

RECORD OF PROCEEDINGS
SAN JUAN WATER CONSERVANCY DISTRICT
DECEMBER 4, 2019 REGULAR MEETING

Attendance

The following Directors were present: John Porco, Susan Nossaman (telephonically), Candice Kelly, Al Pfister (telephonically), Bill Hudson, and Doug Secrist.

Also present were: Joe Crabb, Renee Lewis (telephonically), Jeff Kane (telephonically), and John Finefrock.

Call to Order

The Regular Meeting for the San Juan Water Conservancy District (SJWCD) was called to order by Chairman John Porco at 5:05 p.m.

Revisions to Agenda

The Board considered revisions to the December 4, 2019 Regular Meeting Agenda (copy attached). Chairman Porco suggested agenda items #13 and 14 be considered following the Attorney's Report to make better use of the SJWCD attorney's time. The Board agreed. Chairman Porco also requested an update regarding the upcoming joint meeting with Pagosa Area Water and Sanitation District (PAWSD) Board of Directors be added to the agenda. The Board agreed.

Declaration of Conflicts of Interest

The Board considered Declarations of Conflicts of Interest. No conflicts were declared.

Public Comment

Chairman Porco opened the meeting to public comment. No comments were offered.

Update regarding Snow and Water Conditions – Joe Crabb – CO Division of Water Resources

The Board considered Update regarding Snow and Water Conditions – Joe Crabb – CO Division of Water Resources. Joe Crabb presented Update regarding Snow and Water Conditions – Joe Crabb – CO Division of Water Resources, stating that while snowpack in the area is above average NOAA is

predicting a neutral El Nino/La Nina impact for the 2019/2020 winter. The Board agreed to have Mr. Crabb present again at the regular meeting in February to discuss the diversion records for the 2019 water year.

Approval of October 15, 2019 Regular Meeting and November 12, 2019 Special Meeting Minutes

The Board considered Approval of October 15, 2019 Regular Meeting and November 12, 2019 Special Meeting Minutes (copy attached). Renee Lewis presented Approval of October 15, 2019 Regular Meeting and November 12, 2019 Special Meeting Minutes (copy attached), stating she had not received any substantive comments from the Board regarding the minutes prior to this presentation. A motion was made by Director Kelly and seconded by Director Hudson to approve the minutes as presented. The motion passed unanimously.

Consideration of Attorney Report

The Board considered Attorney Report. Jeff Kane, Southwest Water and Property Law, LLC presented Consideration of Attorney Report, stating he anticipated some development in the ongoing water rights cases as the next status conference is January 10, 2020. He will report on said status conference at the February 2020 board meeting. Mr. Kane also stated that following his research regarding the amount of liability insurance the District is required to carry he recommended cancelling the additional \$2 million policy as the original policy for \$2 million is adequate to meet current obligations.

Consideration of Treasurer's Report

The Board considered Treasurer's Report (copy attached). Director Kelly presented the Treasurer's Report, stating the highlights of the deposits, expenses, and ending balances. She also requested direction from the Board to move any funds exceeding an agreed upon amount in the operating checking account to the savings account. The Board agreed and requested she and Renee Lewis develop a policy to this effect for presentation at the next regular meeting.

Consideration of Board Fiduciary Responsibilities

The Board considered Board Fiduciary Responsibilities. Chairman Porco presented Consideration of Board Fiduciary Responsibilities, stating that recent events necessitated his requesting the attorney provide a briefing regarding the Board's fiduciary responsibilities. SJWCD attorney, Jeff Kane, provided a briefing regarding the fiduciary duties of Board Members to the District when speaking, writing, or attending events in that capacity. The Board agreed to consult with the Board as a whole prior to speaking or writing with regard to District matters.

Discussion regarding West Fork Canal and West Fork Reservoir June 2021 Stipulated Filing

The Board considered Discussion regarding West Fork Canal and West Fork Reservoir June 2021 Stipulated Filing. Director Pfister presented Discussion regarding West Fork Canal and West Fork Reservoir June 2021 Stipulated Filing, stating he was of the opinion the District should research the options available for utilizing this water right prior to the next filing deadline in 2021. A motion was made by Director Hudson and seconded by Director Secrist to authorize Director Pfister to contact qualified water professionals regarding how best to move forward on this issue. The motion passed unanimously.

Consideration of Funding for Cloud Seeding Research for 2020

The Board agreed to table this item to the next regular meeting to allow for more information gathering.

Consideration of SJWCD Draft 2020 Budget

The Board considered SJWCD Draft 2020 Budget (copy attached). Chairman Porco presented SJWCD Draft 2020 Budget, stating the documents presented for this meeting are the culmination of many months of work and all of the statutory budget process requirements have been met. Director Hudson noted a clerical typo regarding dates in the budget message that was corrected. A motion was made by Director Pfister and seconded by Director Hudson to approve the draft 2020 budget and materials as amended above and authorize the execution of said materials by the appropriate officers. The motion passed unanimously.

Consideration of Certification of Mill Levy

The Board considered Certification of Mill Levy (copy attached). Chairman Porco presented Consideration of Certification of Mill Levy, stating the mill levy remains the same at 0.316 mills. A motion was made by Director Secrist and seconded by Director Kelly to approve the Certification of Mill Levy as presented to Archuleta County. The motion passed unanimously.

Consideration of Nominee for Urban Renewal Authority Commission

The Board considered Nominee for Urban Renewal Authority Commission (copy attached). Chairman Porco presented Consideration of Nominee for Urban Renewal Authority Commission, stating that per the Town of Pagosa Springs November 25, 2019 meeting regarding the Urban Renewal Authority Commission the Board has been tasked with nominating a representative for the Special Districts potentially impacted by the proposed Urban Renewal Authority (URA). Following a lengthy discussion regarding the potential nominees and process, a motion was made by Director Hudson and seconded by Director Secrist to authorize Chairman Porco and Director Hudson to meet with PAWSD to discuss possibly engaging an attorney to work specifically on the URA matter. The motion passed unanimously. A motion was made by Director Hudson and seconded by Director Kelly to authorize Chairman Porco to draft and send a letter to the Town of Pagosa Springs similar in nature to that of PAWSD

regarding the lack of full representation of impacted parties on the Urban Renewal Authority Commission. The motion passed unanimously. A motion was made by Director Kelly and seconded by Director Secrist to nominate Chairman Porco as the SJWCD representative for the URA Commission. The motion passed unanimously.

PAWSD/SJWCD Joint Meeting

The Board considered PAWSD/SJWCD Joint Meeting. Chairman Porco presented PAWSD/SJWCD Joint Meeting, stating he and Director Pfister have been in discussions with PAWSD General Manager, Justin Ramsey, regarding the need for the two entities to have a joint meeting to discuss the current status and future of the San Juan River Headwaters Project and the obligations under the Agreement to Restructure Colorado Water Conservation Board Dry Gulch Reservoir Loan Contract Number C150261. He further stated the meeting was tentatively scheduled for January 23, 2020 at 5:00 p.m. at the PAWSD administrative offices. The Board directed Renee Lewis to coordinate this meeting with Mr. Ramsey and develop a presentation in this regard.

Other Business

The Board inquired about the ability to use the impact fees collected by the Town of Pagosa Springs on its behalf. Jeff Kane offered to research this matter further once the Board is prepared move forward. The Board agreed to have this item on the agenda for the next regular meeting.

There being no further business to come before the Board, the meeting was adjourned at 7:19 p.m.

Respectfully submitted,

Renee Lewis
Recording Secretary
For the Board of Directors