

St. Vrain and Left Hand Water Conservation District (SVLHWCD)
Board Retreat
November 21, 2014 – 8:30 am to 3pm
The Callahan House: 312 Terry Street in Longmont
DRAFT MEETING SUMMARY

Executive Summary

The St. Vrain and Left Hand Water Conservancy District Board met for a strategic planning retreat in Longmont in November of 2014. All members of the Board and the Executive Director were present; the retreat was facilitated by a professional facilitator familiar with water issues in Colorado. The Board's discussion was based in part on interviews that the facilitator did with all of the Board members, the Executive Director, and seven water professionals who work with the District on a regular basis.

Based on the ideas that emerged from the interviews and their own respective ambitions for the District, the Board agreed that the SVLHWCD should:

1. Continue its current work with ongoing excellence and commitment
2. Pursue a new leadership role in the restoration and recovery of the basin in the aftermath of the 2013 flood while working collaboratively with other entities engaged in restoration and recovery work
3. Build on its current work and future restoration and recovery efforts to increase public understanding and appreciation of the work of the District and the value it brings to the community
4. Begin preliminary exploration of a new off-channel storage project that could bring benefits to multiple sectors and stakeholders in the basin; do this by outlining the purpose and need of the project and identifying water users and stakeholders, including nonconsumptive water users and environmental advocates, who may be interested in participating in a new project
5. Maximize the use of current funding to support these efforts and pursue additional grant funding that is available for watershed restoration through the federal government
6. Revisit these plans in an ongoing and regular fashion to ensure that progress continues to be made and to assess if/when to pursue "debrucing" and/or a mill levy increase to support future restoration and recovery work and future storage projects

Attendance

Sean Cronin, Doug Lyle, Bill Haselbush, Glenn Patterson, Douglas Rademacher , Mike Rademacher, Verna Sigg, Chris Smith, Ron Sutherland, and Dennis Yanchunas

Facilitation: Heather Bergman (Peak Facilitation) and Niki Koszalka

Welcome and Agenda Review

The facilitator welcomed the group and reviewed the agenda. The facilitator briefly reviewed the ground rules and then the group participated in a brief ice-breaker activity.

Getting to Know the St. Vrain and Left Hand Water Conservancy District

Board Resources in the Board Notebooks and Online

Sean Cronin provided the group with two handouts that were created by the online tool Wordle, which generates “word clouds” that give greater prominence to words that appear more frequently in the source text. Sean input the Conservancy Act and the St. Vrain and Left Hand Water Conservancy District Decree into Wordle, resulting in the creation of two different word clouds. The group was asked to identify which of the different word clouds reflected which source document. The group identified the District Decree due to its focus on proposed projects, water and water systems, irrigation, efforts “within the basin,” and the South Platte Basin. The Conservancy Act word cloud emphasized Colorado, benefits and beneficial use, construction, flows, domestic water use, and welfare. The purpose of this exercise was to remind the group why the District was formed and how it fits into the larger context established by the Conservancy Act.

Sean told the Board that the following items are contained in the St. Vrain and Left Hand Water Conservancy District Board notebook and are also available on the District website:

- Bylaws
- Director biographies and history of past directors
- Dos and don'ts of being a board member
- Board goals and policies
- District assets and programs
- 2014 budget
- Accounting and financials
- Paper written by Mr. Farr
- *The Citizen Guide to Colorado Water*

The History of the SVLHWCD

The group worked together to re-create the history of the St. Vrain and Left Hand Water Conservancy District, both from personal memory and from information they had received from previous Board members and staff. Additional historical information is available on the District website.

District Assets

Sean Cronin summarized the “two sides of the house” of the SVLHWCD, the General Fund side and the Enterprise Fund side. Every owner of private property within the District boundary pays property tax; these tax revenues together add up to about \$300,000, which

fills the coffers of the General Fund. Additionally, there is a specific ownership tax that generates about \$15,000, which is collected through license fees assessed by counties. While the District does hold quite a few assets, they are all obligated or otherwise not fungible for other purposes. For example, the Oligarchy and Highland Ditch Company shares are contractually obligated to augment gravel pits. Additionally, the District's 245 units of the Colorado-Big Thompson (CBT) project cannot be used in the District's permanent plan for augmentation.

The Enterprise Fund generates \$23,000 from memberships in the Augmentation Program and about \$10,000 from other sources, including the rental of CBT units owned by the District or the City of Longmont. A small percent of tax revenue can also be applied to the Enterprise Fund; in the case of the SVLHWCD, this is about \$3,000. It is not uncommon for organizations to have assets and/or programs in different funds. The Enterprise Fund was set up specifically to allow for TABOR flexibility, which is why assets (including water rights) cannot be intermingled or traded between the General Fund and the Enterprise Fund.

Note: Additional information about the District's assets and programs is available in the Board notebook or upon request from staff.

Summary of Board and Outsider Interviews – Key Themes

Heather Bergman summarized the key themes that emerged from her interviews with the nine members of the SVLHWCD Board, the Executive Director, and seven people in the water community who work with the District on a regular basis. The summary of these interviews is available in the Board notebook or upon request from staff.

Extra, Extra, Read All about It!

During a break, members of the group were each asked to write a 2025 newspaper headline that announced a key accomplishment of the SVLHWCD. The facilitator then gathered these headlines into two primary themes: storage/reservoir(s) and restoration/recovery. The group spent the remainder of the day exploring these two topics in greater detail and forming action items to move these topics forward to become new focus areas for the District.

Weighing the Options for the Future: Pains and Gains - STORAGE/RESERVOIR(S)

The group identified several projects and concepts related to their respective understandings of or visions for the District related to storage or reservoir projects. These projects and concepts included the following ideas:

- Aquifer storage
- Line/dredge gravel pits
- Enhancements for the river and environment
- Broad beneficial use
- Easier politically if using existing vessels and multiple beneficiaries
- “String of Pearls”

Additional considerations related to the “string of pearls” idea included:

- Establish early engagement of environmental groups
- Engage environmental groups as partners who own a part of the asset
- Take a holistic approach to agriculture
- Create “credits” in the system
- Need to build a coalition
- Develop an extension of trails and programs that people want

The group then identified the “pains” and “gains” associated with the storage and reservoir concepts for the District. These are summarized in the table below:

Pains	Gains
Transferring Coffintop right to another location	Creating an identity and purpose for the District
Assessing purpose and needs to meet future demand	Getting closure on the Coffintop water right
Impacts to return flows	Meeting future demands in agriculture, augmentation, and recreation; meeting the gap
Costly (dollars and staff)	Reducing pressure for agriculture-to-municipal water transfers
Politically very challenging	Creating the string of pearls
String of pearls not tested in court	Flood attenuation
Resources	
Well rights	

Further discussion by the group resulted in the following additional considerations related to a storage and reservoir focus or project for the District:

- Agriculture appears to be diminishing. Northern’s water was once mostly for agricultural use, and it is now 75% municipal. There seems to be a trend of agricultural folks offering their water to municipalities. This could be predation by water providers in need of water, or it could be that agriculture is looking to improve their bottom line. The market right now is seeking buyers. Much is tied to open space purchasing in Boulder County and making a deal to sell off water before selling the land. It seems the County does not want the water, just the land.
- It could be beneficial to get agricultural and municipal users to sign on to a new storage project; this would create good will in the basin.
- A new storage project would be helpful for management of water resources in the basin; it would create some flexibility in the system.
- Contributing to meeting the water supply gap, either directly or indirectly, should be promoted as a benefit to the taxpayers.
- The idea of one reservoir meeting all the needs in the basin does not seem likely.
- Future potential users of water identified in the Statewide Water Supply Initiative (SWSI) could benefit from a storage project. Storage projects should also be tied to the needs outlined in the South Platte Basin Implementation Plan (BIP).

- It will be critical to incorporate enhancements to the river and the environment.
- The movement of storage rights has been untested in court.
- The idea of storage is somewhat limited without knowing how the funding will occur. Resources will be needed: \$1 million/year for permitting, and that cost does not include staff time.
- The gravel pit route to storage will not require permitting but will entail a significant stakeholder involvement process.

Weighing the Options for the Future: Pains and Gains - RESTORATION/RECOVERY

The group identified two components of the restoration/recovery vision: near-term restoration and recovery of the watershed in the aftermath of the 2013 flood and long-term maintenance of the infrastructure and ongoing safety of human lives and property as well as water rights and associated investments. These were discussed separately.

As they did with the storage discussion outlined above, the group identified the pains and gains associated with pursuing an enhanced role in near-term restoration and recovery efforts in the basin. These are summarized in the table below.

Pains	Gains
Not clear how to restore; different areas, different uses, different needs	Could be the first stop on a path toward storage
Lack of money	Help build a coalition/leverage relationships
Regulation and bureaucracy	Public safety and revegetation
Stakeholder conflict	Crossover/common ground of restoration coalition and storage stakeholders
	Build trust; establish a track record
	SVLHWCD is the only one who can/should do it
	Consistent with mission
	Gives stakeholder buy-in

Further discussion related to the idea of the District taking on a greater role in restoration and recovery efforts resulted in the following additional considerations:

- The interviews indicated strong support for the SVLHWCD taking a lead role in restoration and recovery.
- There is specific money for restoration and recovery available from the Community Development and Block Grant Program (CDBG) of the US Department of Housing and Urban Development (HUD). The Colorado Water Conservation Board (CWCB) is encouraging the formation of new watershed restoration entities with this money and hopes they will become self-sustaining, fundraising organizations that continue on into the future. The initial allocation through CDBG would fund 3 years of a full-time watershed coordinator position. The expectation is that after the three years, the new entity would have the ability to go out and find money to sustain itself into future.

- The HUD money would be useful, but broader thinking about how to generate and sustain funding will be needed. A mill levy increase could support the District after the CDBG funding has been spent. A mill levy would be helpful in moving forward with public safety projects as well.
- It may be advantageous to explore joining the Urban Drainage and Flood Control District with Longmont and Boulder County to create a long-term structure for ensuring public safety. However, because Urban Drainage money is allocated to projects by the County, the current relationship that many entities in the basin have with the County could make this very challenging.

Funding Options and Outreach

The group discussed several options for increasing funding to assist with the future work of the District. Included in this discussion were “debrucing” and increasing the mill levy.

The following considerations emerged from the group’s discussion:

- The District should pursue initial additional funding through the CDBG grant.
- Debrucing could be on the ballot in 2 years. The Board should be doing things now and leveraging resources now with an eye toward preparing for the ballot in 2016.
- The District will have more momentum in the next year after the ball is rolling on restoration and recovery efforts. That would be a better time to discuss and pursue a mill levy increase.
- A successful mill levy effort will require the District to have a clear direction and to be known and visible in the community.
- Everyone on the Board should work to raise the visibility of the District. Members of the Board should view themselves as ambassadors of the District to the community.
 - The Board would benefit from talking points and additional materials to assist them in outreach efforts to other organizations in the community.
 - Board members could also invite other people to attend and observe Board meetings to learn more about the District.
 - Audiences for future Board member outreach include rotary clubs, ditch companies, newspapers, social media, nonconsumptive water users and advocates, cities and counties, and realtors.

Agreements and Next Steps

- The group agreed that the SVLHWCD should take a leadership role in near-term restoration and recovery efforts in the St. Vrain basin. The District should pursue CDBG funding to support this effort.
- The group agreed that the SVLHWCD should continue to have a strong role in near-term restoration and recovery efforts in the Left Hand basin, but acknowledged that the Lefthand Watershed Oversight Group (LWOG) is currently at the forefront of that effort. Some key leaders in LWOG also sit on the SVLHWCD board and will help ensure that the SVLHWCD continues to have an appropriate role in the Left Hand recovery efforts. The SVLHWCD will work with LWOG to ensure that their respective efforts are complementary and not duplicative; they will maximize efficiencies as much as possible.

- The group agreed that taking a lead in watershed restoration and recovery efforts will not only be beneficial to the watershed and other water stakeholders, but will also assist in raising the profile of the District in the community.
- The group agreed that there is a need for long-term maintenance efforts in the District, but did not determine how best to pursue them. A committee of the Board is already talking with other entities in the basin about possibly joining Urban Drainage and Flood Control District, and it was agreed that the Board needs to hear how these discussions have been going before any action on long-term maintenance can be taken.
- The group agreed to create a new Board committee to explore the concept of a new storage project and/or a string of pearls in the basin. The new committee will be formed in the first quarter of 2015 and will begin to identify the purpose and need of a new project and to identify a diverse group of potential beneficiaries of and stakeholders in a new project.

Action Items

Glenn	Draft the LWOG governance document
Sean	<ul style="list-style-type: none"> • Circulate the LWOG governance document to the SVLHWCD Board • Clarify with Jeff Crane the purpose and timing of the CDBG restoration and recovery grants • Submit the CDBG grant application • Provide a timeline and summary of the key tasks in the CDBG grant effort to the Board • Run the traps with other entities, and District Legal Counsel regarding the SVLHWCD becoming a leader on watershed restoration • Develop talking points ASAP on the work and value of the SVLHWCD to assist Board members in their outreach efforts • Develop a trifold, informational brochure once there is more to say about the future work and direction of the District (on restoration/recovery and on storage)
Urban Drainage Discussion Committee	Report back to the Board in January or February regarding discussions about whether to pursue joining the Urban Drainage and Flood Control District
Dennis	At every Board meeting, ask each Board member about what outreach work s/he has done since the previous meeting
Each Board member	Do some kind of outreach to get the word out about the work and future vision of the SVLHWCD; report on these efforts at each Board meeting
Board as a whole	Create a new committee to begin exploration of purpose and need and identify beneficiaries and stakeholders in a new storage project; do this in the first quarter of 2015
Peak Facilitation	Prepare a summary of today's meeting, including an Executive Summary to share with the outside interviewees