

**UPPER ARKANSAS WATER  
CONSERVANCY DISTRICT**

**Regular Meeting of the Board of Directors**

**October 12, 2017  
1:30 P.M.**

A regular meeting of the Board of Directors of the Upper Arkansas Water Conservancy District was held Thursday, October 12, 2017, at the District offices, 339 East Hwy 50, Salida, Colorado, following the Water Activity Enterprise committee meeting, notice having been given by posting of Notice and Agenda on October 11, 2017 at the offices of the Upper Arkansas Water Conservancy District, 339 East Hwy 50, Salida, Colorado.

**DIRECTORS PRESENT**

Robert M. Senderhauf	Tim Payne	Timothy C. Canterbury
Franklin J. (Jay) Moore	Gregory W. Felt	Richard Hilderbrand
Tom E. French	Mannie Colon	Thomas Goodwin
Dennis Giese		

**DIRECTORS ABSENT**

Jeff Ollinger  
Robert B. (Bill) Donley  
John H. Sandefur

**DISTRICT OFFICIALS/STAFF MEMBERS PRESENT**

Ralph L. (Terry) Scanga, General Manager	Ken Baker, Consultant
Kendall K. Burgemeister, Attorney	Chris Manera, Engineer
Chelsey Nutter, Project Manager	Jord Gertson, Hydrologist
Brian Sutton, Water Commissioner	

**DISTRICT OFFICIALS ABSENT**

None

**EX-OFFICIO REPRESENTATIVES PRESENT**

None

**EX-OFFICIO REPRESENTATIVES ABSENT**

Melodee Hallett, Salida City Council  
Brian Berger, Poncha Springs Administrator  
Michael Patterson, Florence  
James Wade, Park Center Water District  
John Roorda, Chaffee County  
Allen Butler, Custer County  
Ashley Smith, Cañon City Council  
Jay Printz, Custer County Commissioner, Westcliffe  
George Medaris, District Manager, Round Mountain WSD  
Shawn Williams, Public Works Director, Buena Vista

**GUESTS PRESENT**

Joe Stone, The Mountain Mail  
Kristie Nackord, Fremont County  
Bob Hartzman, Canon City Water Department  
Bill Banks, United States Geological Survey

**PLEDGE OF ALLEGIANCE**

Chairman Senderhauf led attendees in the Pledge of Allegiance.

**INTRODUCTION OF GUESTS**

Guests were asked to introduce themselves.

## RECORD OF PROCEEDING

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### **MINUTES OF THE MEETING OF SEPTEMBER 14, 2017**

The minutes of the meeting of September 14, 2017 were unanimously approved upon motion by Director French with second by Director Felt.

### **FINANCIAL REPORTS**

Upon motion by Director Goodwin with second by Director Canterbury, the Board unanimously approved the monthly financial report dated September 30, 2017.

### **PROGRAM PRESENTATIONS**

Project Manager Nutter provided a presentation to the Board on the progress of the Colorado Water Plan. The Colorado Water Plan (CWP) was finalized and distributed in November of 2015. The Colorado Water Conservation Board (CWCB) is actively engaged in showing the progress of the CWP over the last two years and how the State is meeting the measurable objectives of the plan. Project Manager Nutter stated that the CWP basically boils down to Chapters 10 and 11 which focus on the measurable objectives, actions, and updates.

Project Manager Nutter provided a digital tour of the CWP website and the CWP update story map. The story map provided updates on all measurable objectives identified in the plan. The measurable objects of the CWP focus on: (a) the supply-demand gap (b) conservation (c) land use (d) agriculture (e) storage (f) watershed health, environment, and recreation (g) funding, and (h) education, outreach, and innovation. Nutter provided an update on CWP grant fund allocations and reported that applicant funding requests for CWP grants already exceed available funds. Project Manager Nutter noted that the CWP plays a significant role in shaping State policy, legislation, and determining what projects will be funded. It is important for our Board and Staff to follow the progress of the CWP and recognize the role it plays.

### **EX-OFFICIO REPORTS**

There were no ex-officio reports.

### **WATER COMMISSONER REPORT – Brian Sutton**

Nothing to report.

### **CONSULTANT REPORT – Ken Baker**

Consultant Baker reported that a complaint has been filed in the U.S. District Court seeking personhood for the Colorado River Ecosystem. The Colorado River Ecosystem will be represented by an environmental organization called Deep Green Resistance. Consultant Baker read the introduction of the complaint to the Board and provided a letter from Colorado Water Congress Director Doug Kemper responding to the case. Director Colon asked if the Colorado River would be considered a corporation. Consultant Baker responded that a corporation is man-made and thinks that the case is requesting that the river go back to its natural state.

Consultant Baker noted that the Colorado Water Congress provided members with a detailed report of The Colorado Water Plan. We have provided periodic reports of the progress of the Colorado Plan, and the latest report details current progress and prospective plans to implement the provision of water to the Denver metropolitan basin. The latest report has been provided to the Board Members by electronic mail and Project Manager Nutter provided a presentation on the CWP update.

### **PROJECT MANAGER REPORTS - Chelsey Nutter**

Project Manager Nutter reported that six-month progress reports were sent in to the Colorado Water Conservation Board for both the Lake Ranch Multi-Use Pilot Project and the Water Balance Study. Project Manager Nutter is working with the Richardson's to purchase supplies for elk fencing at the Lake Ranch and Kristie Nackord is working with Kirk Kennedy on the website update.

### **COMMITTEE REPORTS**

## RECORD OF PROCEEDING

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### **Resume Review Committee**

Nothing of significance in the Resume.

### **MANAGER'S REPORT – Terry Scanga**

Eric Young, CPA provided an overview of the General Fund and Enterprise Fund budgets to the Board. In the General Fund, taxes have increased for the mill levy based on property evaluations for 2017. Last year we had a temporary reduction in the mill levy, but that is not the case this year. There are no other limitations to the General Fund this year. Mr. Young suggested that the Board read Manager Scanga's narrative for expenditure explanations.

In the Enterprise Fund, the only limitations are based on State Grants at 10% of total revenue. If the grant is used for provisions of services, the grant does not fall under those limitations. Manager Scanga said that one of the changes in the budget is that we have gained partnerships on our Multi-Use Projects and they are providing a cost-share. We are also showing an increase in expenditures for legal and engineering due to the projects we are doing and closing of our Colorado Water Conservation Board loan. Director Goodwin moved that we set the motion for the budget hearing on November 9, 2017 at 2:00 pm. The motion was seconded by Director Canterbury and unanimously approved by the Board.

Manager Scanga reported that Ice lakes HOA term sheet is finalized. The HOA and the District have agreed on the terms. Essentially the HOA would deed the Cottonwood Irrigating Ditch to the District to use in our portfolio. The District will work with the HOA to develop a grant application to help with costs. We will not finalize the agreement until the HOA finalizes their agreement with the developer.

Manager Scanga reported that a meeting was held with Colorado Parks & Wildlife (CPW) to discuss the Mt. Shavano Fish Hatchery and CPW's water rights portfolio. The District has been working with and providing augmentation water for the hatchery for several years. This has been a yearly agreement with the CPW. They now want to finalize the agreement and figure out a plan for additional water supply plus the augmentation. They want to remove the low head dam on the mainstem of the Arkansas River due to boater safety, but still want to utilize their surface water right. The District suggested that CPW move the point of diversion upstream and deliver the water to a recharge facility to feed the hatchery.

### **ENGINEER'S REPORT – Chris Manera, P.E., Colorado River Engineering (CRE)**

#### **Current Engineering Activities – Updates**

Engineer Manera reported that the final pipeline design has been finished for the Trout Creek Park Alluvial Storage Project. The pipeline has been extended to the ditch and will not interfere with Mr. Molt's operations. Supplies for the pipeline are out to bid and cost estimates will be provided by Mr. Moltz. Engineer Manera reported that he is also working with Hydrologist Gertson on the Poncha Springs accounting tabulation.

### **LEGAL REPORT – Law of the Rockies, Kendall Burgemeister**

Opposition updates and transactional matters are included in the Law of the Rockies legal report in the Board's binders.

#### **UAWCD Application Updates**

Attorney Burgemeister reported that the Friend Ranch Change case has five statements of opposition. The Judge re-referred the case and this case will skip the referee process and go directly to the water court trial track. We will receive a trial deadline for some time at the end of January 2018, and then that will determine when our expert opinions are due.

#### **Opposition Updated**

Attorney Burgemeister reported that we have deadlines on all three of our major opposition cases including: Board of Water Works Pueblo exchange of Bessemer water, Security change of Hayden Creek water rights, and Colorado Springs Utilities change of Sugar Loaf water rights. We have received comments back from the applicants and will need to provide our comments by the end of the year.

### **CHAIRMAN AND DIRECTOR REPORTS**

RECORD OF PROCEEDING

Chairman Senderhauf announced "Consideration of an executive session to discuss negotiation strategies and receive legal advice in case number 2017CW3037 pursuant to CRS 24-6-402 (4) (b) & (4) (e)(I)."

At 3:20 pm Director Colon moved to convene in executive session. The motion was seconded by Director Goodwin and unanimously approved by the Board. Present were all Board members except for Jeff Ollinger, John Sandefur, Bill Donley, and Tom French. A ten-minute break was given before the executive session. Executive session started at 3:33pm.

After discussion at 3:57 pm Director Goodwin moved to adjourn executive session and reconvene the general Board meeting. The motion was seconded by Director Colon and unanimously approved by the Board.

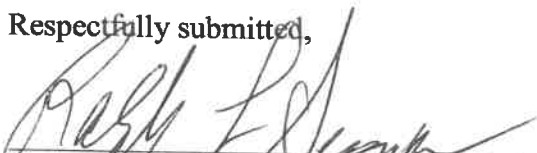
**NOTICES & MEETINGS**


- SECWCD Meeting – October 19, 2017, Pueblo, CO
- USCID Conference- October 24-27, 2017, Sacramento, CA
- ABRT Meeting – November 8, 2017, Pueblo, CO


**ADJOURN**

There being no further business to come before the Board, upon motion by Director Colon, second by Director Moore and unanimous approval of the Board, the meeting adjourned at 4:05 pm.

Respectfully submitted,

  
Ralph E. Scanga, Jr., General Manager

  
Timothy C. Canterbury

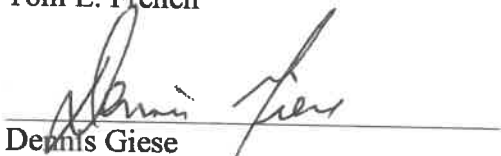
  
Marnie Colon


Absent - no signature


Robert B. Donley

  
Gregory W. Felt

  
Tom E. French

  
Dennis Giese


  
Thomas Goodwin, Treasurer

  
Richard Hilderbrand

  
Franklin J. Moore

Absent - no signature

Jeff Ollinger

  
Tim Payne

Absent - no signature

John H. Sandefur

  
Robert M. Senderhauf