

RECORD OF PROCEEDINGS
SAN JUAN WATER CONSERVANCY DISTRICT
REGULAR MEETING - FEBRUARY 20, 2023, 4pm

Attendance

A Regular Meeting of San Juan Water Conservancy District was held Monday, February 20, 2023, at 4 pm in person at 46 Eaton Drive Suite 5 and on Zoom.

The following Directors were present in person: Al Pfister, Susan Nossaman, Doug Secrist, Rachel Suh, Candace Jones, Bill Nobles, and Joe Tedder. Also present were Sally High (SJWCD Executive Assistant), Erik Skeie (Colorado Water Conservation Board), Bill Hudson (Pagosa Daily Post and PAWSD), and Derek Kutzer (Pagosa Sun).

Director Rod Proffitt attended by Zoom. Others on Zoom were Jeff Kane (SJWCD Attorney) and Terri House (Pagosa Sun).

Call to Order

The Special Meeting of the San Juan Water Conservancy District (SJWCD) was called to order by Chairman Al Pfister at 4:03 p.m. A quorum was present.

Revisions to Agenda

The Board considered Revisions to Agenda. Director Suh asked to discuss the Pagosa Area Water and Sanitation District (PAWSD) meeting of February 9 that she listened to on tape. The same meeting was to be discussed in Agenda Item #9 Updates from Chairman. No other revisions were necessary.

Declarations of Conflicts of Interest

The Board considered Declarations of Conflict of Interest. No Conflicts of Interest were identified.

Public Comments

Chairman Pfister opened the meeting to public comment. Bill Hudson (Pagosa Daily Post and PAWSD Board) addressed Directors about a preliminary proposal to build workforce housing on 5.49 acres of the Running Iron Ranch. He distributed a 3-page handout with maps of the property. The same proposal will be considered by both the PAWSD and SJWCD Boards in the future. No other public comments were offered.

Introduction of Erik Skeie of Colorado Water Conservation Board

Director Pfister introduced Erik Skeie, a Pagosa Springs resident and Special Projects Manager for CWCB. Erik stated that he specialized in snow science, weather modification, snow measurements, and river recovery programs. He reminded SJWCD that Laura Spann remains SJWCD's primary contact at CWCB. Skeie explained that lower Colorado Basin states contribute \$500,000 to weather modification projects annually. Total cloud seeding funding from all sources is approximately \$2 million per year. The success of snow seeding is measured by different methods in different regions. Reliable studies measured a 5 to 15% increase to snow totals.

Consideration of Attorney's Report

Directors received a copy of Attorney Kane's report in the Board Packet. Directors considered the following four water cases.

Piedra Pass Water Rights Applications

Colorado Parks and Wildlife (CPW) applied for conditional rights for new transmountain diversions of water from Piedra River Pass (14 cfs) and the West Fork of the San Juan River (8 cfs). The application listed several beneficial uses. CPW's application was in the Board Packet. SJWCD opposes all transmountain diversions, as stated in the Strategic Plan. Director Pfister brought up transmountain diversions at the recent Interbasin Compact Committee (IBCC) meeting and in CWCB communications. Erik Skeie interjected that CWCB would likely oppose this transmountain diversion. Director Secrist moved that Attorney Kane file an objection on behalf of SJWCD. Director Jones seconded. The deadline to file a Statement of Opposition is the end of February. Motion passed 7 to 1. Director Suh voted no.

Dry Gulch Application for Diligence Approved

On January 27, the Division Engineer recommended to Water Court that SJWCD's Application for Diligence be approved. Attorney Kane filed a proposed ruling with the referee and expects Judge Wilson to issue a final decree in early March. Associated documents were included in the Board Packet.

BLM Treasure Pass Water Rights

Attorney Kane communicated with attorneys for both Southwestern Water Conservation District and Boot Jack Ranch, regarding SJWCD's objections to the U.S. Bureau of Land Management (BLM)'s applications to increase the diversion of water east across the Continental Divide. Both entities opposed the BLM application on the basis of the inability to measure the water being diverted. Attorney Kane suggested consideration of filing a Freedom of Information Act (FOIA) request to become better informed about issues involved in these cases, including the USFS Special Use Authorization and any BLM environmental studies into impacts. A Waiver of Fee request would accompany the FOIA request. Director Jones moved to authorize Attorney Kane to request a FOIA in order to obtain all relevant information from BLM and USFS. Director Nobles seconded. Motion passed 7 to 1. Director Suh voted no.

Objections to Boot Jack Ranch's New Water Applications

Statements of Opposition to both Boot Jack Ranch water applications were in the Board Packet. Attorney Kane filed two Statements of Opposition to Water Court in January 2023. Directors briefly discussed the definition of beneficial consumptive use.

Consideration of Treasurer's Report

Director Tedder, Treasurer, included in the Board Packet four documents: (1) the final 2022 End of Year Actual versus Budget spreadsheet, (2) the 2023 Budget versus Actual Year to Date statement, (3) an AIR form advising consideration of accepting the budget documents, and (4) an AIR form proposing the transfer of excess operating funds to the Colorado Trust account.

Director Tedder explained his intention to bring to the Board's attention any expenditure above budget and each incidence that potentially draws on contingency funds. Impact fees in Colorado Trust were moved to Operating Funds, as approved in Resolution 2021-04. This transfer of funds made it possible to move excess funds in the Operating Budget to General Reserves in Colorado Trust. Because of the District's operating "favorable to budget," it was proposed to move \$35,000 from Operating Funds to Colorado Trust which is earning 4.67% interest calculated on a daily basis. Director Nobles so moved. Director Pfister seconded. Unanimous approval.

Consideration of Resolution 2023-02, Notice of 2023 Meetings

Resolution 2023-02 established SJWCD's intent to notice all meetings according to Colorado law. Regular meetings are to be scheduled on the third Monday of each even month at 4 pm. Director Jones moved to approve Resolution 2023-02. Director Nossaman seconded. Unanimous approval.

Updates from Chairman

- Director Pfister communicated with PAWSD Chairman Jim Smith and General Manager Justin Ramsey and scheduled a Joint Work Session for Thursday, March 9, at 4 pm. The two Boards will meet in the PAWSD meeting room and the agenda includes four items: (1) PAWSD water lines to Aspen Springs, (2) San Juan Headwaters Project, (3) workforce housing on Running Iron Ranch, and (4) the 20-acre parcel for public access to the San Juan River.
- The PAWSD Water Demand Study objected to the range of population growth numbers (1.7% to 5%, low to moderate to high) used by the Wilson Water Group study. PAWSD requested that 2% population growth be used to predict future water demand. Director Pfister asked whether SJWCD Directors wanted Wilson Water Group to run their statistical prediction again using only a 2% growth rate. Only municipal water use is relevant to PAWSD's responsibilities, while SJWCD's responsibilities include all water uses. It was proposed that WWG be asked to recalculate future water demand using a 2% rate of population growth, adjusted for Golf Course water use and PAWSD's leak rate. Directors agreed that the resulting advantage to SJWCD would be to move past the question of population growth and future water demand in

conversations with PAWSD. Director Suh raised several additional perceived objections to the San Juan Headwaters project, based on her listening to a recording of the February 9 PAWSD meeting that Directors Tedder and Pfister attended. Directors were reminded that the three-party agreement defines the responsibilities of all involved parties. Director Pfister agreed to get a quote from WWG to perform the described recalculation, so that an informed decision could be made.

- The February 15 Interbasin Compact Committee (IBCC) meeting included representatives from the nine Colorado Basin Roundtables, with Director Pfister representing the Southwest Basin. Water use and equity in the Colorado River Compact was discussed and Director Pfister will send minutes to SJWCD board members. Of additional interest was Turf Replacement House Bill 1151 which provides \$25,000 to each county in Colorado to replace turf (lawns) with more water-conservative landscapes. Implementation could be promoted by Water Smart, PAWSD, and SJWCD.

Consideration of Resignation of Dave Frederick

Directors accepted the resignation of Dave Frederick. Director Pfister gave the written letter of resignation to Attorney Kane who forwarded it to Judge Wilson. SJWCD Directors received an updated board roster and Executive Assistant High was instructed to notice the vacancy in the Sun and on the SJWCD website.

Consideration of Approval of Records of Proceedings for December 2022 Regular Meeting and January 2023 Special Meeting

Director Jones moved to approve Records of Proceedings for December 2022 Regular Meeting and January 2023 Special Meeting. Director Tedder seconded. Approval was unanimous.

Consideration of Directors' Reports on Three Strategic Objectives

Objective One: Advance the San Juan River Headwaters Project (SJRHP) as one resource for meeting agricultural, municipal, environmental, and recreational water needs of the San Juan Water Conservancy District (SJWCD) community.

Directors Pfister and Secrist met with the Southern Ute Tribe on February 7. It was a positive meeting with the Water Resources Division head, Pete Nylander. A letter of introduction from SJWCD to Southern Ute Tribal Council will be written and shared with SJWCD on March 20. SUT will research their water rights within the District.

A Bureau of Reclamation grant for water storage was discussed with SUT. Up to \$30 million is available to store up to 30,000 acre-feet.

Objective Two: Consider strategies beyond water storage for meeting agricultural, municipal, environmental, and recreational water needs of the SJWCD community.

Directors Nossaman and Jones researched ground water records and plan to meet with Joe Crabb. The Division of Water Resources maintains an on-line data base of well permits. They plan to meet with Dana Guinn (San Juan Headwaters Forest Health Partnership). Director Pfister will send notice of a free public field trip at Ghost Ranch with the San Juan – Chama Watershed Partnership to discuss shared concerns.

Objective Three: Educate the SJWCD community about the water resources of the Upper San Juan River Basin and related issues, including SJRHP, water resource planning, water conservation, and the work of SJWCD.

Directors Tedder, Nobles, and Proffitt met in person to plan and budget for activities listed in Objective Three. An AIR form, contained in the Board Packet, asked for Board approval to commit an amount not-to-exceed \$2,000 to publish a series of factual articles, specifically relevant to SJWCD. Public Service Announcements and increased use of existing education materials were also advised. Two local professional writers (Josh Kurz and Kim Elzinger) were previously identified through public advertisement and interviewed by the SJWCD Board. Meetings with Directors will be noticed. Director Pfister moved to hire a contractor to write a series of articles. Director Nossaman seconded. Unanimous approval.

A Special Meeting was scheduled for Monday, March 20, at 4 pm. Chairman Pfister asked each Strategic Objective Committee to bring ideas, worthy of Round Table funding, to future meetings.

Directors were encouraged to register for the SWCD Water Seminar on March 31 at Southern Ute Casino. Two Directors indicated desire to attend, bringing the total registered to five.

There being no further business to come before the Board, the Special Meeting was adjourned at 6:17 pm.

SAN JUAN WATER CONSERVANCY DISTRICT

By /s/ Sally High

Executive Assistant for Board of Directors

DISTRICT SEAL

FINAL