

RECORD OF PROCEEDINGS
SAN JUAN WATER CONSERVANCY DISTRICT
FEBRUARY 3, 2020 REGULAR MEETING

Attendance

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

Also present were: Joe Crabb, Mely Whiting, Eric Hjermstad (telephonically), Chris Mannara, Renee Lewis (telephonically), and Jeff Kane (telephonically).

Call to Order

The Regular Meeting for the San Juan Water Conservancy District (SJWCD) was called to order by Chairman John Porco at 1:05 p.m.

Revisions to Agenda

The Board considered revisions to the February 3, 2020 Regular Meeting Agenda (copy attached). Chairman Porco suggested revising the agenda throughout the meeting to accommodate the schedules of those presenting. The Board agreed.

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 (copy attached). 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. Mr. Crabb also discussed the area diversion records for the 2019 water year.

Consideration of Funding for Cloud Seeding and Cloud Seeding Research for 2020

The Board considered funding for Cloud Seeding and Cloud Seeding Research for 2020 (copy attached). Chairman Porco presented Consideration of Funding for Cloud Seeding and Cloud Seeding Research for 2020, stating the options for research in Southwest Colorado are not available at this time particularly in light of SJWCD budget constraints and he recommends the Board try to make a decision on this matter. Director Pfister and Eric Hjermstad provide an overview of the materials provided to the Board regarding cloud seeding and field questions. Mr. Hjermstad stated there may be research opportunities in the future if SJWCD reached out to other area entities in an effort to better utilize resources available through partnering. A motion was made by

Director Pfister and seconded by Director Nossaman to fund general cloud seeding operations in the amount of \$1,000 for 2020 with the understanding that in the future SJWCD will pursue partnerships to establish cloud seeding research in Southwest Colorado. The motion passed 5 – 1 with Director Hudson opposed. Director Wheeler abstained. A motion was made by Director Pfister and seconded by Director Kelly to authorize SJWCD Board Members to contact Ken Curtis (Dolores Water Conservancy District) and Frank Kugel (Southwestern Water Conservation District) regarding cloud seeding research efforts in Southwest Colorado and possible partnerships. The motion passed unanimously.

Consideration of Water Conservation Program in Division 7

The Board considered Water Conservation Program in Division 7 (copy attached). Mely Whiting, Trout Unlimited, presented Consideration of Water Conservation Program in Division 7, stating Division 7 is the only division in Colorado without a water conservation program, and she represents an effort to implement a water conservation program in Division 7. Ms. Whiting requested a letter of support from SJWCD of this effort. Director Hudson requested more time to consider the matter. Director Pfister and Ms. Whiting stated the letter of support would be needed prior to the next board meeting. A motion was made by Director Pfister and seconded by Director Nossaman to authorize the President to draft and send a letter of support regarding the effort to implement a water conservation program in Division 7. The motion passed 6 – 1 with Director Hudson opposed.

Update Regarding Director Pfister's Reappointment to the SJWCD Board

The Board considered Update Regarding Director Pfister's Reappointment to the SJWCD Board (copy attached). Director Pfister presented Update Regarding Director Pfister's Reappointment to the SJWCD Board, stating District Court had reappointed him to the SJWCD Board on January 20, 2020.

Election of Officers

The Board considered Election of Officers. Chairman Porco presented Election of Officers, stating officers are elected biannually per the SJWCD Bylaws. A motion was made by Director Hudson and seconded by Director Pfister to elect Director Pfister as President. The motion passed unanimously. A motion was made by Director Wheeler and seconded by Director Pfister to elect Director Nossaman as Vice-President. The motion passed unanimously. A motion was made by Director Hudson and seconded by Director Pfister to elect Director Porco as Secretary. The motion passed unanimously. A motion was made by Director Pfister and seconded by Director Porco to elect Director Kelly as Treasurer. The motion passed unanimously. The Board agreed the composition of the Executive Committee remains the same with Director Pfister as President, Director Porco as Secretary, and Renee Lewis as Management Consultant.

Declaration of Conflicts of Interest

The Board considered Declarations of Conflicts of Interest. Director Wheeler declared that he may be working on the Town of Pagosa Springs Urban Renewal Authority (URA) matter representing another group. The Board agreed this did not present a conflict of interest. No other conflicts were declared.

Public Comment

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

Approval of December 4, 2019 Regular Meeting Minutes

The Board considered Approval of December 4, 2019 Regular Meeting Minutes (copy attached). Director Kelly noted one correction under the "Consideration of Certification of Mill Levy" agenda item in the mill levy was incorrectly drafted as 0.317 and it should have been 0.316. A motion was made by Director Pfister and seconded by Director Kelly to approve the minutes as amended above. The motion passed unanimously.

Consideration of Nominees for PAWSD/SJWCD Running Iron Ranch Subcommittee

The Board considered Nominees for PAWSD/SJWCD Running Iron Ranch Subcommittee. Chairman Porco presented Consideration of Nominees for PAWSD/SJWCD Running Iron Ranch Subcommittee, stating that per agreement reached with PAWSD Board of Directors at the January 23, 2020 Joint Work Session, the SJWCD committed to appointing three members to said subcommittee. Following some discussion regarding availability over the next few months, a motion was made by Director Hudson and seconded by Chairman Porco to appoint Directors Pfister, Porco, and Secrist to represent the SJWCD on the PAWSD/SJWCD Running Iron Ranch Subcommittee with Director Hudson as an alternate. The motion passed unanimously.

Consideration of Impact Fees Account

The Board considered Impact Fees Account. Director Kelly presented Consideration of Impact Fees Account, stating that she was interested in how the District might be able to spend these funds. Renee Lewis reminded the Board of the discussion had during the December 4, 2019 meeting in which it was discussed these funds may be used towards any engineering studies completed on the alternatives for the West Fork Reservoir water right. The Board directed Jeff Kane to provide guidance on the steps necessary to move forward on pursuing matter at the next regular meeting in April.

Consideration of Attorney Report

The Board considered Attorney Report (copy attached). Jeff Kane presented Consideration of Attorney Report, stating he had assisted Renee Lewis in noticing the upcoming board vacancies of Directors Porco and Secrist on February 6, 2020 with a submission deadline of March 7, 2020. The Board agreed the Executive Committee

would bring any applications to the Board at the regular meeting in April. Mr. Kane also noted he would be introducing a new Associate to the Board at the April Regular Meeting.

Consideration of Authorization to Enter into Settlement with PAWSD and Boot Jack, LLC on the Following Water Rights Cases: 17CW3030; 17CW3041; 17CW3043; 17CW3050, and 18CW3051 in Executive Session Pursuant to Sections 24-6-402(4)(b) and 24-6-402(4)(e), C.R.S.

The Board considered Authorization to Enter into Settlement with PAWSD and Boot Jack, LLC on the Following Water Rights Cases: 17CW3030; 17CW3041; 17CW3043; 17CW3050, and 18CW3051 in Executive Session Pursuant to Sections 24-6-402(4)(b) and 24-6-402(4)(e), C.R.S. (copy attached). Jeff Kane presented Consideration of Authorization to Enter into Settlement with PAWSD and Boot Jack, LLC on the Following Water Rights Cases: 17CW3030; 17CW3041; 17CW3043; 17CW3050, and 18CW3051 in Executive Session Pursuant to Sections 24-6-402(4)(b) and 24-6-402(4)(e), C.R.S., providing the background on the various water rights cases involved in the settlement negotiations. Following some discussion regarding the history of these cases, a motion was made by Director Hudson and seconded by Director Secrist to enter into Executive Session for the purposes of receiving legal advice on specific legal questions and instructing negotiators pursuant to Sections 24-6-402(4)(b) and 24-6-402(4)(e), C.R.S. The motion passed unanimously. The Board entered into Executive Session at 3:10 p.m. Upon returning to Regular Session at 3:33 p.m. a motion was made by Director Pfister and seconded by Director Nossaman to authorize Mr. Kane to proceed with settlement negotiations as was discussed in Executive Session with the exception of significant departures thereof that will be brought back for Board consideration. The motion passed unanimously.

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.

Consideration of ColoTrust Investment Policy

The Board considered ColoTrust Investment Policy. Director Kelly presented Consideration of ColoTrust Investment Policy, stating she would like the authority to move \$40,000 from the operating checking account to the ColoTrust account. A motion was made by Director Hudson and seconded by Director Pfister to authorize Director Kelly to move \$40,000 from the operating checking account to the ColoTrust account. The motion passed unanimously.

Consideration of Purchase of New Office Computer

The Board considered Purchase of New Office Computer. Director Kelly presented Consideration of Purchase of New Office Computer, stating she would like the authority to purchase a new office computer as the current version of Microsoft Office Suite will no longer be supported and will need to be replaced with the newest version of Microsoft Office Suite 365. A motion was made by Director Secrist and seconded by Director Pfister to authorize Director Kelly to purchase a new office computer with Microsoft Office Suite 365, not to exceed \$1000.00. The motion passed unanimously.

Consideration of Resolution 2020 – 01 – Annual Meeting Notice

The Board considered Resolution 2020 – 01 – Annual Meeting Notice (copy attached). Renee Lewis presented Consideration of Resolution 2020 – 01 – Annual Meeting Notice stating, this annual meeting notice has been revised from years past in an effort to comply with House Bill 19-1087 promoting the use of entities' websites for posting meeting notices. She further noted the District will now post the meeting notices to the website and on the office door, if possible. A motion was made by Director Kelly and seconded by Director Secrist to adopt Resolution 2020 – 01 – Annual Meeting Notice. The motion passed unanimously.

Consideration of Strategic Plan Direction and Schedule

The Board considered Strategic Plan Direction and Schedule. Renee Lewis presented Consideration of Strategic Plan Direction and Schedule, stating she would like direction from the Board regarding how best to move forward with this effort. The Board agreed it would like to continue developing the Strategic Plan. A Strategic Plan meeting was scheduled for March 2, 2020 at 1:00 p.m.

Consideration of West Fork Water Right Alternatives Consultant

The Board considered West Fork Water Right Alternatives Consultant. Director Pfister presented Consideration of West Fork Water Right Alternatives Consultant, stating two consulting firms expressed interest in submitting proposals, while another declined due to being under contract to the Southern Utes. Director Pfister also provided a general update on his efforts to determine qualified consultants potentially interested in submitting proposals, while also addressing settlement agreement commitments.

Consideration of Nominee for Urban Renewal Authority Commission

The Board considered Nominee for Urban Renewal Authority Commission. Chairman Porco presented Consideration of Nominee for Urban Renewal Authority Commission, stating the Town of Pagosa Springs has requested SJWCD nominate a representative for the Special District seat on the Commission. Following some discussion regarding individual interest and availability, a motion was made by Director Hudson and seconded by Director Nossaman to nominate JR Ford (Southwestern Water Conservation District) and Glenn Walsh (PAWSD) for the Special District seat on the Commission. The motion passed unanimously.

Consideration of WIP Website Information Regarding SJWCD

The Board considered WIP Website Information Regarding SJWCD (copy attached). Director Kelly presented Consideration of WIP Website Information Regarding SJWCD, stating she would like the Board to review the information pertaining to SJWCD on the WIP website, particularly the information regarding the San Juan River Headwaters Project. The Board agreed.

Consideration of WIP Contribution Benefits

The Board considered WIP Contribution Benefits. Director Kelly presented Consideration of WIP Contribution Benefits, stating she was generally curious regarding the benefits afforded to SJWCD for its annual contribution to WIP. Chairman Porco provided an overview of his opinion of the benefits to SJWCD in water education in Southwest Colorado, water information dissemination, and program leadership. He also reminded the Board that he had forwarded a letter and annual report from the WIP Program Manager, Elaine Chick on January 9, 2020. Renee Lewis concurred and offered to provide Director Kelly with the WIP Steering Committee meeting information for the remainder of the year.

Consideration of Earth Day Event

The Board considered Earth Day Event. Director Kelly presented Consideration of Earth Day Event, stating she is unable to host the SJWCD table for the Earth Day Event at Pagosa Lakes Property Owners Association this year. She asked if any of the other Board Member would be able to host. Directors Hudson and Nossaman volunteered to coordinate this event on behalf of SJWCD.

Update Regarding Colorado Water Congress

The Board considered Update Regarding Colorado Water Congress. Chairman Porco presented Update Regarding Colorado Water Congress, stating that he attended the 2020 Colorado Water Congress and offered to share his notes and/or answer any questions.

Update Regarding Southwest Basin Roundtable Meeting

The Board considered Update Regarding Southwest Basin Roundtable Meeting. Director Pfister presented Update Regarding Southwest Basin Roundtable Meeting, stating he attended the January 15, 2020 meeting, provided the Board with an overview, and offered to answer any questions.

There being no further business to come before the Board, the meeting was adjourned at 4:39 p.m.

Respectfully submitted,

Renee Lewis
Recording Secretary
For the Board of Directors