

**Animas – La Plata Water Conservancy District  
Board of Directors Special Meeting  
August 18, 2016  
Marvel Grange**

**Present:** Bob Wolff Ken Beegles Gene Bradley  
Tom Brossia Lee Campbell Joe Colgan  
Ron Gillen Tom Hartnett Dan Huntington  
Jerry Schmitt Deems Taylor Ted Vickers

**Absent:** Steve Krest Matt Isgar

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

**Guests:** Mardi Gebhardt, La Plata West Water Authority (LPWWA)  
Jeanette Haas, LPWWA  
Roy Horvath, LPWWA  
Barb McCall, LPWWA  
Diana Schmitt, Public  
John Simpson, Colorado Division of Water Resources

**Call to Order**

President Bob Wolff called the meeting to order at 7:00 p.m. The board recited the Pledge of Allegiance. Roll was taken and a quorum was present.

**Swearing in of New Board Member**

*(time 00:01:20)*

Jerry Schmitt was appointed by the judge for the remainder of Pat Greer’s term, through March 18, 2018, and was sworn in by Barry Spear.

**Approval of Minutes (May 19, 2016)**

*(time 00:02:00)*

Gene Bradley moved to approve the May 19, 2016 minutes as corrected. Tom Hartnett seconded. The motion passed.

**Approval of Treasurer’s Report (July 2016)**

*(time 00:08:15)*

Gene Bradley presented the July 2016 Treasurer’s Report, which included the budget comparison, bank account summary, and transaction detail from May through July. The recent major expenditure was the water purchase from Colorado Water Resources and Power Development Authority (CWR&PDA). Joe Colgan moved to accept the Treasurer’s Report. Tom Brossia seconded. The motion passed unanimously.

**Other Reports**

**Division of Water Resources**

*(time 00:13:20)*

John Simpson, Assistant Division Engineer, reported that the Change of Water Year to April 1-March 31 for the ALP Project requested by the ALPOM&R Association has been approved by the State Engineer. Legislation permitting rainbarrel water collection passed this year, and went into effect in August 2016. Long Hollow Reservoir is at 130 af of storage, with 80 af of the compact pool left and releases likely to begin soon.

## **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 00:15:40)*

Roy Horvath reported on the following items:

- LPWWA signed contracts last week for construction of the raw water project. Preliminary work may begin as early as September 1. A groundbreaking ceremony will be held at the Tribute Garden on September 14 at 10:00am.
- LPWWA has met with La Plata County to discuss the rural domestic water system and area concerns with limited water availability at Marvel Spring. There are discussions about putting a water station at Blue Hill, but access to the site would need to be developed.
- The second funding application is in the first round of review with U.S. Department of Agriculture (USDA). Roy will reach out to CWR&PDA and CDPHE with an update in September.
- LPWWA expressed an interest in going forward with a contract for the water purchase from ALPWCD to coordinate with USDA funding.
- LPWWA is seeking bridge funding, likely from CWR&PDA, until the potential USDA funding comes through. Phase I is anticipated to cost \$4.8 million.
- Lake Durango Water Authority (LDWA) wrote a letter to LPWWA offering to buy LPWWA's excess capacity in the pipeline for \$118,000. The tribes then requested first right of refusal on the excess capacity.
- Roy Horvath's term on the LPWWA board will end in November 2016. Notice of the position will be published in the Durango Herald on Wednesday, September 28. Applications for appointment to the board will be due on Tuesday, November 1. The ALPWCD board will consider the appointment to LPWWA at their November 17 meeting.
- LPWWA's 2015 audit is finalized, and will be made available to ALPWCD.

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

*(time 00:37:50)*

Tom Brossia added that since groundbreaking on the pipeline is going forward, Lake Durango hopes to finalize the water purchase contract with ALPWCD by November and hopefully make the purchase in early 2017.

## **Southwest Basin Roundtable**

*(time 00:41:45)*

Bruce Whitehead reported on discussions regarding how to address the decrease in severance tax revenues, which have funded water projects in the state. The Roundtable, the IBCC and CWCB have been discussing options for backfilling funds, as well as reconsidering criteria for consideration of Water Supply Reserve Account grant applications. The next Roundtable meeting is on October 12 at the Durango Public Library.

## **Office Report**

*(time 00:49:40)*

Bruce reported on the following topics:

- Managers continue to monitor Colorado River conditions, and discuss contingency management.
- SWCD agreed to match the contribution from the River District, with additional funds from each west slope roundtable, to expand on a risk assessment of development of Colorado River supplies. Several informational webinars have been held regarding the intent and basis for the study, and Eric Kuhn presented on preliminary results to the Southwest Basin Roundtable at their July meeting. An additional presentation will occur on Tuesday, August 30 from 10:30-3:30 at the SWCD office.
- Regarding weather modification, Dolores Water Conservancy District has secured a grant to pursue a strategic plan. A meeting was held in conjunction with the Roundtable on how the program could be improved in light of the results of Wyoming's recent study on cloud seeding's efficacy.

- A meeting was held today to establish 2017 priorities for the Water Information Program, of which ALPWCD is a participating entity. The WIP Steering Committee meeting is rescheduled for Tuesday, September 27 at 9:00 am.
- Board members were directed to the *Durango Herald's* recent article and editorial regarding the board's consideration of expert evaluation of alternatives to utilize the SWCD Project Water Rights to improve irrigation water supplies in the La Plata Basin. Board members indicated that alternatives should be carefully studied, as support for any project to bring water to the dry side may be different than it was several decades ago.
- Chuck Lawler submitted his letter of resignation with Judge Lyman. His term ends March 31, 2017, along with seven other board members: Gene Bradley, Lee Campbell, Deems Taylor, Steve Krest, Ron Gillen, Joe Colgan, and Matt Isgar. There was consensus to notice the eight board member term expirations at the same time in early 2017.

## Questions/Comments from Audience

There were none.

## Old Business

### Water Purchase Contract for Lake Durango Water Authority

(time 01:09:50)

Barry Spear reminded the board that ALPWCD received a letter from Lake Durango requesting changes in certain terms in the contract before the May meeting, which were generally accepted by the board. The updated contract was sent to Lake Durango in late May. Lake Durango Water Authority notified staff and legal counsel before today's meeting of their interest in executing the water purchase contract after construction on the pipeline has begun. Legal counsel, after reviewing the small changes proposed by Bud Smith, will present the final contract for board approval at the November board meeting. There was consensus that any substantive changes for the board's consideration be discussed via teleconference in order for the board to take action on executing the final contract at the November meeting.

### Durango Pumping Plant Annexation

(time 01:13:50)

Barry Spear again emailed Craig Roser requesting an update on the Durango Pumping Plant Annexation, and again did not receive a response from the City of Durango.

### Durango Pumping Plant Final Easement Discussions

(time 01:17:40)

The appraisal commissioned by BOR has been finalized on the remaining parcels of the Durango Pumping Plant (DPP) property that the BOR did not identify as necessary for the operation and maintenance of the Animas-La Plata Project. The two parcels are valued at \$769,000. With concurrence of the ALPOM&R Association, and the individual Association members, BOR will relinquish the easement on the remaining parcels to the CWCB. BOR will also credit CWCB for the value of the full DPP property (minus the two parcels that the easement have been relinquished from). CWCB will then discuss relinquishment of the easement with ALPWCD. ALPWCD has maintained that the appraisal was only necessary to determine the amount of credit to which the CWCB would be entitled, and was not necessary in determining the establishment of the final easement. Bruce will follow up with CWCB on the progress of the easement relinquishment.

### Valve and Pipeline below Ridges Basin Dam

(time 01:27:15)

Bruce and Bob have been participating in preliminary discussions regarding the use of the 36 inch valve, and extension of the pipeline below Ridges Basin Dam. The ALPWCD has a 7/26 ownership of 1/3 of the capacity of the valve and pipeline. The La Plata-Archuleta Water District (LAPLAWD) is interested in partnering with the City of Durango to build a Joint Treatment Plant about 7000 feet downstream. LAPLAWD does not have ownership in the existing structure, so is interested in utilizing some of the City of Durango or ALPWCD's capacity in the valve and pipe. At the last meeting of the group on June 15, Ron LeBlanc asked for a letter from the ALPWCD to be sent to the City summarizing the discussion by the ALPWCD from the May board meeting, and the position of

the ALPWCD. A letter was sent to the City and cc'd to other participants on June 23. The letter acknowledged the importance of moving forward with the 200 foot extension of the pipeline from the valve to outside of the Project facility fencing, and that pending board approval, ALPWCD was willing to commit to moving the process forward. ALPWCD's financial participation for this initial phase is estimated to be between \$18,000 and \$20,000, and could be considered in the 2017 budget development. Ken Beegles moved to support the concept proposed in the June 23 ALPWCD letter to other participants. Tom Brossia seconded. The motion passed. The next meeting regarding the valve will be held in late August.

### **Update: Lake Nighthorse Recreation**

*(time 01:41:30)*

Construction of the boat entrance station has been delayed because LPEA lines were relocated. La Plata County has gone out for bids on the County Road turning lane construction, slated to start in 2016. The lease, annexation, and planning agreements have undergone legal review by the ALPOM&R Association members, and the Bureau of Reclamation now considers them final. In order for the documents to be signed, the Environmental Assessment (EA) and the Cultural Resources Management Plan must be finalized. Public comment deadlines on both documents have passed and BOR is cataloging the responses. BOR has initiated tribal consultation on the Cultural Resources Management Plan and the draft EA.

### **2015 Audit Report Ratification**

*(time 01:46:00)*

ALPWCD got a clean opinion from the auditors for 2015. Tom Brossia moved to accept the 2015 audit report as submitted to the State of Colorado before July 31, 2016. Ken Beegles seconded. The motion passed unanimously.

### **New Business**

#### **ALPWCD Notice of Appointment to LPWWA Board**

This item was covered as part of the LPWWA report.

#### **Budget Committee FY2017**

*(time 01:47:40)*

There was consensus to hold the Budget Committee meeting on Thursday, September 8 at 1:30 p.m. All board members were encouraged to attend.

There was general consensus to support the nomination of Eric Kuhn, Colorado River Water Conservation District General Manager, for the 2017 Aspinall Water Leader Award presented by the Colorado Water Congress.

### **Legal Report**

*(time 01:48:50)*

Barry was asked about his upcoming retirement plans, and he announced he would officially retire the end of 2016. Adam Reeves from MBSS will likely attend the next meeting in anticipation of taking over Barry's duties for the District. Barry had nothing additional to report.

### **Executive Session**

*(time 01:49:00)*

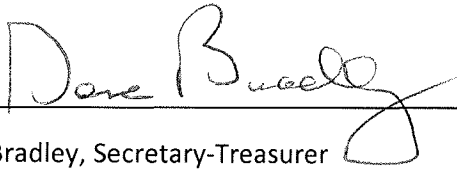
No items were designated for executive session.

### **Upcoming Meetings**

Thursday, November 17	5:00 pm	Durango	Regular Board Meeting
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**Adjournment**

President Bob Wolff adjourned the meeting at 9:00 p.m.

A handwritten signature in cursive script that reads "Gene Bradley". The signature is written over a horizontal line.

Gene Bradley, Secretary-Treasurer