PHIL WEISER
Attorney General
NATALIE HANLON LEH
Chief Deputy Attorney General
SHANNON STEVENSON
Solicitor General

TANJA WHEELER
Associate Chief Deputy Attorney
General



RALPH L. CARR
COLORADO JUDICIAL CENTER
1300 Broadway, 10th Floor
Denver, Colorado 80203
Phone (720) 508-6000

STATE OF COLORADO DEPARTMENT OF LAW

AGENDA

Colorado Natural Resources Trustees Meeting August 26, 2025, 10:00 am to 12:00 pm

Location: Vail Public Library, 292 West Meadow Drive Vail, Colorado

Note: A hyperlink to a Microsoft Teams meeting will be posted on the Trustee website:

Colorado Natural Resources Trustees Upcoming Meetings

Open Session

- 1. Approve Agenda 1 minute
- 2. Approval of Minutes from May 20, 2025 Meeting 1 minute

Action Item:

(1) Review and approve minutes from May 20, 2025 meeting

Document:

- (1) Draft minutes from May 20, 2025 meeting
- 3. Budgets Update (Jennifer Talbert) 1 minute

Action Items: None

Document:

- (1) Budget Spreadsheet
- 4. Recent Investigations (Mindi May) 10 minutes

Action Items: None

Documents: None

5. <u>North Saint Vrain - Amended Resolution - (David Banas, Jennifer Talbert, Pete Conovitz) - 5 minutes</u>

Action Item: Sign amended resolution

Documents:

- (1) Memo from Jennifer Talbert
- (2) Draft Resolution Approving North Saint Vrain contracting extension
- 6. Galeton (Shelley Hickerson, Jennifer Talbert, Mindi May) 10 minutes

Action Items: None

Documents: None

7. <u>Bonita Peak Mining District - (Jason King, Mark Rudolph, Pete Conovitz) - 5</u> minutes

Action Items: None

Documents: None

Executive Session

8. Home Lake State Wildlife Area - (Shelley Hickerson, Mindi May) - 10 minutes

Action Items: None

Documents: None

Open Session

9. Report from Executive Session - (Lukas Staks) - 1 minute

Action Items: None

Documents: None

10. NRD Primer and Introduction to Site Visit - (David Banas, Jason King, Trout Unlimited) - 15 minutes

Action Items: None

Document:

(1) NRD 101 PowerPoint



Colorado Natural Resource Damages Trustees Meeting Minutes May 20, 2025 (Approved _____)

Attendance

Trustees

Tanja Wheeler, Associate Chief Deputy Attorney General
Dan Gibbs, Executive Director, Colorado Department of Natural Resources (DNR)
Tracie White, Hazardous Materials and Waste Management Division Director, Colorado
Department of Public Health and Environment (CDPHE)

Trustee Staff

David Kreutzer, First Assistant Attorney General, Office of the Attorney General, Natural Resources and Environment Section (NRE)
David Banas, Senior Assistant Attorney General, NRE
Jason King, Senior Assistant Attorney General, NRE
Shelley Hickerson, Assistant Attorney General, NRE
Jonathon Lubrano, Assistant Attorney General, NRE
Jennifer Talbert, CDPHE
Mark Rudolph, CDPHE
Maura McGovern, DNR
Mindi May, DNR
Pete Conovitz, DNR

Other State Staff

Laura Kelly, Senior Paralegal, NRE April Polinauskas, Administrative Assistant, NRE Mike Templeton, AGO Contracts and Purchasing

Fellows and Interns

Phalen Kohlruss, AGO Fellow Natalie Kelly, NRE Intern Emily Derrenbacker, NRE Intern Mitchell Ukropina, NRE Intern Solomon Biers-Ariel, NRE Intern Ryan York, NRE Intern

Public

Ian Schillinger-Brokaw, City and County of Denver Michael Carney, U.S. Department of Interior (DOI) Timothy Hoelzle, DOI

Open Session

Trustee Wheeler called the Trustee Meeting to order at approximately 10:00 a.m. on May 20, 2025 (held in Room 1E of the Carr Building and via Teams). The meeting's purpose was to brief the Trustees on the current status of issues relating to Natural Resource Damages (NRD) projects, and to request direction and/or approval for various actions.

<u>Agenda</u>

David Banas requested that a discussion regarding DOI's Cal Gulch administrative costs be added to the Agenda. Trustee Gibbs moved to approve the Amended Agenda as described. Trustee White seconded the motion and the motion was unanimously approved.

Minutes

Trustee White moved to approve the February 11, 2025 minutes. Trustee Gibbs seconded the motion, and the motion was unanimously approved.

Budgets Update

Jennifer Talbert presented the Budgets Update. There were no questions or concerns.

Recent Investigations

Mindi May described six recent spills that were investigated by Colorado Parks and Wildlife (CPW). In five cases, there were no documented injuries to natural resources and no further NRD action will be pursued based on the current information:

- On May 9, a release of ammonia to the Arkansas River was reported at the Holcim cement plant near Canon City.
- On March 30, the City of Montrose reported a petroleum spill from an abandoned stormwater drain to Dry Cedar Creek.
- On April 29, a Walmart in Colorado Springs reported a gasoline spill at its filling station.
- On May 14, QB Energy reported a spill of produced water at a water treatment facility and an underground injection well south of Rifle.
- On May 16, Denver reported a milky substance that appeared at a stormwater infrastructure construction site which was flowing towards Heron Pond and the South Platte River.

The sixth spill occurred on April 6 when Chevron lost control of the Bishop Well near Galeton, which is northeast of Greeley. The well released a 60-foot geyser of fracking fluids, oil, gas, and produced water for several days impacting Willow Creek which flows down to Lone Tree Creek. NRD staff are moving forward with its investigation relating to natural resource damages.

Cal Gulch - Trustee Staff Authorization to Sign Resolution

David Banas provided background regarding the Trustees' MOU with DOI to jointly administer Cal Gulch funds through a federal Trustee Council. He explained that DOI is requesting approval of approximately \$80,000 to cover administrative costs with a Trustee Council resolution, and Staff is requesting that they be authorized to sign the

resolution. Trustee Wheeler recused herself due to a conflict of interest. Trustee Gibbs moved to authorize Staff to sign the Trustee Council resolution as described.

Rocky Mountain Arsenal - Amended Resolutions

David Banas explained that two of the four RMA resolutions that the Trustees approved at the February 11, 2025 meeting failed to state that project proponents needed to contract with DNR instead of CDPHE. Staff recommended that the Trustees approve two new resolutions (for Bluff Lake and Montbello) which: 1) state the proponents need to contract with "the State," and 2) increase the amount of time to enter into those contracts from one year to five years. Trustee Wheeler moved to approve the two new resolutions. Trustee White seconded the motion and the motion was unanimously approved.

Shattuck Presentation from City and County of Denver

Ian Schillinger-Brokaw with Denver Parks and Recreation gave a final presentation of the Grant Frontier Park Project they completed with funds recovered from Shattuck. Jennifer Talbert mentioned that Staff is discussing a future site visit for the Trustees.

California Gulch - U.S. Department of Interior Video

Before viewing the video, David Banas introduced Michael Carney of DOI and provided background about DOI's efforts to produce a video which illustrated the restoration success using Cal Gulch NRDs funds.

Small Spills Ticketing System

David Banas reported that several years ago the Trustees asked Staff to investigate the feasibility of having a "small spills" ticketing system. Staff learned that several states have a matrix that computes a dollar amount, but those states are mostly coastal, have barge traffic on rivers, and have more industry and manufacturing than Colorado. Mr. Banas added that those states also have more baseline data for large rivers whereas Colorado does not have baseline data for smaller streams. After working with consultants, Staff concluded that it is not advisable for the Trustees to invest in such a ticketing system given the costs associated with it.

PFAS Updates

Jason King provided some background about the origin of PFAS, why they are called "forever chemicals," and the adverse health impacts from PFAS exposure. He then updated the Trustees on the intersection of PFAS, CERCLA, and the history of regulatory developments and legal actions. More recently, EPA set maximum contaminant levels for six PFAS products and designated PFOA and PFOS as CERCLA hazardous substances which triggers CERCLA liability including NRDs. Those actions were immediately challenged by industry. Mr. King added that the current Administration intends to rescind the MCLs for the first four products and relax the standards for the other two, and it's unclear whether it will defend the current challenges. He then described some known PFAS sites in Colorado and the potential for future NRDs claims.

Trustee Logo

Jennifer Talbert explained that many times NRDs' project proponents post signage when a project is finished and request logos from contributing partners. In response, Staff provided logos for all three Trustee agencies, which are sometimes not used due to space constraints. She suggested the idea of creating one logo for the NRDs Trustees, rather than using three individual logos for each agency. The Trustee staff will look into state logo requirements to determine if this is a viable option.

Executive Session

David Kreutzer recommended the Trustees make a motion to go into Executive Session to consider Agenda Items #11 and #12 on the original Trustee Meeting Agenda regarding the Home Lake State Wildlife Area and the Galeton geyser. He stated the Executive Session is authorized pursuant to section 24-6-402(3)(a)(II), C.R.S. and other laws that allow the Trustees to enter Executive Session for specific purposes. At approximately 11:15 a.m., Trustee Gibbs moved to begin an Executive Session to discuss Agenda Items #11 and #12. Trustee White seconded the motion, and the motion was unanimously approved.

At approximately 11:45 a.m., Trustee Gibbs moved to end the Executive Session. Trustee White seconded the motion, and the motion was unanimously approved, whereupon Executive Session was ended.

Open Session

Report from Executive Session

Trustee Wheeler stated that the discussion between the Trustees and their legal counsel in Executive Session was limited to privileged attorney-client communication regarding Agenda Items #11 and #12 concerning the Home Lake State Wildlife Area and the Galeton geyser. The Executive Session was separately recorded.

Trustee Wheeler moved that the Trustees direct Staff to proceed regarding the Home Lake matter as discussed during Executive Session. Trustee White seconded the motion and the motion was unanimously approved.

David Banas welcomed Maura McGovern, the new Water Resources Manager for DNR to the NRDs Trustee meetings.

At approximately 11:50 a.m., Trustee Wheeler moved to adjourn the meeting. Trustee White seconded the motion, and the motion was unanimously approved.



<u> </u>		Tratulal Resource 1					1 age 1
NRD Matter	Bonita Peak	California Gulch	Fountain Creek	Idarado	Lowry	N. St. Vrain	Gore / Mill Creek (Vail)
Total Settlement	\$6,600,000.00	\$10,000,000.00	\$345,000.00	\$1,000,000.00	\$1,606,930.00	\$245,305.00	\$248,660.00
Total NRD dollars spent		\$14,810,665.70	\$0.00	\$1,561,412.98	\$1,669,323.56	\$0.00	\$0.00
Account Balance 7/2/2025		\$4,321,609.41	\$391,905.94	\$219,362.96	\$451,152.69	\$268,364.79	\$265,114.89
Most recent TT Resolution Date	NONE	11/14/2023	4/23/2019	11/14/2024	8/14/2023	NONE	NONE
Current Trustee awarded amount		\$3,953,875.00	\$389,638.01	\$218,746.75	\$675,000.00	\$0.00	\$0.00
Contract Encumbrances		\$3,895,532.31	\$382,487.93	\$0.00	\$388,082.46	\$0.00	\$0.00
Remaining funds	\$7,052,531.40	\$426,077.10	\$9,418.01	\$219,362.96	\$63,070.23	\$268,364.79	\$265,114.89
Type of Restriction		Follow State and USFWS Restoration Plans	None	None	Groundwater nexus to the South Platte	None	None
Remaining funds available		Interest and remaining funds available	Interest to CPW, no remaining funds available	Interest to TLR, no remaing funds available.	Interest to USFWS, no remaing funds available.		All funds awarded
Update	Restoration Proposals under review. Restoration Plan under contract	All SPP projects are under contract and underway.	Chilcott Diversion project ongoing.		Restoration by USFWS underway.	Working with proponent to develop SOW for contract	Contract complete and restoration is underway

NRD Matter	RMA Recovery Fund	RMA Found- ation Fund	Shattuck	Standard Metals	Summitville	Suncor	Uravan
Total Settlement amount	\$17,400,000.00	\$10,000,000.00	\$1,250,000.00	\$415,368.00	\$5,000,000.00	\$1,230,000.00	\$1,000,000.00
Total NRD dollars spent	\$13,120,495.80	\$9,185,555.00	\$1,303,355.98	\$0.00	\$5,150,936.93	\$1,286,215.88	\$1,200,710.60
Account Balance 7/2/2025		\$1,056,124.93	\$0.00	\$513,073.61	\$260,345.56	\$0.00	\$192,607.45
Most recent TT Resolution Date	2/11/2025	2/11/2025	3/17/2022	12/9/2022	1/21/2021	6/9/2022	3/24/2021
Current award	\$7,981,622.04	\$1,504,791.97	\$30,000.00	\$0.00	\$1,171,620.00	\$0.00	\$270,000.00
Contract Encumbrances	\$220,460.78	\$0.00	\$0.00	\$0.00	\$219,355.99	\$0.00	\$190,521.78
Remaining funds	. , ,	\$1,056,124.93	\$0.00	\$513,073.61	\$40,989.57	\$0.00	\$2,085.67
Type of Restriction	None	None	None	None	Money (plus interest) must be spent in Alamosa River Watershed	None	None
Remaining funds available		All funds awarded	All funds spent	\$230K awarded; remaining funds for Silverton	Interest to TU, no remaining funds available	All funds spent	Interest to WEEDC, no remaining available funds
Update	Contracting underway with DNR and CDPHE		Restoration is completed - this coumn will be removed on future tables	Gossan Creek Project delayed - waiting on FS NEPA - remaining funds for BPMD	In Stream Flow Project is underway	Restoration is completed - this coumn will be removed on future tables	WEEDC Restoration projects underway. DRMS identifying new locations

ITEM #4 NO DOCUMENTS





Memorandum

To: Colorado Natural Resources Trustees

From: Jennifer Talbert, Remediation Program Manager, NRD Coordinator

Date: August 1, 2025

RE: North St. Vrain River restoration project extension

Background

The state of Colorado settled natural resource damage claims against MTY Trucking LLC, insured by General Star Indemnity Co., for \$245,305 pursuant to a settlement agreement dated December 16, 2022. In November 2024, the Trustees approved allocating all of the settlement funds, including interest, to the Lefthand Watershed Oversight Group, d/b/a the Watershed Center North St. Vrain River Restoration Project (Project), which will restore aquatic and riparian habitat on the North St. Vrain River. The North St. Vrain NRD Fund contains approximately \$268,364.79 available for restoration projects.

Update

The November 2024 resolution requires the Watershed Center enter into a contract with CDPHE no later than December 31, 2025. Currently, the Watershed Center is working towards obtaining the necessary matching funds in order to implement the project. The Watershed Center submitted two grant requests: one for a Section 319 grant and one for a water quality improvement fund grant. The proponents anticipated receiving these matching funds during an earlier award period, where the original December 31, 2025 deadline would have been achievable. Due to delays outside of the proponent's control, additional time is necessary to finalize the contract with CDPHE. The Watershed Center requested to delay getting under contract with CDPHE until they are certain they have all necessary funds available to implement the project. Accordingly, the December 31, 2025 deadline will not be achieved.

Recommendation for Action

The majority of trustee resolutions provide the project proponents with five years to get under contract with CDPHE in order to give the proponents sufficient time to obtain the matching funds required to implement the project. Accordingly, the Trustee staff recommends extending the deadline to contract with CDPHE until December 31, 2029.

Attachments

Resolution for the North St. Vrain River Restoration Project



Colorado Natural Resources Trustees Resolution of August 26, 2025 Concerning North St. Vrain River Restoration Project

Whereas,

- 1) The Colorado Natural Resources Trustees (Trustees) are responsible for the management and direction of Colorado's natural resource damages program;
- 2) The Trustees are responsible for administering State funds to restore, replace or acquire the equivalent of injured natural resources;
- 3) Approximately \$268,364.79 remains from the \$245,305.00 settlement of Colorado's natural resource damages claim stemming from injuries to natural resources at the North St. Vrain / Apple Valley release;
- 4) The Lefthand Watershed Oversight Group, d/b/a the Watershed Center requested \$250,000 from the North St. Vrain NRD Fund to help fund its North St. Vrain River Restoration Project (Project) which will restore aguatic and riparian habitat on the North St. Vrain River;
- 5) The Trustees approved the release of \$250,000, plus the remaining interest to the Watershed Center in Colorado Natural Resources Trustees Resolution #2024-11-14-01; however, the resolution required the Watershed Center enter into contract with CDPHE no later than December 31, 2025; and
- 6) Due to delays in obtaining matching funds, the Watershed Center needs additional time to enter into a contract with CDPHE.

Now Therefore,

The Colorado Natural Resource Trustees do hereby approve the extension of Colorado Natural Resources Trustees Resolution #2024-11-14-01 to allow the Watershed Center until December 31, 2029 to enter into contract with CDPHE. All other terms of Colorado Natural Resources Trustees Resolution #2024-11-14-01 remain in full force and effect.

Colorado Natural Resources Trustees Resolution #2025-08-26-01

Signatures		
Phil Weiser Attorney General	Date	
Jill Hunsaker Ryan Executive Director, CDPHE	Date	
Dan Gibbs Executive Director, DNR	Date	

ITEM #6-9 NO DOCUMENTS



Natural Resource Damages 101

DAVID BANAS
SENIOR ASSISTANT ATTORNEY GENERAL
COLORADO NATURAL RESOURCES TRUSTEES MEETING
AUGUST 26, 2025
VAIL, COLORADO

What are Natural Resource Damages?

Natural Resource Damages are monetary damages that compensate the State for injuries to its natural resources

Colorado's NRDs Program

- Recover damages (money) from parties that injure the State's natural resources
- 2. Allocate that money to project proponents whose projects restore, replace or acquire the equivalent of the injured resources

Colorado's Natural Resources Trustees: Who are they?

Colorado Attorney General

Executive Director of Colorado Department of Natural Resources

Director of Colorado Department of Public Health and Environment

NRDs vs. Superfund Cleanups

Superfund Cleanups protect human health and the environment by cleaning up contaminated sites.

Example: EPA moves mine tailings out of a flood plain and builds and operates a water treatment plant

NRDs make the public whole by restoring natural resources

Example: NRD Trustees fund a project that acquires open space along a river and restores native fish habitat

NRDs vs. Superfund Cleanups (cont.)

EPA implements the Superfund side of CERCLA, Superfund is not delegated to States

- -Some states have their own Superfund and / or NRDs statutes State and Federal Trustees are different entities and bring NRDs claims as separate actions
- Federal Trustee is the land management agency; EPA rarely has any NRDs involvement



Goals – Clean-up vs. NRD

Goal of Clean-up:

- Respond to the release
- Address threats
- Protect human health and environment



Goal of Natural Resource Damages:

- Identify and quantify the adverse effect, or "injury", to natural resources caused by a release
- Restore injured resources or resources with nexus to the injured resources
 - i.e., "Make the public whole"

Steps for NRD Assessment and Restoration

Release of hazardous substance or oil



Exposure to natural resources



Determine injuries to NR (extent and

magnitude)

Assess monetary damages to compensate for loss



Present the claim for compensation to responsible party



Settlement or litigation



Restoration of NRD