

**DOLORES WATER CONSERVANCY
DISTRICT WATER ACTIVITY ENTERPRISE**

These written minutes represent the general discussion of the DWCD Board of Directors, DWCD staff, and participants at the DWCD board meeting, and they include a record of any and all board actions taken at the meeting. The written minutes are not intended to provide a word-for-word account of the board meetings. Nor are they a direct quote of any statements offered at board meetings. All DWCD board meetings are recorded on audiotape.

MINUTES
Enterprise Meeting
October 10, 2024

CALL TO ORDER

Godwin Oliver, President, called the meeting to order at 3:04 pm

ROLL CALL

1. Godwin Oliver, President
2. Don Schwindt, Secretary-Treasurer
3. Wes Wilson, Director
4. Glen Fish, Director
5. Jeremy Redshaw, Director
6. Landan Wilson, Director
7. Ryan Gray, Director - Via Teleconference
8. Ken Curtis, General Manager
9. Eric Sprague, Water Manager
10. Gina Espeland, Admin Assistant Accounting
11. Adam Reeves, Attorney MBSS

INTRODUCTION OF GUESTS

In-Person

Brandon Johnson, MVIC

Via Telephone/Teleconference

APPROVAL OF THE MINUTES

MOTION:

TO APPROVE THE MINUTES AS SUBMITTED FOR THE SEPTEMBER 12, 2024, ENTERPRISE MEETING.

**MOTION: JEREMY REDSHAW
SECOND: LANDAN WILSON
MOTION CARRIED UNANIMOUSLY, WITH GLEN FISH ABSTAINING.**

FINANCIAL STATEMENTS

MOTION:

TO APPROVE THE AUGUST '24 FINANCIAL STATEMENT AND APPROVE THE STATEMENT OF PAYABLES AS PRESENTED. O&M: AP/CHECK #42867-42957 & PR/CHECK #126734-126788, \$338,501.70

**MOTION: JEREMY REDSHAW
SECOND: LANDAN WILSON
MOTION CARRIED UNANIMOUSLY.**

O&M REPORT

Ken reported that up north the pumping plants have been running consistently, with only a few odd ball outages from pressure transducers on South Canal. Flows have been steady. Have been replacing repaired accumulators and working on canal repairs on T/H after flooding. Taking oil samples on powerplants. Had to take Towaoc Powerplant down due to low flows. Brandon can talk more about the flooding on THC, too. Ute flows are coming back up starting on some winter crop. Brandon had to shuffle way down the Hermana.

The real excitement was the flooding at 511 to 512. Shows access road below 511, Don asked where 511 was. It was just past Porters. It is about a 48" pipe and 20 feet deep in the draw and it became a dam and reservoir for some period. It came up and went over the access road. Eric had a slide show of the damages. The water went through, MVIC did most of the cleanup, DWCD operators helped. The guard rail near the overshoot had boulders taller than Robert Stump. All woody debris came off the 511. The mud and rock went everywhere. It did plug off the trash rack, too, so we had to shut down flows to Reach 3. It plugged in minutes and the Utes probably didn't get water for 12 hours. They had enough stored and they were monitoring. We were able to get it flowing again the next day. It was Monday, September 16th. MVIC did a lot of good work and we helped them out some. Probably is more to be done. Brandon said on 511 on Porter's bridge it was bad and cleared it out, but it is so deep, he's unsure what to do. Also 510 is bad as well.

Eric can talk about shut down. It is just before the shutdown and then staff will start canal work week after next. Eric said the crew has been doing a good job and staying busy. He noted he's impressed with the productivity under Ken's direct supervision. Approaching shut down is set for the 14th but had a handful of people who are wanting water later. Great Cut will be shut down and the canal can begin draining and it will be a free for all for a couple of days depending where you are. Will be shutting down the Dove Creek Lawn & Garden the 15th. We'll make sure we have some water to clean up the liners, and we will leave 4 AF in South Canal to fill the Hovenweep Lateral for cattle. Weather report shows on the 19th is when it is going to get cold.

Don commented that Rattlesnake hill and draw where the Rocky Ford dropped into the canal has been volatile in the past. Don said that he was surprised that it didn't do more damage in his area and to his neighbors. Some storms seem to be dumping huge amounts over small areas, and it's happened before. We just have to plan for in the future. Wes said that you can try. Wes said there's the same thing up in his area. Don said it is a point to make for management to plan with.

Water Accounting

Eric presented the Inflow/Outflow noting the normal highlights. Eric did note a few items. The river numbers have changed several times this year as the USGS has had a hard time tracking the flows at the Dolores ever since the high flows in 2023 altered the geomorphology. They have had to change the flows every month. This month was big and the flows came out lower than what we thought and that changes MVIC's project water by a small amount. On September 6th, MVIC used up all their call water, but still have the full Upstream Exchange and most of the Totten Exchange and 16,000 AF of project water. Utes have made it $\frac{3}{4}$ of the way through their allocation so they still have plenty. FS is at 60% and we would be lucky to hit 40,000 AF but not much more than that. Reduced fishery flows to 40 cfs. September was average with 1 good storm and temps stayed warm. Things are cooling down in October. October reservoir elevation is at 6879, 45 feet down from full, so we'll end up with more than the estimated 49,000 AF of carry over. Reservoir elevation did finally get low enough in the last week that we needed the pumps for the U-lateral. Ken mentioned Towaoc Powerplant was down, demand became too low in the canal.

Adam asked what carryover was last year. Eric said about 140,000 AF which was extraordinarily high. Landan asked if it is average. Ken asked why he cared about average anymore, making the point that you have to be careful with average carryover, but that we usually have 100,000 AF. Eric said he would bring the carry over summary sheet. Eric said we either have feast or famine so the average can be misleading. Godwin said we would be at about 8"/ac for full service and Eric said we are still close to that number.

MVIC is shutting down on the 15th and Utes are going to the end of the month and they have enough to do that. Michael thinks that they are going to continue at 60-70 cfs. Eric said he is not worried about what they have left. Landan asked about FS users going over and will we know next month. Eric said techs are doing meter readings the week after next and that by the November Board meeting, we will have a record of who went over. Eric said that there is a higher number of irrigators that went over than previous years. It is also a smaller penalty, similar to 2023. We chose to combine SEP and OCT readings to save the field techs the rush and didn't read meters at the end of the September. We will text shutoff updates out Monday. Rain showers possible next weekend.

Resolution 24-01-E in Support of Water Plan Grant for GoldSim modeling – Ken handed out the Resolution and it is \$45,000 cash match to the state grant and if approved he would submit it by December 1st and show up at CWCB in March. If the Board is willing to continue going forward need the Resolution and then will get the grant submitted.

RRA Information – Ken said he didn't bring any information for the next 2 items, just trying to keep track of the conversations from previous meetings. After talking with Gina and the voluminous documents there was not a simple definition to bring for the Board. May need our attorney to do some homework and don't know where we are going to go with that.

Review of Class B & Moratorium on New Petitions

ADJOURNMENT

Dolores Water Conservancy District Water Activity Enterprise Board meeting adjourned at 4:01 p.m.

Donald W. Schwindt, Secretary-Treasurer Godwin Oliver, President

DOLORES WATER CONSERVANCY DISTRICT

MINUTES
Regular Meeting
October 10, 2024

CALL TO ORDER

Godwin Oliver, President, called the meeting to order at 4:01 pm

ROLL CALL

Godwin Oliver, President
Don Schwindt, Secretary-Treasurer
Wes Wilson, Director
Glen Fish, Director
Jeremy Redshaw, Director
Landan Wilson, Director
Ryan Gray, Director, Via Teleconference
Ken Curtis, General Manager
Eric Sprague, Interim Water Manager
Gina Espeland, Admin Assistant Accounting
Adam Reeves, Attorney MBSS

INTRODUCTION OF GUESTS

In-Person

Brandon Johnson, MVIC

Via Telephone/Teleconference

APPROVAL OF THE MINUTES

**MOTION:
TO APPROVE THE MINUTES AS SUBMITTED FOR THE SEPTEMBER 12, 2024 REGULAR MEETING.**

**MOTION: JEREMY REDSHAW
SECOND: WES WILSON
MOTION CARRIED UNANIMOUSLY, WITH GLEN FISH ABSTAINING**

**MOTION:
TO APPROVE THE MINUTES AS SUBMITTED FOR THE SEPTEMBER 12, 2024 EXECUTIVE
SESSION.**

**MOTION: JEREMY REDSHAW
SECOND: LANDAN WILSON
MOTION CARRIED UNANIMOUSLY, WITH GLEN FISH ABSTAINING**

FINANCIAL STATEMENTS

**MOTION:
TO APPROVE THE AUGUST '24 FINANCIAL STATEMENTS AND APPROVE THE
STATEMENT OF PAYABLES AS PRESENTED. ADMIN: AP/CHECK #12582-12599,
\$10,692.83**

**MOTION: JEREMY REDSHAW
SECOND: WES WILSON
MOTION CARRIED UNANIMOUSLY.**

AGENCY REPORTS

BOR Report

Robert was not present at the meeting.

Division of Water Resources Report

Division was not present at the meeting.

T/H Committee Report

Wes stated that the draft minutes were mailed to the Board. The Committee paid two bills one to MVIC and one to DWCD. The Committee set up a tour for November 6th at 8:00 meeting here at DWCD. Need to get a head count if you plan on attending. Tour will be starting at TPP and going to Ute Farm and Ranch.

Next T/H Meeting

The Committee will meet at the DWCD, Cortez Office October 16, 2024 at 2:00 p.m.

MVIC Report

Brandon reported shut down on the 15th and will be doing it a little different. MVIC is shutting off Narraguinnep early to drain into the Towaoc Highline which is shut down by hand on the 16th. MVIC is mixing the stock water with irrigation that starts tomorrow. They are getting meter readings on the turnouts. DWR has a restriction on Narraguinnep. JUB Engineering is leading the work and the State should approve next month. It doesn't look like work can start next month and work can't be with done if freezing, so may have some scheduling issues starting out. MVIC may need to hold water in McPhee if we can to give some time for repairs. Brandon is also working on the BOR WaterSmart grant on Lower Arrickaree and Garrett Ridge. MVIC moved the rocks from THC flooding last month to an old BOR borrow pit to store for use of the rock down the road.

BUDGET HEARING FOR 2024 Power Plant Budget Amendment

Ken handed out the 2 Resolutions for the Power Plant Budget Amendment. The required 2024 Power Plant final approved budget was not updated in the adopted 2024 DWCD budget and currently under funds the planned expenses for 2024. To remain legally compliant, the district needs to amend that budget which requires a Budget Hearing.

Ken asked the board last month to set a power plant budget hearing for the October board meeting.

**MOTION:
TO OPEN THE BUDGET HEARING FOR THE 2024 POWER PLANT BUDGET AMENDMENT.**

**MOTION: JEREMY REDSHAW
SECOND: LANDAN WILSON
MOTION CARRIED UNANIMOUSLY.**

RECESSED MEETING FOR BUDGET HEARING AT 4:08 PM

RECONVENED MEETING AT 4:11 PM

**MOTION:
TO ADOPT RESOLUTION 24-02-E, 2024 SUPPLEMENTAL ENTERPRISE FUND BUDGET, A RESOLUTION FOR SUPPLEMENTAL BUDGET EXPENDITURES AND REVENUES FOR THE ADDITIONAL POWER PLANTS O&M REIMBURSIBLE EXPENDITURES BY DOLORES WATER CONSERVANCY DISTRICT ENTERPRISE FUND FOR ADDITIONAL O&M WORK IN 2024.**

**MOTION: LANDAN WILSON
SECOND: JEREMY REDSHAW
MOTION CARRIED UNANIMOUSLY.**

**MOTION:
TO ADOPT RESOLUTION 24-03-E, SUPPLEMENTAL APPROPRIATION OF ENTERPRISE FUND MONEY, A RESOLUTION APPROPRIATING A SUPPLEMENTAL SUM OF MONEY TO THE ENTERPRISE O&M FUND, IN THE AMOUNTS AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE DOLORES WATER CONSERVANCY DISTRICT WATER ACTIVITY ENTERPRISE, COLORADO, FOR THE 2024 BUDGET YEAR.**

**MOTION: WES WILSON
SECOND: JEREMY REDSHAW
MOTION CARRIED UNANIMOUSLY.**

GENERAL MANAGER REPORT

Miscellaneous Updates:

Ken asked the Board to adopt Resolution 24-05 – Current FMCSA form has been updated and turns out that they are worried about identify theft and want to prove that Ken is authorized to fill out paper work for the District.

**MOTION:
TO ADOPT RESOLUTION 24-05, DIRECTION AND AUTHORIZATION OF DWCD GENERAL MANAGER, KENNETH W. CURTIS III, A RESOLUTION ON DIRECTION AND AUTHORIZATION OF DWCD GENERAL MANGER, KENNETH W. CURTIS III TO EXECUTE ALL FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION (FMCSA) DOCUMENTS REQUIRED FOR REGISTRATION AND NECESSARY TO CARRY OUT DOLORES WATER CONSERVANCY DISTRICT OPERATIONS OF THE DOLORES PROJECT ON BEHALF OF THE DOLORES WATER CONSERVANCY DISTRICT.**

**MOTION: JEREMY REDSHAW
SECOND: WES WILSON
MOTION CARRIED UNANIMOUSLY**

CWC Reservations

Ken mentioned that CWC Room Reservation became available and we have reserved rooms for Don, Glen, Ryan, Wes, Eric & Ken.

CWRUA

Ken stated that we have some time on this. Don prompted Adam to reiterate that it is important to show up and be seen. Adam stated he still feels the same. This project is one that is vulnerable, but still has real water to get to real farmers to grow products.

Reclamation should come out with the EIS alternatives for the next set of interim guidelines. There may be other Bureau announcements. Sure to be posturing and politics. The Commissioners from all Basin states will be there. We will be sitting in our own sections supporting our commissioner and hopefully demonstrating the values of our project. Adam said that our commissioner is doing a very good job. Don agrees that it is probably important that we are there and would expand to support where the tribal rights are. The project is a poster child for tribal settlement and Colorado has led those efforts. We still need to build our UMUT alliances as a really important issue.

Set Upstream Users Inclusion Hearing 3:30 PM November 14, 2024:

Required public hearing with legal notice to bring new upstream users into District boundaries, by individual parcels for county assessments. DWCD has traditionally held this hearing at the regular November Board meeting. We have five parcels for inclusion per the draft legal notice in your mail out packets.

Set Budget Hearing 4:00 PM November 14, 2024:

Required public hearing with legal notice for the 2025 DWCD budget that must happen prior to December 12, 2024 adoption. This is traditionally held at the regular November Board meeting.

Ken asked the Board to set an Upstream Users Inclusion Hearing for 3:30 PM at the November 14, 2024 Board meeting and Budget Hearing for 4:00 PM at the November 14, 2024 Board meeting.

MOTION:

TO SET AN UPSTREAM USERS INCLUSION HEARING FOR 3:30 PM AND BUDGET HEARING FOR 2025 BUDGET AT 4:00 PM AT THE NOVEMBER 14, 2024 BOARD MEETING.

MOTION: WES WILSON

SECOND: JEREMY REDSHAW

MOTION CARRIED UNANIMOUSLY

DWCD Budget Workshop October 16, 2024 or other date:

Start time has traditionally been 5:30 PM with dinner. Board can alter date and/or time at their discretion. The Board agreed on a Budget Workshop for October 16, 2024 at 5:30 PM.

Set FSA Farmer Advisory Committee Meeting Date:

Ken stated that the Pleasant View Fire Station has been working well and we have usually started at 5:30 PM. Potential dates I see are Tuesday 10/22, Wednesday 10/23, Monday 10/28, Wednesday 10/30. We could push to the week of November 4th or November 11th. Please bring your thoughts and calendars.

The Board talked and agreed to schedule the FSA Farmer Advisory Committee Meeting for November 7th at 5:30 PM. Wes asked if we invited Ute Farm and Ranch to the Farmer Advisory. Ken said generally no we don't as Simon is pretty busy. If he wanted to talk at a FAC we would certainly let him. Ken said he would mention it to Simon.

Personnel Committee Date: Ken stated he would like to get on the agenda. Personnel Committee members agreed to meeting on November 12th at 8:00 AM at Great Cut.

Division 7 Rules:

Ken stated this is coming up and he email the flyer out for the Zoom listening session. The new state engineer has been making tours around and delayed Division 7 rules while he got settled. Next DWR will go to Division 5 and then Division 4. All relate to future Colorado River compliance and measurement.

Draft 2025 Budget Presentation:

Just a couple of things to go over tonight. If you turn to the very first page of the Admin Budget. We are getting whip sawed with the continued changes in property taxes and once it shakes out, we can adjust to it. It looks like revenue is going to be lower next year. Didn't highlight but the Bureau repayment on second page on line 59 is based on this year and the collections is going to go down and payment is going to go up. It is a bit unbalanced right now. Monitoring cash available at the top and as you trace down the 2024 projections, we might have some extra funds. Tax revenues are up this year and Attorney costs lower though we tend to put work on the attorneys in the off season. We have some due diligence work this winter. There is not a lot of flexibility in the Admin. Budget, but we can flex the transfer to O&M. We get a new set of tax estimates about December 1st. Have a whole new tax structure that was passed in the special session kicks in the 2026 year and we will need to make choices to cover the negative at the bottom.

On the O&M Budget, still have decent cash flow carry over and are going to have some significant grant revenue including some hold over center pivot money. We have to get the water meter grant off the ground this year. This budget shows grant money coming in for the water meters from Reclamation Water Smart and the CWCB Water Plan Grant for modeling with LRE. Ken highlighted the FS delivery O&M that came in low. Should have been at 48,500 AF on a full year, but last year came in around 45,000 AF and now at 40,000 AF for 2024. We have historically used the last 5 full years for budgeting and set 2025 down to 48,000 AF though we sold 40,000 this year. This will have a big impact on the 2025 Budget. Ken hasn't changed any of the rates. Last year we held off on rates until setting the spring last year. We have to budget based on a rate for budget revenue, but if we go into a significant drought the Board can flip the rates in the spring. It is set up as a normal water supply budget. The employee wages are up some and that has to do with current personnel levels. The Personnel Committee discussion will cover the added a mechanic, moving a part time employee to training as a field tech and budgeted for an administrative person in the Cortez office.

We still have to buy meters as highlighted on the laterals line, see Cell note H115 for the meter grant. Total supplies are high, but is partially tied to the meter grant. The pumping plants are where we have seen recent issues. We are going into winter shut down and don't have significant pumping plant problems to address. We still have the bussing problem at Great Cut. We received a quote to fix it for \$466,000. We are meeting on how to fix it ourselves. We have the 513 screen under the T/H budget. We will not install any canal liners this year. We have to get the new crews trained into the routine canal work schedules this fall work. They have never been through an organized fall work season. The Gold Sim model costs are highlighted, will be some offset from grant. We did bring \$100,000 from reserves for the meter grant per Board direction to use replacement reserves. The transfers are all the same and looks like we will pay off the last equipment purchase under replacement reserves, \$12,500 this year. Water Supply reserve charges look to be coming in fine, tied to the base charges. Flip to the back you get a user sheet with 10 year averages that estimate splitting costs between the parties. Then there are the backup calculations showing FSA rates. We can balance the budget and all but one of the grants have been approved at this point. The Board and staff always have some discretion around material costs. Ken handed out the past cost trends for the 200 O&M items. Ken's goal was to spend all the materials to catch up on past maintenance that was let go during droughts. We have not spent the full material budget for a long time. Playing a bit of catch up on repairs and need to do it again next year. In 2024 we have put a lot of extra work on the Powerplants and T/H this year, probably will drop next year. We will review more at the Budget Workshop.

Colorado River Issues:

Ken covered the articles that were handed out tonight. The first couple talk about the big deal was signed between the BOR with the lower basin irrigators. Some presenters they were doing their part of saving Lake Mead and others should do the same. Jeremy confirmed that they are getting paid for doing the right thing. Ken felt some of the comments were not recognizing the reality of the upper basin. Another is about cities growing without new water supplies. Next covered the PBS series focused around the Colorado Ute Settlement based on a 30-minute documentary. Adam said that he watched it and it tells the story well. Four Arizona tribes are trying to settle their Colorado River water rights and may hear more about a settlement at CWRUA. It's currently in front of congress and moves water between the basins potentially and does some other things that may cause political problems. The Utes did receive funding to better study the Red Arrow Regulating Reservoir. The two Colorado Ute Tribes had asked for payment for unused/undeveloped water and thought they might receive, but recently heard they cannot receive. Another article is about all the different the reservoirs being built or expanded for municipal use on the front range. Brings home the long history that helped create the round tables to resolve these long conflicts. Long ago there was a program called SWSI that showed all the future expected front range municipal water shortages to meet new growth. It helped spur the formation of the round tables to help resolve the conflicts. SWSI recognized the front range doesn't have enough water long term. Various front range entities are building some of the reservoirs that we thought were never going to be built. Buy and dry will continue to happen on in the front range. Mostly market driven. Conservation has also grown in response to future shortage.

Don said another article that he caught was the story of the Bureau exploring Missouri and Mississippi water transfer to the Colorado. Terry Fulp, former LB RD, was the lead investigator. These imports need to stay on the table for a potential future and would include desalination and similar actions.

In the mail out Ken included a UCRC projection of the 10-year rolling average of Powell releases. Given recent 7.48 MAF Powell releases the UB could cross the 8.23 MAF threshold soon and adds to the games going on. They say they don't want to go to the Supreme court, but at the same time there could be worse deals being made. The UB may be pushing some thresholds. The other was the more detailed CWCB info graphic that shows the actual UB & LB uses. Ken reviewed the different bars on the graphic. He pointed to the dark blue as the transit loss and evaporation that are not counted against the LB and the light blue should be the

tributaries, which are also not accounted for towards LB use. The graphic is used to identify the current lowering reservoirs remain a lower basin use and accounting problem.

LEGAL REPORT

MVIC 87.3 Change Case

Adam said think that they are very close with CPW and there was supposed to be a status conference tomorrow, but the Judge pushed it off.

Main Canal 1&2 Due Diligence

Adam stated that he is working on due diligence, haven't received consultation on it yet and look for it relatively soon and hope to have discussions.

24 CW?? Beaver Reservoir, Bear Creek Reservoir & Dawson Reservoir Due Diligence

Adam stated that he did file due diligence and hasn't heard anything back on it yet.

2000 Operating Agreement Contract No. 99-WC-40R-6100

Adam had nothing new to report.

Hydropower Plant O&M Contract with Reclamation

Adam suggested discussion in Executive Session along with water rights protection.

Adam requested an executive session to discuss the following:

MOTION:

MOVE INTO EXECUTIVE SESSION PER CRS 24.6.402(b) TO OBTAIN ADVICE FROM COUNSEL AND CRS 24.6.402(e) MATTERS OF NEGOTIATION FOR HYDROPOWER PLANT O&M CONTRACT WITH RECLAMATION AND WATER RIGHTS SUPPLY PROTECTION.

**MOTION: JEREMY REDSHAW
SECOND: LANDAN WILSON
MOTION CARRIED UNANIMOUSLY.**

**RECESSED FOR EXECUTIVE SESSION AT 5:06 P.M.
RECONVENED REGULAR MEETING AT 6:14 P.M.**

REPORT OUT OF EXECUTIVE SESSION

Adam reported that in Executive Session the Board discussed water supply protection strategies and a response to the hydropower plant O&M contract. No decisions were made. Instructions were given to negotiators.

OTHER

NEXT DWCD BOARD MEETING

Tuesday, November 14, 2024 – 3:00 P.M.

ADJOURNMENT

Meeting adjourned at 6:14 P.M.

Donald W. Schwindt, Secretary-Treasurer

Godwin Oliver, President