I. ROUTINE ITEMS

A. Roll Call - Terry Lance

Board members present: President Dennis Yanchunas, Vice President Chris Smith, Treasurer Mike Rademacher, and Directors Reggie Golden, Doug Lyle, Verna Sigg, and Ron Sutherland. Secretary Douglas Rademacher was absent. The District 6 director seat remains vacant.

Staff members and consultants present: Sean Cronin, Executive Director; Terry Lance, Office Manager; and Mark McLean, Engineer.

B. Call to Order - President Yanchunas

President Yanchunas called the meeting to order at 1:00 p.m.

C. Amendments or Additions to the Agenda - President Yanchunas

President Yanchunas asked if there were any additions or amendments to the agenda and there were none.

D. Cloud Seeding Network Presentation - Joe Bustos, CWCB

Mr. Cronin introduced Joe Bustos and Kevin Houck with the Colorado Water Conservation Board (“CWCB”). Mr. Bustos stated he has worked on the states weather modification permitting since 2002 and then gave a background of his qualifications and accomplishments. Mr. Bustos started a grant program in 2004 which has generated approximately $3M in state funds to support locally sponsored cloud seeding programs.

There are seven active cloud seeding locations in Colorado with Vail/Beaver Creek being the oldest program starting 1976 with continuous operation. Eight other states also use cloud seeding as well as 40 other countries. Colorado has approximately 40 project sponsors and 110 machines around the state. Mr. Bustos explained the science technology behind cloud seeding and that it is used to improve snowfall, increase frequency given the right atmospheric conditions. Data was then shown of difference cloud seeding project areas in Colorado.

Mr. Bustos partnered with Frank McDonough with the Dessert Research Institute, a research facility that specializes in snow science and cloud seeding, and completed an analysis of where a cloud seeding program could be implemented to benefit the St. Vrain watershed. From the analysis, Mr. Bustos believed two generators would be needed at a cost of $35,000 each and every year thereafter to maintain a program which could produce approximately 6,000 acre-feet of the snowpack water equivalent annually.

Mr. Bustos then discussed different partnering options and possible grant funding if the District were to invest in a cloud seeding program.
After questions from the Board were answered, President Yanchunas suggested this topic be put on a future agenda in which the Board could determine if it wants to pursue.

E. 2017 Audit Presentation – Eric Miller, CLA

President Yanchunas introduced Mr. Eric Miller from CliftonLarsenAllen, LLC ("CLA") to give the annual audit presentation. The Auditor informed the Board that the 2017 audit fieldwork was completed the week of March 26. The Governance letter was then reviewed to the Board.

Mr. Miller noted that a few adjusting journal entries were required to balance the financial statements from a cash basis to an accrual basis. The independent auditor’s report that included the financial statements, management’s responsibility, auditors’ responsibility, opinions, and government auditing standards were then reviewed by Mr. Miller. The largest change in 2017 was the statement of net position for the business-type activities (water activity fund) due to long term debt (CWCB loans). There was also a change in capital asset depreciation due to Lake 4 activity starting in 2017. Mr. Miller then reviewed the statement of revenues, expenditures, and changes in net position and fund balances for the General and Enterprise funds. As part of the audit, CLA looked at internal controls and nothing came to the attention of the auditors to present risk, material weakness, or significant deficiency. With no questions from the Board, President Yanchunas thanked Mr. Miller for his presentation.

II. CONSENT AGENDA

A. Motion: Approval of Minutes – President Yanchunas

President Yanchunas asked the Board for any corrections to the minutes and there were none. Vice President Smith made a motion to approve the April meeting minutes and Director Lyle seconded. The motion passed unanimously.

III. ACTION ITEMS

A. Motion: General Fund Finance Report – Terry Lance

Ms. Lance stated there was $23,631 received in Ad Valorem and other revenue consisted of $193. All of the 2018 ditch assessments were paid totaling $1,992. A payment of $9,450 was made to CliftonLarsonAllen LLC for the 2017 audit. Per Board instruction, a payment of $1,000 was made to Water Education Colorado for sponsorship of their 2013 Flood Anniversary Tour. Treasurer M. Rademacher made a motion to approve the General Fund finance report and Director Sigg seconded. The motion passed.

B. Motion: Enterprise Fund Finance Report – Terry Lance

In April the augmentation renewal invoices were mailed out and the District received $26,271 in revenue thus far. Ms. Lance then reviewed the Lake 4 expenses, revenue, and loan activity. With no questions from the Board, Director Sigg made a motion to approve the Enterprise Fund finance report. Treasurer M. Rademacher seconded and the motion passed.
C. Motion: Close 2017 Books – Terry Lance

Ms. Lance included the 2017 end of year financial report in the packet for the Board to review. With no concerns, Vice President Smith made a motion to close out the 2017 books. Treasurer M. Rademacher seconded and the motion passed.

IV. DISCUSSIONS

A. Board Tour – Sean Cronin

Last year the District hosted a Board tour up to Copeland Lake and some stream recovery projects down Left Hand Canyon. Mr. Cronin presented several ideas for a 2018 Board tour; such as Lake 4, St. Vrain confluence with the South Platte, City of Longmont’s (“City”) Resilient St. Vrain projects, stream recovery work on Left Hand Creek or the Poudre River. After a discussion the Board believed it would be a perfect time to tour some of the City’s Resilient St. Vrain projects. After a discussion the Board concluded to organize the tour during the summer months.

V. REPORTS

A. Water Commissioners Report – Shera Sumerford

The Water Commissioner reported the call on the Main Stem was the South Platte ditch, March 15, 1974 and there was no call on the St. Vrain. Flows at Lyons gauge were 269 cfs. Reservoirs at the end of March were 81.26% full.

Ms. Sumerford will be researching the augmentation program 2017 terminations.

The State was still working on the “inactives” project and currently focusing to hit non-jurisdictional reservoirs to create more defined individual diversion records.

Left Hand Ditch Company will be getting some measurement recording devices on their structures.

Dave Nettles, Division Engineer, is retiring from the Division of Water Resources in June.

B. Legal Report – Scott Holwick

As Mr. Holwick could not attend the meeting, Mr. Cronin directed the Board to the legal report in the packet. Counsel was seeking permission to work on Golden Gravel Company’s application to seek a finding of diligence for Applicant’s conditional water storage rights for Neighbors Pond Nos. 1 and 2. President Yanchunas asked the Board for feedback and after a discussion; Vice President Smith made a motion that a conflict waiver be signed. Treasurer M. Rademacher seconded and the motion passed with Director Golden abstaining.

C. Engineering Report & Lake 4 Update – Mark McLean & Sean Cronin

Mr. McLean reported that there are three ongoing reviews relating to Lake 4 right now:

- State Engineers final review of the Lake 4 plans, Engineering Analytics responded back to questions;
- Floodplain mapping work related to all work in St. Vrain Creek. Boulder County (“County”) signed off, submitted to FEMA, and in a review process;
• Homeland security and emergency management portion was sent to FEMA.

Mr. McLean will meet with an attorney to find an approach in permitting coverage for all other surrounding County projects such as West Lake. The Engineer is finishing up the bid documents for the invitation to bid ("ITB") packet for the County in hopes that the process is completed by the first part of June so when FEMA gives the approval, the construction can begin. Mr. Cronin stated there will be an opportunity for the Board to review the final engineer’s cost estimate for each of the individual projects; however it may require a special Board meeting. Mr. Cronin, Mr. Holwick, and Mr. McLean will be meeting in the next couple of months to talk about an alternative plan if Lake 4 is not operational before the 2019 augmentation program begins.

In response to the Stream Management Plan requests for proposals emailed out, Mr. McLean and Mr. Cronin received some phone calls and emails with questions from some of the bidding teams. Mr. McLean helped answer some of those questions.

The Engineer provided answers to an augmentation member (Gold Lake Resort) as to their water depletions, property uses, and original water depletions to give them a better understanding of what their membership entails. Mr. McLean spoke to their attorney about current proposed actual uses and depletions to get an updated quantification for their membership.

D. Executive Director Report – Sean Cronin

Lefthand Watershed Oversight Group

Mr. Cronin reported that the Lefthand Watershed Oversight Group ("LWOG") was pursuing a fish passage and stream connectivity grant and recommended District contribute an additional $5,000 in matching funds. As the District had budgeted $5,000 for the St. Vrain Creek Coalition ("SVCC"), Mr. Cronin stated that because of lack of funding, the Coalition may not exist in its current capacity past June and the Board could choose to use those earmarked funds.

A discussion ensued on the pros and cons of contributing toward matching funds, who would benefit from the project, and how it would relate to the District’s Stream Management Plan ("SMP"). Director Golden was not in favor of supporting the grant and believed that the ditch owner’s interests have been overlooked by fish passage projects. Vice President Smith stated there are a lot of advancements in diversion designs that would allow sediment transport and fish passage while ensuring the availability of water. A discussion ensued on river management, concerns of St. Vrain Creek’s future, and the District’s financial obligations related to the SMP.

Mr. Cronin clarified that the focus of the grant is to assess the diversions, possible fish passage and education; the management of creek flows would be addressed in the SMP. The Executive Director stated that if the grant funds are awarded, that is money the SMP won’t have to spend on that part of Left Hand Creek. Vice President Smith made a motion to approve the $5,000 request and Director Lyle seconded. The motion passed 5 – 1.

Stream Management Plan

As the SMP requests for proposals were emailed out to prospective consultants, Mr. Cronin was in the process of formulating answers to some questions the District received. After the District receives the proposals, a small committee would then review and provide a recommendation to the Board at the July Board meeting. The next step is contracting with the consultant and State of Colorado for the grant dollars. The Board asked Mr. Cronin to send the contractor questions and District answers to the Board.
A discussion ensued on the proposals and what kind of recommendation the committee should bring to the Board. President Yanchunas suggested that the Board will know by the June meeting as to how many proposals were submitted and could be determined how to proceed at that time. The Board directed Mr. Cronin to provide them a list of the committee members who will be reviewing the proposals.

**District 6 Vacancy Advertisement**

Per Board direction, Mr. Cronin reported that the District would start advertising for the District 6 vacancy in the Allenspark Wind and Lyons Recorder. A copy of the advertisement was included in the packet.

**St. Vrain Creek Coalition**

On May 23, the Little Thompson Coalition will present to the SVCC some possible funding options to help sustain the coalition. There will be a board discussion at that point as to dissolve the SVCC in its entirety, keep the non-profit status and meet on occasion, or keep the non-profit status and meet on a monthly basis. Mr. Cronin stated the funding runs out the end of June. The Board then provided feedback on the future of the St. Vrain Creek.

**South Platte Regional Opportunities Working Group Workshop**

Mr. Cronin stated the South Platte Regional Opportunities Working Group (SPROWG") would be holding an upcoming workshop to disclose the results of the work group efforts. The District was invited to attend.

**Interbasin Compact Committee Update**

The Interbasin Compact Committee ("IBCC") met the first part of May and discussed funding of Colorado’s Water Plan and a potential future project of “statewide significance”. The potential project was offered by SPROWG. As Mr. Cronin is one of two South Platte Basin representatives on the IBCC, he actively participates in those conversations on behalf of the District.

### E. Items from the Board President – President Yanchunas

President Yanchunas thanked the Board for a productive meeting and believed different opinions and objectives are important.

President Yanchunas also mentioned that one of the two pumps went out at Willow Creek and staff from Northern Water staff was observing the elevation levels at Grand Lake.
VI. ADJOURNMENT

Vice President Smith made a motion to adjourn the meeting and Director Lyle seconded. The motion passed and the meeting adjourned at 3:40 p.m.

Respectfully Submitted,

Terry Lance, Assistant Secretary

Dennis Yanchuras, President

Additional Guests:
Joe Bustos – Colorado Water Conservation Board
Kevin Houck – Colorado Water Conservation Board
Eric Miller – CliftonLarsonAllen, LLC
Shera Sumerford – Division of Water Resources