerships will include ag. She also added that she feels this is an opportunity for the UAWCD to be partners with some of these projects to benefit the Upper Basin.

Ms. Flynn stated that the 90-day comment period is June 30-Sept 30 and there are some specific listening sessions that begin July 27<sup>th</sup>. She added that the September 28<sup>th</sup> listening session is geared toward agriculture and comments can be submitted verbally or written and via the listening sessions.

Director Hilderbrand asked where can you find out about grant results and studies that CWCB has funded? Ms. Flynn said that a new projects data base was created and will be available this month by the next CWCB Board meeting next week.

Manager Scanga asked what triggered the assigning of new, full time positions of regional coordinators for grant capacity? He stated that most entities that do water projects, such as conservancy districts, municipalities, water and sanitation districts, ditch, and irrigation companies, etc. have individuals or entities to assist with grant management. Ms. Flynn answered that the goal is to help the state be more present and in more corners of the state. Ms. Sobieski explained that some the other basins have taken on grant writing to help with entities that do not have the resources. Ms. Sobieski stated that a big plan requires a lot of resources to bring it statewide. She added that she feels it needs to be brought statewide to get it to the people that need the assistance and the coordinators are useful in helping advance the goals that CWCB has set.

Director Felt stated that due to the large size of the written plan, he asked which part of the draft plan would be most important to pay attention to and most relevant to Board members? Ms. Flynn recommended focusing on Chapter 6, stating that it is the “meat of the plan” and provides the actions of the plan.

Director Hilderbrand expressed that he feels the plan is lacking a real direction. for the water plan to go. He added that there are no results listed which demonstrate improvement and plan action.

### **EX-OFFICIO REPORTS**

There were no ex-officio reports

An updated 2022-2023 ex-officio list was provided to all Board members.

### **PROJECT MANAGEMENT REPORT- Gracy Goodwin**

PM Goodwin provided a summary of grants in progress for Board members to review. She displayed a updates of July projects which included Round Mountain Reservoir Feasibility Study, Round Mountain Reservoir Construction Grant, DeWeese Enlargement Feasibility Study, and Trout Creek Alluvial Storage.

PM Goodwin explained that after two weeks of working on the WaterSmart federal grant for Round Mountain Reservoir there was not enough information to proceed and make a fully competitive grant. She stated that she submitted a state Water Plan grant for \$500,000 through CWCB. The grant will be reviewed in September. She added that there are two separate Round Mountain grants. One is for construction drawings and the other is for the feasibility study. PM Goodwin noted that the District will

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be looking for other federal grant opportunities and WaterSmart in the next grant cycle where the work product we already have developed may be utilized.

Director Colon asked about the evaporation rate on the Trout Creek Alluvial Storage. Hydrologist Gertson said there is no evaporative loss. PM Goodwin noted the benefit of gaining the storage in Trout Creek alluvial storage is due to no evaporation and it is measured by engineers using Glover analysis.

Erin Minks offered to provide letter of support from US Senator Michael Bennet's Office for the next cycle of a WaterSmart grant application.

### **CONSULTANT REPORT – Richard Brown**

A current Legislative Update was presented by Legislative Consultant Brown. He provided an oral update of status of Bills of interest, newly enacted laws, and the status of the Water Resources Review Committee (WRRRC) meeting at the CWC annual water conference.

### **COMMITTEE REPORTS**

None

### **RESUME REVIEW COMMITTEE**

Nothing of significance in the May Resume

Manager Scanga discussed briefly possible interest in the Diligence Application on Badger Creek from the June Resume. He stated that because the District provides augmentation on Badger Creek, he suggested having Atty Burgemeister assess whether any action should be taken.

### **MANAGER'S REPORT – Terry Scanga** **Canon City Urban Renewal Plan-**

Manager Scanga provided a copy of the written plan to Board members and explained that two additional lots will be added to the agreement. He said that the Urban Renewal allows the District to forgo tax revenue based on an increased basis due to improvements and then the Urban Renewal can utilize the tax money as a fund.

Atty Burgemeister further explained that the agreement is not forever but it is finite in terms of its duration. He stated that the agreement does not require the District to forgo 100% of the property tax only the increase in value to the parcel that is created by the construction of new, future improvements. Atty Burgemeister clarified for Director Hilderbrand that the parcels held by the fire district are tax exempt but become taxable after they are sold to a private entity. Once the lots are sold and further developed, the taxes from the increase in value go to the Urban Renewal Authority instead of the UAWCD.

Director Payne expressed that as the Chairman for the Urban Renewal Authority in Canon City, this is a tax-exempt entity and if the fire district sells the two additional parcels then they become taxable. He added that it is beneficial for all parties involved.

Upon motion by Director French, seconded by Director Hilderbrand, the Board approved the addition of two parcels to the resolution.

### **Round Mountain-UAWCD Grant Funding MOU-**

Manager Scanga presented an MOU for approval with Round Mountain for authorization to apply for grant funding from a Water Plan Grant. He said it is a non-binding memorandum of understanding between the UAWCD and Round Mountain for grant funding for the construction of Round Mountain Reservoir #2. He said Round Mountain verbally conveyed their approval of granting authority to the UAWCD to apply for a grant for reservoir funding. Manager Scanga expressed that it is advantageous for both entities and recommended Board approval.

Chairman Canterbury asked at what point will we need a more binding contract to give the UAWCD storage space? Manager Scanga that before signing a contract for construction additional negotiations

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will need to be made for a more comprehensive agreement. He further stated that the District and Round Mountain are working on that.

Director Colon asked if there is an administrative fee charged to Round Mountain for the work the District is putting into getting the grant. Manager Scanga stated that the cost of administration is included in the grant.

Upon motion by Director Colon, seconded by Director Telck, the Board approved the non-binding memorandum of understanding for grant funding with Round Mountain.

### **CWCB Water Plan Grant Resolution-**

Manager Scanga explained that it is a resolution to file for a Water Plan Grant for Round Mountain Reservoir Construction.

Upon motion by Director Hilderbrand, seconded by Director Donley, the board approved the CWCB Water Plan Grant Resolution.

### **Inter-basin Compact Committee IBCC:**

Manager Scanga gave an update of the June 30<sup>th</sup> meeting. He explained that each basin gave a brief update of basic high points such as watershed projects, education and outreach (PEPO), and the need for capacity building. He stated that the other basins pointed out that they do not have the capacity in their basins. Manager Scanga said that the Upper Basin is different because we have a non-profit created by the Round Table providing grant capacity for a lot of ditch companies and other groups that are do not have staff like water conservancy districts that are used applying for and managing grants. He stated that there is \$5 million that comes from the federal infrastructure funds for CWCB to create positions for regional coordination.

Manager Scanga also explained that the Republican River Basin in the South Platte must dry up 25,000 acres to meet their compact requirements. Also, he continued that the Nebraska compact is a wintertime requirement and the impact will be minimum and will only affect the lower 75 mile reach of the South Platte.

Ms. Sobieski clarified for Director Donley that the 25,000 acres is in the South Fork region of the South Platte District.

Manager Scanga explained further the topic of Federal infrastructure plan grant money. He stated that HB-13-79 creates the funding for capacity building with the new full-time equivalent (FTE) CWCB regional positions. Manager Scanga said there is federal match funding through the state for water and environmental projects. He stated that federal money matches up to 25% of the state projects that can be applied for through the state of Colorado and is not subject to the Tabor limitation.

Manager Scanga said there was 8.2 million dollars put into the water plan on July 1 and this grant money the District is going after. He added that another portion will be available on the December 1 grants.

Manager Scanga provided Board members with his written "Water Talks" article regarding the crisis of the Colorado River system. Manager Scanga directed Board members to a chart in the article displaying the Colorado River Consumptive Use in acre feet provided by CWCB Director Becky Mitchell. The chart revealed estimates of water use between the upper and lower basins. He said nearly 10 million acre feet is used annually by the lower basin states whereas the upper basin states use approximately 4.5 million annually which was reduced to 3.5 million in 2021. Manager Scanga stated that Director Mitchell responded to a comment made by Bureau of Reclamation's Commissioner that Lake Powell and Lake Mead are falling so drastically that by August 15<sup>th</sup> unilateral action must be taken. He said that the upper basin is subject to the run of the river and under prior appropriation. Water is either there or it isn't. He said that the lower basin states have big reservoirs above them and all they have to do is ask for a delivery which is exactly what they have been doing. Manager Scanga commented that the 10 year running average of the Upper Basin's obligation is presently at 88 million acre feet and exceeds the 75 million acre-feet 10 year requirement. Manger Scanga stated that what Director Mitchell was pointing out is that Colorado and the upper basin states are doing a lot to reduce use.

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Manager Scanga stated that the meeting ended with encouraging water entities to apply for grant funds while they are available.

Director Goodwin notified the Board that this is the 100th year of the Colorado Compact and every year the lower basin states have continued to take more than their share of water.

Manager Scanga proposed to Legislative Consultant Brown that the District present the Van Norman Project to the Interim Water Resources Review Committee (WRRC) meeting in August. Approval for that presentation was given by the WRRC.

Manager Scanga briefly explained the Van Norman project stating that it is a stream restoration project undertaken in conjunction with River Science in Fremont County on Oak Creek. He said that the District is building basic skills to recognize the water impacts to these type of restoration projects. He further stated that a review of these projects point out where the potential impact could be, such as diversion of water out of priority, not augmenting areas where water is diverted on riparian areas and the retention of water by damming the stream and enlarging the surface area of a stream. Manager Scanga explained that the state said that they have no authority on reviewing or permitting those type of projects.

Director Colon asked if beavers will be used in the stream restoration project? Manager Scanga answered that only structures will be used in the Van Norman project. He stated that if you do something in a stream with vertical banks and where there has been deep cutting from high stream flows and no increase in surface area, then there is no impact or an increase of depletions on the stream. He further stated that if there is an opportunity for an administrative exchange of fully consumable water in areas where you impound water and the section does not drain, then other water entering the stream that is covered under an administrative exchange is causing no impact.

### **ENGINEER'S REPORT – Wendy Ryan, Colorado River Engineering (CRE)**

Engineer Ryan gave a brief update on the completion of the draft report for the Round Mountain Feasibility Study.

### **LEGAL REPORT – Law of the Rockies, Kendall Burgemeister**

Opposition updates, transactional matters, applications, and updates were included in the Law of the Rockies legal report made available to all Board members prior to the meeting.

Upon motion by Director Donley, seconded by Director Colon the Board approved the proposed stipulation in Case No. 21CW3033 between UAWCD, acting through the Upper Arkansas Water Activity Enterprise, and the Colorado Water Conservation Board.

Upon motion by Director Goodwin, seconded by Director Hilderbrand, the Board approved the proposed stipulations in Case No. 19CW3089 between UAWCD, acting through the Upper Arkansas Water Activity Enterprise, and (at minimum, the Colorado Water Conservation Board and the Town of Buena Vista, and any others that arise by Thursday).

### **CHAIRMAN AND DIRECTOR REPORTS**

Director Felt and other Board members expressed sorrow at the passing of former, long-time serving District 11 Water Commissioner, Bruce Smith.

Director Hilderbrand asked what the District's part is in the State Water Plan? Manager Scanga explained some history of how the state arrived at the development of a state water plan. The round table concept began when a 2 billion dollar storage bill failed under the Owen administration. He further explained that the state then authorized the CWCB to begin an assessment of water needs called SWSI and then passed a bill to form an Inter-basin Compact Committee (IBCC) with Basin Roundtables formed and IBCC representatives appointed to represent each basin. The same legislation appropriated severance funds for grants for water projects with the projects vetted by each basin roundtable for funding. From this the state water plan idea arose.

### **NOTICES & MEETINGS**

None

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**ADJOURN**

There being no further business to come before the Board or Enterprise and upon motion by Director Colon seconded by Director Donley and approval of the Board, the meeting adjourned at 3:12pm.

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Respectfully submitted,

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Ralph L. Scanga, Jr., General Manager

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Thomas Goodwin, Treasurer

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Timothy C. Canterbury

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Richard Hilderbrand

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Mannie Colon

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Albert Eggleston

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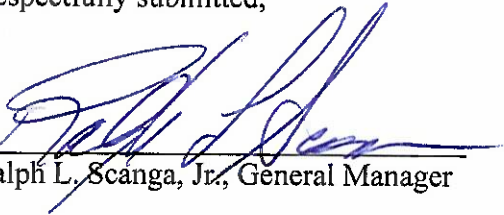
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Brett A. McMurry

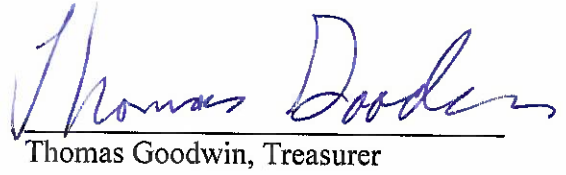
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Mike Shields



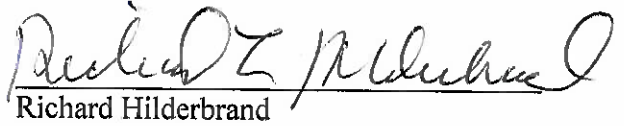
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Respectfully submitted,

  
Ralph L. Scanga, Jr., General Manager

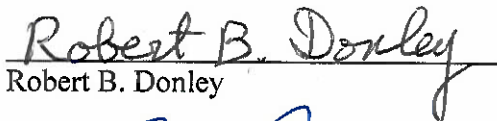
  
Thomas Goodwin, Treasurer

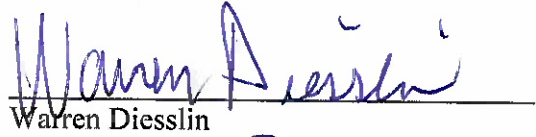
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Timothy C. Canterbury

  
Richard Hilderbrand


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Mamie Colon

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Albert Eggleston

  
Robert B. Donley

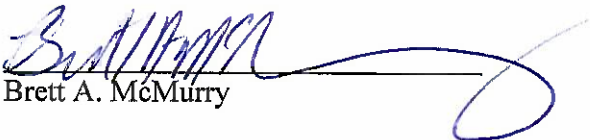
  
Warren Diesslin

  
Gregory W. Felt

  
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Brett A. McMurry

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Mike Shields