

**Colorado Association of Conservation Districts
Board of Directors Meeting Minutes
January 24th, 2019 - 8:00 AM
Face to Face Radisson Inn – Denver NW Stock Show**

Attendees:

Scott Jones, CACD President - Colorado River Watershed Director
Mike Cleary, CACD Vice President - Gunnison/Dolores River Watershed Director
Gary Thrash, Director - San Juan Basin Watershed /CO Representative Alternate to NACD
Jim Cecil, Director - Republican River Watershed Director
Charlie Carnahan, Director - Upper South Platte Watershed
George Fosha, Director - Upper Arkansas River Watershed Director
Steve McEndree, Director – Lower Arkansas River Watershed
Nick Charchalis, Director - North Platte/White/Yampa River Watershed
Nancy Berges, Director – Lower South Platte Watershed
Bob Warner, CO Representative to NACD
Brett Moore, CACD Lobbyist
Bobbi Ketels, CACD Executive Director

Guests:

Cindy Lair, CSCB
Clint Evans, NRCS (called in)
Les Owen, CDA
Kate Greenberg, Commissioner of Ag
Ann Terry, SDA
Anthony Sandoval, SDA

Call to Order:

The meeting was called to order by President, Scott Jones at 8:17 AM after establishing a quorum. President Scott Jones asked for any additional agenda items. With no additional requests, the board moved on with the agenda.

Prior Meeting Minutes:

President Scott Jones asked for a motion to approve the **December 2018 minutes**. **Director Charlie Carnahan** made the motion to approve and **Director Jim Cecil** gave the second. Without any further discussion, the motion to approve the CACD BOD's December 2018 Minutes was passed unanimously.

Financial Update:

CACD FINANCIALS: 12-31-18

Ending/Cleared Balance in Checking as of December 31st, \$ 96,612.10
Checks/Payments Cleared -65,013.76, Deposits Cleared \$ 49,851.11
Total Uncleared Transactions (Checks/Payments Only-No Pending Deposits) -11,831.45

Ending Register Balance as of December 31st, \$ 84,780.65

Reserve remains at \$26,075.15 (remaining payback due to reserve total \$15K)

NOI as of 12/31/18 \$58,705.50

Credit Card Ending Statement Balance as of 1/07/19 \$21,675.96 (current balance as of 1/20/19 \$0)

Total District Dues Paid 2018 \$59,950.00

Total District Dues Paid 2017 \$53,434.48

Total District Dues Paid 2019 \$6,000.00 - 2019 district membership dues invoices had been mailed.

UARRP Activity 2018: Total pass-through expenses \$76,677.30 - Total pass-through income \$76,677.30
Total CACD Income Earned YTD 2018 \$4,352.18 (Includes 5% Admin & Payroll Reimb)

Update:

Ending Register Balance as of January 20th \$98,063.80 (\$30,612.89 NRCS Reimb check included)
NOI as of 1/20/19 \$71,988.65

Bobbi presented a financial update on the 2018 NRCS cooperative agreement; 2018 Total budget \$56,100.00. Breakdown; Education Workshops \$22,500.00, Speakership Program \$9,000.00, Envirothon \$3,000.00, Camp Rocky \$3,000.00, Conservator \$3,500.00, Annual Meeting \$10,000.00, \$5,100.00 admin fees. Total rolled over from 2017 \$689.51. Total 2018 expensed \$30,612.89.

Total remaining from 2018 Cooperative Agreement \$26,176.62. Remaining funds amended budget request will be used for the Conservator winter issue, Envirothon, Camp Rocky, 2019 spring/summer workshops & speakership program, including setting aside \$5,000.00 from the CACD workshop funds for the 2019 CSCB/CACD/NRCS Partnership Watershed Leadership Workshops scheduled for April 2019. The amended budget breakdown is pending NRCS approval.

Cindy Lair spoke about partnering grant monies available through CSCB and other sources for these workshops to help cover food or other expenses not covered under the CACD/NRCS agreement. Cindy also offered ideas for additional assistance to CACD from CSCB staff.

Discussions took place regarding the possibility of an on-call tech program and a shared employee through an NRCS/CACD agreement, along with discussion about the pending FY19 budget for year 3 of the existing NRCS cooperative agreement.

Annual Meeting P&L Recap: Total Income \$64,853.52 (\$27,450.00 sponsorships, \$4,658.00 live auction, \$21,236.62 NRCS agreement, \$21,440.00 registrations) - Total expenses \$59,977.89 - 2018 AM estimated net profit \$14,300.00. An additional \$10,000.00 was received in 2018 to be allocated for 2019 and 2020 Annual Meeting income.

CACD 2018 P&L estimated at \$6K (budgeted \$8K). CPA to finalize with 2018 tax preparation.

CACD Director Jim Cecil made the motion to accept the financials as presented. **CACD Vice President Mike Cleary** gave the second. The motion to approve the CACD financials was passed unanimously.

2019 Annual Meeting:

Executive Director Bobbi Ketels toured and reviewed proposals from four convention centers; Doubletree - CO Springs, Hotel Elegante – CO Springs, Renaissance Stapleton – Denver, CO, and Embassy Suites – Loveland, CO. Embassy Suites offers the best facilities and service over all, but in keeping with the agreement to consider moving after three years, Hotel Elegante offers the best pricing and service in a more centralized location. Bobbi discussed AV quotes received from venues. Each was asked for two quotes; one for full service and one for partial services. Hotel Elegante offered the best pricing for both AV packages and offered the best overall pricing package for rooms, food and expo, along with accommodations for meeting rooms,

registration desk, office space and storage. Several gave input on venue, including Cindy Lair, Clint Evans, Mike Cleary and Bob Warner.

Legislative Update – Brett Moore:

Brett distributed the current CACD tracking sheet for board review. Brett expounded on HB-1082, the Ditch Easement bill brought forward by CACD with Director George Fosha, Brett Moore and Representative Marc Catlin leading the effort. Discussion took place in regard to some concerns brought forth from the Interim water committee with the need to possibly refine some language in the bill. The board agreed to postpone one week to allow time for Brett, George and Representative Catlin to have further discussions with committee members and to speak with four water attorneys concerning any language of the bill that might have any unintended consequences .

CACD representatives Scott Jones, Nick Charchalis, Bobbi Ketels and Brett Moore visited the capital and presented the legislator of the year awards to our three 2018 legislators of the year on January 23rd. Brett reviewed current bills being tracked by CACD and also discussed Senate Bill 16 this is the change of the severance tax operational funds. Basically, severance tax, where tax is levied on anything taken out of the ground. In this state oil and gas is the primary funder of our state severance tax. We have a tier two severance tax funds so once the tier one fund is full or completely paid out then the tier two funds get funded. Basically, what this is going to do is remove the tier one and tier two names from the program. These programs are typically paid out on projections where we get the number for this quarter and project what the next quarter will be and then they make their payments. Then it goes quarterly or 3 times a year disbursements. They have not been regular disbursements. This bill is going to move that to actuals. We finish the 18/19 fiscal year June 30th. They will take these numbers and do one single disbursement in July or August is how Brett believes this is how the new set up is going to go.

From a fiscal conservatism standpoint Brett thinks it makes a little more sense to do actuals instead of projections. For CSCB some years it will probably help, some years it might hurt, but not sure at this point. Looking at the changes, their will be 100% reserve for both tier one and tier two. They have to fill the tier one payments and then the tier one reserve, then fill the tier two payments and then the tier two reserve. So, in flush times we will have 100% reserve in the tier two, which was not the case before. That is the trade off for having tier one gets their reserve filled. Brett does not believe this is a concern and more of a technical clean up if anything and it is coming out of the Department of Natural Resources which manages the severance funds. We are not going to be treated any less or well equally from the other tier programs. At this point Brett does not recommend an oppose. If anything, we can monitor and maybe even support it. Brett clarified that they are changing the names only, not getting rid of the tier two funding.

Brett stated the legislative committee will continue to work on reviewing all bills coming up through session and the CACD Bill tracker link is live and available for viewing at any time. Brett asked the board to let him know at any time if they had any input, questions or concerns about any of the bills being tracked. Discussions took place on HB1102 added since the last legislative call. Further discussion concerning this bill will take place on the next legislative call. Brett gave a recap of the CACD stock show event, stating that approximately 7 legislators attended and felt good conversations took place and gave exposure for Ag to new legislators. None of the Senators who RSVP'd were able to attend as they were called back into session at 4 PM. CACD Director George Fosha added that at the Water Congress meeting the state engineer basically was in support of our Ditch Easement bill. Brett added that there was really no opposition of our bill, just constructive criticism on how we can make it better. Director Jim Cecil gave thanks to George and Brett for their time and effort put into this bill.

Brett reminded the legislative committee of the latest draft submitted by Dan Waldvogel with the National Young Farmers' Coalition on the ACRES presentation to CACD. Brett will send an email with an urgent

please reply request so we can get our response put together and submitted back to Dan. Brett suspects they will have a bill and the Commissioner comes from this group. Governor Polis has been talking about rural grants and rural grant funding so this may be an opportunity to provide another layer of value to our district members. Brett gave a comment deadline of next Wednesday or Thursday. This needs to be a CACD priority.

Guest Speaker-CO Commissioner of Ag Kate Greenberg:

Commissioner Kate Greenberg introduced herself and expressed she was glad to have met some at the stock show event last night and good to see some familiar folks from her neck of the woods. Also, to see Brett, Les and Cindy, folks who work at and interface with the department. Kate stated it is her honor to be in this role as the incoming Commissioner of Agriculture. She has spent the last many years working with young and beginning farmers and ranchers across the intermountain west including across Colorado. Kate currently lives in Durango and will be relocating to the front range area soon. Out of Durango, she has been traveling across the state and the intermountain west doing work to get young people into agriculture and really focusing on state and federal policy reform that will enable the country and state to do this in a larger way. She did not spend time necessarily connecting individual farmers and ranchers with landowners as there are a lot of partners that do this. They worked more so with policy makers to look at policy mechanisms that will enable more young people to get into and stay in agriculture.

Kate came on with the National Young Farmers Coalition. In 2013 they were then about two years into the program, and she was the fourth staff across the country. Now they have grown to over 25 staff members nationwide and members in all 50 states with 41 farmer led chapters. They have worked through two Farm Bill cycles and helped pass the Ag Workforce Development Program last year, which is now housed in the Department of Ag. Kate stated her core wheelhouse has always been on water. She has worked on issues, especially surrounding the Colorado River Basin and the state water plan for the last many years as well. Her work there has always been to make sure farmers are at the table, which is not always the case, as many probably already know in water discussions. Kate has worked hard to have a seat at the table for farmers, so this is something she holds near and dear and intend to continue to do in various ways in this role as Commissioner.

Living in the Southwest Basin it is very palpable what we are up against in rural Colorado as well as in Ag. May do not realize we are in a drought, which fuels the fire and continues to open her eyes to how important this work is to be active in rural Colorado, to be showing up and advocating and connecting with folks who do not absorb the impact of what Ag in rural Colorado does. Speaking with a friend who is a rancher in Del Norte, she stated that farmers and ranchers absorb the weight of what it means to eat as humans and absorb the life and death cycle and absorb the impact of natural disasters and water scarcity before anybody else. Being less than 2% of the population that is quite a burden to bear for so few people. Kate stated she cares deeply about the work and the people doing the work and this is what lead her here today to the CACD meeting. Kate is looking to get out into the field as much as possible and invited the board to reach out to her or the department if we would like to host her or her staff. She thanked the board for their time and stated she was happy to attend.

Guest Speakers - Special Districts Association:

Ann Terry, SDA Executive Director and Anthoney Sandoval, SDA Membership Services Coordinator joined the meeting for a follow up visit from the CACD Annual Meeting. Ann gave a recap on the Special Districts Association, stating that their organization is made up of many types of special districts, not just title 32 districts. They have approximately 1945 special district members, with 5 to 7 thousand people involved.

Ann also gave a rundown of the types of memberships and services offered by SDA. They basically have three overarching functions; Legislative advocacy representing on many issues involving all types of special districts, taking positions on cases in the court of appeals in both the District Court and Supreme Court (not

joining the cases as a litigant, but joining as a friend of the court). They may not agree with every piece that is going on in the lawsuit, but they want to make sure they preserve our way of life and this is part of the SDA mission to preserve the special district methods and structure. They also provide several resources, such as manuals. They also conduct 10 workshops in the spring. SDA works very closely with Water Education Colorado and they sponsor 9 scholarships for the water fluency class, which are left open to members to apply for. They also work very closely with the Water Congress and work very closely with CWCB on the water plan. Water drought is not an impending crisis, it is a crisis. SDA continually adds these pieces to their curriculum. SDA also provides resources on board member payment, agendas, hosting of agendas and term limits. SDA also provides an insurance pool for special districts that has property & liability, officers and directors insurance and workers comp, now including cyber security. They currently have 1200 members in their insurance pool. SDA also has a health care trust, where they are part of the Colorado Employments Benefits Trust (CEPT). It has several different health care plans, so it can accommodate all corners of the state.

Education and training also include forums unique to the different special districts. SDA has a very supportive board that encourages new ideas of training and collaborating. SDA does not want to compete with any organization. They are closest to the government and closest to the people in the communities and they are here to help. One on one board training is something they are also involved in, as well as leadership programs four times a year. They are happy to tailor programs that make sense to the districts. SDA also does a legislative briefing every other Monday by webinar, enabling them to include the entire state. SDA can help assist in finding legal guidance for mill levy's and very involved in training on elections.

Cindy stated that CSCB is a member and has received much guidance from SDA. Further discussion took place on mill levies. There have been issues with county assessors and developing that relationship. Maps are outdated compared to the assessors maps to get an accurate account of voters for the conservation districts. CSCB is working very hard on their side to build more of a relationship with assessors. Ann shared the idea of doing a forum to open up communications and said SDA would be happy to help formulate and facilitate these conversations. Cindy stated that there is an upcoming meeting that DOLA is putting on. Nikki Brinson from CSCB called to be on the panel and asked for a name change to help turn this into a more positive direction. Ann mentioned that SDA is very involved in putting out a newsletter, which is done by Emmett Jordan who does a fabulous job. SDA will have their annual conference in September.

SDA expressed a continued interest in working with and assisting CACD in anyway possible. SDA gave CACD a complimentary Associate Membership to enable CACD to learn more about SDA and what role they can play as a partner in serving the Colorado Conservation Districts.

NRCS Update-Clint Evans:

Clint Evans called in for the NRCS update. NRCS has had a lot going on in the last day due to the lapse of appropriations and the partial government shutdown. NRCS has been fully operational up to this point in time and will continue to be fully operational up through Friday, February 1st. Just submitted a list regarding all employees per a request from headquarters to designate employees that would be considered to be exempt that could continue to work on mandatory Farm Bill programs such as EQIP, Ag Conservation Easement program, Conservation Stewardship program, RCPP projects as well as the expired easement programs. They are also allowed to do some CRP work upon request from the FSA, but with them being out on furlough, they do not anticipate receiving any of these requests. The other two programs they can work on is the three watershed operations rehabilitation projects that are ongoing, as well as four active emergency watershed protection project areas from the fires that occurred in 2018. NRCS has been able to identify 150 staff members that would be considered exempt, so that makes up roughly 81% of their workforce and the other 19% will either be on furlough as non-accepted, which means they will eventually get back pay, but they will not receive a check after this next pay period of February 11th. They will not receive any pay after that until

the Federal budget is passed and the appropriations issues is resolved. They have roughly 19% that will either be non-accepted to where they won't do any work and won't receive any pay and then a few employees within this group that would be considered accepted on call to where they could be called in to do work, but they would not get paid until after the lapse of appropriations is resolved. February 3rd is when all of this goes into effect. The snow survey program is funded through that next pay period so its funds will expire on February 8th, and this will be the last they can do any work on the snow survey program as they know today. After February 8th all snow survey staff will be on furlough with no pay and no work. The major concern here is a lot of our basins still rely heavily upon manual snow course snow survey measurements. They have approximately twenty field staff that typically assist with those snow course measurements. Clint submitted a request up to the national office on continuing these, however, since there are no funds to support the program, he does not see this being permitted beyond the first week in February.

Nationwide, 30% of total workforce will be furloughed on February 3rd. For Colorado it will be roughly 19% of their workforce. All field staff is currently exempted so they will continue to work on mandatory programs. Clint has submitted a request to have 19 additional staff labeled as exempt and those are state and area office specialists. This would get them to the 81% operational status in Colorado. Offices will need to start customer requests lists for those programs on hold. If congress would happen to pass a budget or another CR, that may allow them to stay fully operational for a little longer, depending on length of the CR if it is not a full year spending bill. They have 46 partner employees with prior year funding that will be able to continue to work. Most of these positions are funded through April, with a few through August. The shutdown may last until March or April. Clint will continue to send bi-weekly updates. Bobbi asked Clint about the CACD amendment for year three. Clint stated we can have everything ready to submit, but until they get an extended CR or a full year funding, they cannot approve an amendment for further funding to our agreement. Right now, there are too many unknowns to know when this will occur. Clint said he will ask Randy to follow-up with 2018 funds still available. He felt we may be able to apply some remaining funds to these upcoming events.

Clint gave his input on the hotel in Colorado Springs stating he felt the parking was limited and the meeting rooms were small, and the facility was run down, but this was in 2016. Bobbi stated she would revisit these concerns and could go back for a second tour if needed. NRCS call ended at 10:22 AM.

2019 Annual Meeting continued:

After a short break the board took a straw vote for decision on the 2019 Annual Meeting venue between Embassy Suites and Hotel Elegante, with 7 votes for Hotel Elegante and 0 votes for Embassy Suites. CACD Director George Fosha made a motion to make the best deal with Hotel Elegante and try this venue for 2019. Director Jim Cecil gave the second. Motion carried. The 2019 Annual Meeting CACD committee will consist of Mike Cleary, Nick Charchalis, George Fosha, Scott Jones, Bobbi Ketels, Bob Warner, Larry Lempka, Cindy Lair and the CSCB staff. Gretchen Rank and Petra Popiel will also be asked to join the committee. Bob Warner will ask the A.F. Academy to do the opening flag/color guard ceremony. At this time, Ray Ledgerwood is first in line for keynote speaker. Dates for the annual meeting are confirmed for November 17th through November 21st. Larry Lempka stated it would be good to have training for the district managers and staff built into the meetings.

CDA Update-Les Owen:

Discussions took place about ground water monitoring service. The bill is in legislature to add surface water monitoring to this program within the department. This is in response to Reg 85, which is non-points nutrients getting into surface waters. This was put into place in 2012 when the regulation was put in place to encourage Ag industry to implement Best Management Practices to reduce the number of nutrients going into surface waters. Right now, this is voluntary. In 2020 there will be a preliminary review to see how much Ag has implemented efforts to incorporate this. In 2022 the Water Quality Control Commission is going to revisit

to see what efforts agriculture has put forward and get some idea if regulations need to be imposed. This could happen in 2022, but in conversations Les has had with CDPHE this is not the desire to do this. The idea for expanding this program did not come from CDA, it came from the Ag industry. The idea started a couple years ago for Ag to start collecting data about Ag and to be informative. The problem is funding for the additional cost. Further discussion took place about costs, funding and the impact around the state concerning these issues. Jamie Connell is the new BLM Department Manager. The GMUG draft went out to cooperating agencies, but the shutdown has affected everything with the process. Scott Jones shared further information from his area. The draft should go out once the shutdown is over, but now everything is on hold. Please call Les with any further questions and concerns. The Bighorn and Domestic Sheep is still a huge issue. The direction leadership provides could change things.

CSCB Update-Cindy Lair:

CSCB was finally able to hire a new person to manage the Colorado River Basin Salinity program, which is Paul Kehmeier from the Delta Conservation District. Cindy confirmed she verified that this is not a conflict of interest. Abbey Grey is on board as the new administrative assistant. Cindy has made her available to CACD to do the minutes and to help with other projects as needed for administrative assistance on partnering projects. The next state conservation board meeting is June 19-20 in Rangeley, CO. The new President of the State Conservation Board is Joe Lindsay from the Upper South Platte. Cindy discussed details of the Watershed Leadership Training workshop titled "Powering up Watersheds." The goal is to have 5 people from each watershed. The cost per person is \$100, which includes lodging, meals and materials. All board members are encouraged to come. The training will include speaker Ray Ledgerwood to do the training and the workshop will include a technical component for a learning segment on watershed planning and stream management plans. This is a great opportunity for local NRCS people to participate. Registration is going to be set up through Event Bright and CACD will facilitate the administrative side of registrations. Cindy emailed the draft agenda out to everyone. The workshops will be held in Glenwood Springs on April 2-3 and then in Limon on April 4-5.

Envirothon:

Cindy expressed to CACD the willingness to offer use of CSCB staff to help facilitate day to day planning and implementation of the program to take the pressure off CACD and the sponsoring CD which will most likely be Center CD. Their staff is trained in youth education and this is key in being able to offer assistance. In-depth discussion took place about this annual event. The CACD Board agreed to keep Envirothon under their 501c3 and the board agrees to partner with CSCB and the hosting CD during the transition period, giving support to transition as needed. The board agreed we should not take off a year and that CACD Executive Director Bobbi Ketels will be the CACD representative. Gary Thrash gave a quick update on a conversation that took place with Anthony Lobato and his willingness to help with the Envirothon transition. CACD VP Mike Cleary made the motion for CACD to pay up to \$500 for the assistance of the transition if required to keep Envirothon going in 2019. CACD Director George Fosha gave the second. Motion carried.

President Updates:

Discussions took place in regard to the Colorado Watershed Assembly and the many organizations that are requesting to have a seat at the table with CACD and the conservation districts. Scott will keep the board informed on what the Ag Council is needing from CACD. Mike and Nick offered input on different plans within the state. George Fosha stated that all watershed districts are very different. The board agreed to table for further discussion of CACD's ability and level of involvement with all the different organizations.

Discussions took place in regard to the tumbleweed issue brought forth again by Richard Bergman to all state partners and other government entities. Mr. Bergman shared his correspondence with 9 News. On behalf of the CACD Board of Directors a letter of response will be drafted and submitted to Mr. Bergman with copies to all parties involved in the conversation.

Scott and George reminded the board to please submit comments for the request from the National Young Farmers' Coalition. Further review and discussion to take place.

The next CACD BOD call will be February 13th, 7:30 AM - Legislative call at 7 AM.

President Scott Jones adjourned the meeting at 1:15 PM.

Respectfully Submitted,

*Bobbi Ketels
CACD Executive Director*