

# RECORD OF PROCEEDINGS

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## UPPER YAMPA WATER CONSERVANCY DISTRICT BOARD OF DIRECTORS MEETING MARCH 15, 2017 1:30 PM 3310 CLEAR WATER TRAIL, STEAMBOAT SPRINGS

### MINUTES

Chairman John Redmond called the meeting to order and declared a quorum present. In addition to Chairman Redmond, the Board members present were Bob Woodmansee, Doug Monger, Jim Haskins, Ken Brenner, Ron Murphy, Stephen Colby, Webster Jones. General Manager Kevin McBride, District Engineer Andy Rossi, Office Manager Karina Craig, Power Plant Operators Matt Blankenship and Eddie Rogers, and General Counsel Bob Weiss were also present. Members of the public present included Chris Treese, External Affairs Manager, Colorado River District; Erin Light, Division Engineer, Colorado Division of Water Resources; Craig Preston, Stagecoach State Park Manager; Nicole Seltzer, Consultant; Frank Alfone, General Manager, Mount Werner Water District; Claire Sollars, Attorney, Cantafio Hammond; Kari Dequine and Jerry Smith. Scott Grosscup, Attorney, Balcomb & Green, joined part of the meeting by phone.

The following agenda was proposed:

### AGENDA

- (1) 1:30 pm Establishment of Quorum and Call to Order;
- (2) Approval of Agenda for Meeting; action item
- (3) 1:35 pm Approval of the minutes of the January 19, 2017 Board Meeting; action item
- (4) Public Input and Comment;
- (5) 1:45 pm Financial Report; action item
  - a) Approval of Disbursements
  - b) Budget Comparison
- (6) 2:00 pm Report of the General Manager;
  - a) External Affairs Update - Chris Treese
  - b) CPW Stagecoach Parks Master Plan - Craig Preston
  - c) Public Information, Survey – Nichole Seltzer
  - d) Water Contracts and Pricing
  - e) Morrison Creek
  - f) Yamcolo Irrigators Association action item
  - g) Office Space Update
- (7) 3:45 pm Bear River Admin action item
- (8) 4:00 pm Report from District Engineer;
  - a) Reservoir water status
- (9) 4:10 pm Report from General Counsel;
  - a) Status of Cases-Scott Grosscup
    - i) Case 15CW3009
    - ii) Case 15CW3058
    - iii) Case 16CW3016

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- (10) Executive Session with Bob Weiss, legal Counsel, under CRS § 24-6-402(4)(b) to discuss legal issues on Yamcolo Irrigators Association Contract Negotiations. Mere presence or participation of an attorney at an executive session of the local politic body is not sufficient to satisfy the requirements of this subsection (4).
- (11) New Business;
- (12) Adjournment.

***Meeting Agenda*** Director Jones moved to approve the agenda. Director Monger seconded the motion which was unanimously approved.

***Meeting Minutes*** Director Monger moved to approve the January 19, 2017 Meeting Minutes. Director Woodmansee seconded the motion, which was unanimously approved.

***Public Comment*** No comments at this time.

***Financial Report*** The financial report was reviewed and discussed.

It was pointed out that a new pickup truck was purchased for Dam operators use. Director Monger stated that it would be beneficial to the District that the public see a company logo on our vehicles. There was consensus. General Manager McBride suggested a new logo with a representation of the Flattops and Hahns Peak on either side of a river. The Board gave the manager artistic license to move forward.

Director Brenner moved to approve the disbursements, Director Murphy seconded the motion which was unanimously approved.

### ***Report of the General Manager***

***External Affairs Update*** – Chris Treese, External Affairs Manager with the Colorado River District, presented a list of proposed State legislation, that either is of interest or that may uniquely affect northwest Colorado.

HB 17-1190, Limited Applicability of St. Jude’s Co. Water Case was discussed, among others.

***CPW Stagecoach Parks Master Plan*** – Craig Preston, Stagecoach State Park Manager, Colorado Parks and Wildlife (CPW) updated the Board on the Stagecoach State Park Redevelopment Plan.

Mr. Preston reviewed that CPW has a 20-year contract with the District to run Stagecoach State Park and the lease will be up for renewal in 2024. The park had approximately 175,000 visitors in 2016 which is approximately 20% higher than 10 years ago. The base budget has not changed in 10 years which is a challenge for Park’s management. Mr. Preston spoke of winter and summer recreation, special events, the town of Oak Creek and the Friends of Stagecoach events and participation. The Stagecoach Marina concession, including the dog sled operation and trail maintenance requirements, was reviewed.

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Mr. Preston reviewed challenges the Park is facing including aging facilities and infrastructure. The Redevelopment Plan addresses infrastructure and identifies needs and priorities. An important component of the plan is the construction of a new visitor center.

Discussion followed pertaining to the communication between the Park and the District, the contract obligations the Park has with the District, and FERC requirements.

Director Brenner suggested that signage be included in the proposed Visitor Center informing visitors about the District.

Director Monger summarized that if the proposed redevelopment plan does not lessen the District's ability to do its job, he does not see any problems. Mr. Monger also stated he is happy to see CPW's willingness to invest in the Park. Mr. Monger asked Mr. Preston for more details on the financials of the park. Mr. Preston stated he does not consider the Park self-sufficient.

Director Jones suggested that staff review the focus areas. Director Brenner stated he would like staff and General Counsel to review the lease CPW has with the District and report back to the Board to ensure that nothing proposed is inconsistent with the lease.

*Public Information Survey* – General Manager McBride reviewed earlier Board discussions about public involvement and public information efforts. The District's budget now includes public outreach.

Ms. Nicole Seltzer, has been in communication with staff, and presented a Proposal for a Public Information Program. Tasks, schedule and budget were presented and reviewed. A telephone survey of residents within the District boundaries was discussed. Different ways of reaching the public were discussed, efficiency, timelines, and surveys carried out by other entities were discussed, with a focus of avoiding any duplication of efforts.

The tentative schedule was proposed as follows: survey questions would be vetted by the Board in the May board meeting. The survey would be carried out subsequently, results would be presented at the July board meeting and a public information program would be presented in September. The Board indicated agreement with the general outline of the program outlined in the proposal. There was discussion of the questions that would be proposed and the need for Board review prior to initiating the survey with the public.

Due to various time constraints, the Agenda was rearranged as follows.

### *Report from Counsel*

*Status of Cases* – Scott Grosscup, Attorney with Balcomb & Green, joined the meeting by phone. Mr. Grosscup discussed updates on pending legal cases: Case 15CW3009 Steamboat Ski and Resort's application to change two of the Four Counties Rights for use at the ski resort; Case 15CW3058 Application for an Elk River Basin augmentation plan and appropriate rights of exchange, and Case 16CW3016

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Requests diligence on District's portfolio of conditional rights and claims to make absolute portions of the Four Counties Ditch, Pleasant Valley Reservoir and Bear Reservoir water rights.

Robert Weiss, as counsel for the District, stated that in his opinion discussion of the matter announced to go into executive session constitutes a privileged attorney/client communication. He was therefore recommending that no further record be kept of the executive session.

Director Monger made a motion to go into executive session. It was seconded by Director Colby and unanimously agreed to go into Executive Session under provision C.R.S. §24-6-402(4) (b) to discuss with counsel legal issues relating to Yamcolo Irrigators Association contract negotiations. Mere presence or participation of an attorney at an executive session of the local public body is not sufficient to satisfy the requirements of this subsection (4). The Executive Session commenced at about 4:15 PM. and concluded at about 4:45 PM.

The Chairman then announced that if any person who participated in the executive session believed that any substantial discussion of any matters not included in the motion to go into executive session occurred in the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, that such person state their concerns for the record. No one stated concerns.

### *Report of the General Manager (cont.)*

Water Contract and Pricing – The Water Contracts Summaries for Stagecoach and Yamcolo Reservoirs were presented and reviewed. Manager McBride stated the Board will be discussing pricing in the future.

Morrison Creek – Manager McBride presented a memo from the engineering firm AECOM about construction costs for the proposed Morrison Creek reservoir, excluding land acquisition. Mr. McBride pointed out that the permitting process could take a minimum of three years.

Director Jones inquired about purpose and need for the reservoir and discussion followed. Mr. McBride stated that the purpose and need is provided in the District's Master Plan. He further stated the master plan shows that based on historical tree ring data, Stagecoach is unfirm under certain circumstances. Director Brenner inquired about alternative storage locations for Four Counties water rights. Those locations will be further evaluated in future planning efforts.

Director Monger said the District needs to move forward to get the information needed to decide whether to pursue the reservoir. Manager McBride will continue to go step by step to gather more information and will continue to use AECOM.

Office Space Update – Manager McBride updated the Board on the status of the proposed office space reorganization with Mount Werner Water District. An architect has been hired and

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preliminary ideas were discussed. Director Murphy pointed out that a conference room with a moveable divider may not provide enough sound isolation for Executive Sessions.

***Bear River Admin*** General Counsel Bob Weiss reviewed a Memorandum of Understanding (MOU) on the intergovernmental agreement of the Bear River administration. Counsel Weiss proposed that the MOU be sent to Division Engineer Erin Light first, before sending it to CPW. Counsel Weiss will bring the MOU back to the Board when it is ready to be approved.

### ***Report from the District Engineer***

***Reservoir Water Status*** – District Engineer Rossi updated the Board on the current storage levels and operating status of Stagecoach and Yamcolo Reservoirs. Mr. Rossi also reviewed the 2017 precipitation and SNOTEL data.

***Determination of future meetings*** The scheduled date for the next Board meeting was confirmed, being Wednesday May 17, 2017 at 1:30 PM, at the District's office.

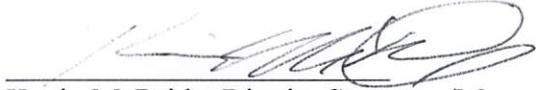
The meeting was adjourned at 5:30 PM.

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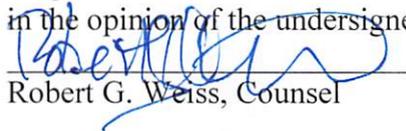
I certify that the foregoing constitutes a true and correct summary of the proceedings at the above referenced meeting.



Kevin McBride, District Secretary/Manager

### STATEMENT FROM ATTORNEY REGARDING ATTORNEY-CLIENT PRIVILEGE

The undersigned Robert G. Weiss hereby attests, pursuant to CRS Section 24-6-402(2)(d.5)(II)(B), that the portion of the executive session that was not recorded and which related to Yamcolo Irrigators Association contract negotiations constituted a privileged attorney-client communication in the opinion of the undersigned attorney.

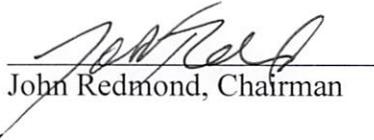


Robert G. Weiss, Counsel

Date: 5-17-2017

### STATEMENT FROM CHAIR OF EXECUTIVE SESSION REGARDING ATTORNEY-CLIENT PRIVILEGE

The undersigned chairman hereby attests, pursuant to CRS Section 24-6-402(2)(d.5)(II)(B), that all of the executive session was not recorded and was confined to the topics authorized for discussion in an executive session pursuant to subsection (4) of CRS Section 24-6-402.



John Redmond, Chairman

Date: 5/17/17