

**Animas – La Plata Water Conservancy District  
Board of Directors Special Meeting  
February 16, 2016  
Durango Office**

**Present:** Bob Wolff Ken Beegles Gene Bradley  
Tom Brossia Lee Campbell Joe Colgan  
Ron Gillen J. Pat Greer Dan Huntington  
Steve Krest Deems Taylor

**Absent:** Tom Hartnett Matt Isgar Chuck Lawler  
Ted Vickers

**Staff:** Bruce Whitehead, Executive Director  
Laura Spann, Office Manager  
Barry Spear, Maynes, Bradford, Shipps & Sheftel

**Guests:** John Simpson, Co. Division of Water Resources  
Charlie Smith, Lake Durango Water Authority

**Call to Order**

President Bob Wolff called the meeting to order at 5:00 p.m. The board recited the Pledge of Allegiance. Roll was taken and a quorum was present.

**Approval of Minutes (November 17, 2015)**

*(time 00:01:15)*

Ken Beegles moved to approve the November 17, 2015 minutes as corrected. Tom Brossia seconded. The motion passed.

**Approval of Treasurer's Report (Year End 2015; January 2016)**

*(time 00:02:30)*

Gene Bradley presented the Year End 2015 and January 2016 Treasurer's Report, which included transaction detail from November through January. Overall, expenditures for 2015 were 10% under budget, partially due to a reduction in accounting and rent cost share expenses. The most significant transaction so far in 2016 is the \$25,000 grant funds disbursement to La Plata West Water Authority. The balance sheet was also discussed, including the water rights and property values. Lee Campbell moved to accept the Treasurer's Report. Dan Huntington seconded. The motion passed unanimously.

**Other Reports**

**Division of Water Resources**

*(time 00:11:15)*

John Simpson reported that the compact period has begun on the La Plata River, which has allowed Long Hollow Reservoir to capture all inflows instead of bypassing a portion for fish and wildlife. There has been no call from New Mexico to date. Bob Wolff asked questions about the final approval of the as built design and construction. John Simpson stated that final approval had been given by DWR and that there is no restriction on the storage and fill other than the first fill criteria and required monitoring. Wally Patcheck has returned to duties as the Deputy Water Commissioner on the La Plata River.

**Bureau of Reclamation (BOR)**

No representative was present; a report was not available.

## **Animas-La Plata Operations, Maintenance & Replacement Association**

No representative was present; a report was not available.

## **La Plata West Water Authority (LPWWA)**

*(time 00:15:00)*

Bob Wolff reported that Colorado Water Resources and Power Development Authority (CWR&PDA) finalized changes to the loan repayment schedule.

## **Lake Durango Water Authority (LDWA)**

*(time 00:15:40)*

Charlie Smith reported that the raw water project in Western La Plata County is stalled temporarily as the group acquires outstanding easements and considers several options to bypass private property on the CR right-of-way. A bid open date for the end of January was postponed until after the access issue is resolved. None of the bids already submitted have been reviewed to ensure a fair process.

## **Southwest Basin Roundtable**

*(time 00:20:50)*

Bruce Whitehead reported that Colorado's Water Plan was finalized and submitted to the governor in November 2015. Now the focus of Colorado Water Conservation Board (CWCB) and the Roundtables is plan implementation, and a grant was approved by the Roundtable to fund that work for the Southwest Basin. He pointed to the Executive Director's report for a summary of WSRA funding approved for local water projects, including a joint west slope technical study regarding curtailment risk and future development on the Colorado River. The South Platte Basin Roundtable has expressed an interest in participating in the study as well. State Representative J. Paul Brown recently introduced legislation to initiate further study of storage on the South Platte River. Bruce provided background on the structural deficit of Lake Mead and Lake Powell and future negotiations regarding the Interim Guidelines. The next Southwest Basin Roundtable meeting will take place on April 13 at the Durango Public Library, and the IBCC will meet on February 23.

## **Office Report**

*(time 00:35:00)*

Bruce Whitehead reported on the following topics:

- Staff and board were saddened to hear of Fred Kroeger's passing in December 2015. He was a SWCD board member for 55 years, board president for 28 years, and a founding board member of ALPWCD. Fred was on the CWCB board and an Aspinall Award recipient.
- Snowpack for southwestern Colorado was at 107% as of February 16. Bruce referred to the report for area reservoir levels.
- Regarding Case No. 13CW3011 (ALP Project water rights), the United States filed approval of the settlement agreement last week, allowing Judge Lyman to sign the final decree and SWCD proceed with allocating portions of the water right needed for the federally constructed project with the ALPOM&R Association, while retaining some of the water right to pursue agricultural opportunities in the La Plata River Basin.
- SWCD, CWCB, and the USFS met in Durango on December 3 regarding claims for Federal Reserved Water Rights filed in 1976 by the USFS in Water Division 7. Since then, meetings have been held in Durango and Denver on December 19 and January 19.
- BOR is pushing to have all the recreation documents finalized by mid-April 2016; this includes the lease agreement, annexation agreement, planning MOU, the environmental assessment and the cultural resource management plan. Weeminuche Construction will begin work on the entrance station this spring.
- San Juan County Commissioners and Silverton Town Trustees voted to pursue discussions of a Superfund Listing with the Environmental Protection Agency and the Colorado Department of Public Health and Environment. Co. Senator Ellen Roberts helped to form the Animas River Community Forum to address water quality and mining reclamation in the basin, which received funding from the SWCD and the Roundtable.
- The Colorado Congressional Delegation released a draft of the Good Samaritan Cleanup of Orphan Mines Act, legislation designed to allow well-intentioned groups the opportunity to clean up the environment and improve water quality in and around orphan mines.

## Questions/Comments from Audience

There were none.

## Old Business

### Legislative Update

*(time 00:57:45)*

The CWC State Affairs Committee met on February 16 to discuss water legislation introduced thus far during the 2016 Legislative Session, which convened on January 13. Bruce Whitehead explained the bills and relayed CWC discussion of the bills to the board. He summarized the most recent Legislative Report (#2016-04) and CWC bill status sheet (2-8-16).

### ALPOM&R Association Lobbying Costs

*(time 01:03:15)*

SWCD and La Plata County presented to the Interim Water Resources Review Committee (WRRC) meeting in July regarding possible legislation excluding out of state entities (NM) from Colorado water court cases. At the October WRRC meeting, the ALPOM&R Association presented against any such proposed legislation. As a result of the July meeting and discussions, the ALPOM&R Association formed a 501(h) to hire a lobbyist paid by non-federal dollars. The board was directed to more details regarding the decision in the ALPOM&R Association meeting minutes. There was consensus to add the item as a follow up for the next meeting, and direct staff to further investigate the breakdown of payments for lobbying costs. The board briefly discussed the ALPOM&R Association proposal to significantly increase (possibly quadruple) entity funding to support a reserve for long-term future replacement costs.

### Durango Pumping Plant Annexation

*(time 01:20:10)*

Barry Spear has not received any response from the City of Durango.

### Durango Pumping Plant Final Easement Discussions

*(time 01:20:25)*

Barry Spear summarized the recent exchange of letters between ALPWCD and BOR. The November 30, 2015 letter sent from ALPWCD to the BOR, and the response letter from the BOR dated December 18, 2015 were discussed. BOR will pursue an appraisal of the relinquished acres to establish the credit due from BOR to the CWCB. There has been no other action by the BOR or the CWCB after the correspondence.

### Water Purchase Contract for Lake Durango Water Authority

*(time 01:23:40)*

Barry and Bruce have had discussions with LDWA staff and legal counsel regarding the draft water purchase contract. Barry recommended the board discuss this topic further in executive session, and then discuss some specific contract details in open session at the board's pleasure. Tom expressed that the purpose of ALPWCD is to shepherd water to rural domestic water systems within the District boundaries and the 5% administrative fee is excessive. Charlie Smith described his concerns with the 1.9% cost recovery fee paid by the ALPWCD to the CWR&PDA, and the reversion clause in the draft contract.

### Lake Nighthorse Recreation

*(time 01:35:50)*

Bruce Whitehead covered this agenda item in the Office Report.

## New Business

### Discussions: Valve and Pipeline below Ridges Basin Dam

*(time 01:36:10)*

Bruce Whitehead provided background on the 36-inch valve below Ridges Basin Dam owned by the Ute Mountain Ute Tribe (one-third), Southern Ute Indian Tribe (one-third), the ALPWCD/CWR&PDA (7/26 of 1/3), City of Durango (19/26 of 1/3). The La Plata-Archuleta Water District would like to begin negotiations with the owners to secure access to the 36-inch valve. The total cost of the valve was approximately \$171,000. Portions of the ALPWCD incremental purchase of water from the CWR&PDA have included partial repayment of the specific costs for the 36 inch valve. The decision before the board is whether or not to buy out CWR&PDA's

remaining share to simplify the ownership and negotiations moving forward. Barry recommended the board discuss this agenda item further in executive session.

**Election of Officers**

*(time 01:40:10)*

Bob Wolff was the only nomination for president. Lee Campbell moved to elect Bob Wolff president by acclimation. Ken Beegles seconded. The motion passed unanimously. Bob Wolff has applied for reappointment to the board. The deadline for applications for Bob’s seat is February 18. Ken Beegles was the only nomination for vice president. Dan Huntington moved to cease nominations and elect Ken Beegles vice president by acclimation. Tom Brossia seconded. The motion passed unanimously. Gene Bradley was the only nomination for secretary-treasurer. Lee Campbell moved to cease nominations and elect Gene Bradley by acclimation. Tom Brossia seconded. The motion passed unanimously. Pat Greer announced he would be resigning from the board due to health concerns.

**Resolution—Meeting Posting Location**

*(time 01:47:15)*

Bob Wolff explained the statutory requirement for ALPWCD to adopt a resolution establishing the location where meeting notices will be posted in 2016. Tom Brossia moved to adopt Resolution 16-01 regarding the meeting posting location. Lee Campbell seconded. The motion passed unanimously.

**Legal Report**

*(time 01:48:30)*

There was nothing additional to report.

**Executive Session**

*(time 01:48:40)*

Barry Spear recommended that the board go into executive session in order to discuss 1) the 36 inch valve and pipeline below Ridges Basin Dam and 2) the proposed water sale contract with LDWA. The statutes covering this session were § 24-6-402(4)(a), C.R.S., “the executive session concerned the purchase, acquisition, lease, transfer or sale of any property interest,” § 24-6-402(4)(b), C.R.S., “conferences with an attorney for the district for the purpose of receiving legal advice on specific legal questions;” and § 24-6-402(4)(e), C.R.S., “determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators.” As a LDWA board member, Tom Brossia recused himself from the executive session related to the proposed water sale contract with LDWA. Lee Campbell moved to go into executive session. Ron Gillen seconded. The motion passed unanimously.

Barry Spear announced the board was out of executive session, during which no action was taken. The board discussed 1) the 36-inch valve and pipeline below Ridges Basin Dam and 2) the proposed water sale contract with LDWA. Direction was provided to negotiators regarding the proposed water sale contract with LDWA.

Gene Bradley moved to direct staff to complete purchase of the remaining CWR&PDA portion of the 36-inch valve below Ridges Basin Dam at a cost of \$10,791.64. Tom Brossia seconded. Bob Wolff recused himself from the vote as CWR&PDA board member. The motion passed unanimously.

**Lake Nighthorse Recreation (cont.)**

*(time 01:56:30)*

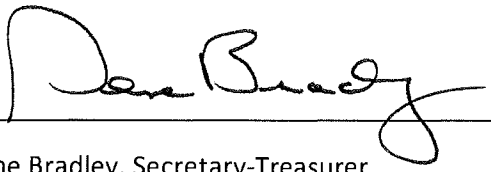
Tom Brossia moved to direct staff to write a public comment letter suggesting that water fowl hunting rights be included again in the draft Environmental Assessment of recreation at Lake Nighthorse. Dan Huntington seconded. There was significant discussion. The motion failed 4-6.

**Upcoming Meetings**

Thursday, May 19	7:00 pm	Marvel	Regular Board Meeting
Thursday, August 18	7:00 pm	Marvel	Regular Board Meeting
Thursday, November 17	5:00 pm	Durango	Regular Board Meeting

**Adjournment**

President Bob Wolff adjourned the meeting at 8:15 p.m.



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Gene Bradley, Secretary-Treasurer