

RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD OF DIRECTORS MEETING
MAY 21, 2020 12:00 PM
ONLINE MEETING: [HTTPS://BLUEJEANS.COM/924376072](https://bluejeans.com/924376072)

MINUTES

Chairman Ken Brenner called the meeting to order and declared a quorum present. In addition to Chairman Brenner, the Board members present were Bob Woodmansee, Doug Monger, Jim Haskins, John Redmond, Ron Murphy, Lyn Halliday, Tom Sharp, and Webster Jones. General Manager Kevin McBride, District Engineer Andy Rossi, Marketing/Communication Manager Holly Kirkpatrick, Chief Accountant Karina Craig, Business Manager Deb Bastian, General Counsel Bob Weiss and Special Counsel Scott Grosscup were also present. Members of the public present for some portion of the meeting included Jennifer Bock, Jon Snyder, Kelly Romero-Heaney and Sonja Macys, City of Steamboat Springs; Erin Light, Colorado Division of Water Resources; Mickey O'Hara and Alyson Meyer Gould, Colorado Water Trust; Peter Fleming, Colorado River District; Jessica DiToro-Leonard Rice Engineers; Jackie Brown, Tri-State Generation & Transmission Association; Gary Smith, John Kuosman, Jennifer Wellman and Margaret Hagenbuch.

This meeting was held entirely by videoconference utilizing the BlueJeans platform. The meeting agenda included instructions to the public describing the process to participate in the meeting and comment on agenda items.

The following agenda was proposed:

AGENDA

- (1) *12:00 PM Establishment of Quorum and Call to Order;*
- (2) *12:05 PM Consent Agenda;* **Action item**
 - a) Approval of Disbursements;
 - b) Budget Comparison
 - c) Approval of the minutes of the April 8, 2020 Board Meeting;
 - d) Acceptance of the March 18, 2020, April 7, 2020 and April 8, 2020 Executive Committee Meeting;
- (3) *12:10 PM Approval of Agenda for Meeting;* **Action item**
- (4) *12:15 PM Public Input and Comment;*
- (5) *12:20 PM Report from the General Manager;*
 - a) Leonard Rice Engineers water quality standards update

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- b) ERC pricing (summary) **Action item**
- c) Negotiations with City of SS and approval of offer letter **Action item**
- d) Adopting Governance Manual and approval of minutes of April 16, 2020 Governance Committee Meeting **Action Item**
- e) Cost of the office move
- f) Resolution of new GM Signer for Bank Accounts **Action item**
- (6) **2:10 PM Report from District Engineer**
 - a) Reservoir water status
 - b) Sickles lease (update not leasing) (Water Rights)
 - c) SC Fill and release policy (Updates due to water accounting)
 - d) Ditch Rider
- (7) **2:55 PM Report from Public Information Manager**
 - a) Summary of Grant Program Status
 - b) RT/River Fund/IWMP/meetings Updates
- (8) **3:15 PM Report from General Counsel**
 - a) General Manager employment contract discussion
 - b) Water contracting matters
 - i) YIA Amendment **Action Item**
 - ii) YIA Carriage Contracts **Action Item**
 - iii) Stillwater Ditch Amendment
 - c) Bylaw Amendments
 - d) City of Steamboat Springs CORA Request update
 - e) Election of Director and Sole officer of the Stillwater Ditch Company
 - f) Water Resumes
 - g) Status of other Water Cases, if any;
- (9) **3:45 PM Executive Sessions:**
 - a) Executive session under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, Contract Negotiations and City of Steamboat Springs CORA request. Mere presence or participation of an attorney at an executive session is not sufficient to satisfy the requirements of CRS § 24-6-402(4)(b). Executive sessions to discuss legal matters are not recorded.
 - b) City of Steamboat Springs CORA Request **Action item**
- (10) **4:00 PM Board Member Reports** **Action item**
 - a) Update on GM search, memo from General Counsel regarding GM search process and acceptance of minutes of the April 15, 2020, April 22, 2020, April 29, 2020 and May 1, 2020 Search Committee Meetings;
 - b) Request by Lyn Halliday to be appointed to the GM Search Committee
- (11) **4:15 PM Next Meeting Agenda**
- (12) Adjournment.

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Chairman Brenner established a quorum and called the meeting to order at 12:08 PM.

Consent Agenda. Chairman Brenner asked if there were any questions regarding the consent agenda and if there was a motion to approve. Director Sharp asked that the cash disbursement be pulled from approval. Director Monger made a motion to approve the consent agenda with the cash disbursement pulled. Director Woodmansee seconded the motion which was unanimously approved.

Director Sharp referenced the February 26, 2020 payment to the Routt County Treasurer in the amount of \$11,535.00 and requested staff provide the Districts cost share of the monitoring work performed by the USGS at the June meeting. Director Sharp also requested that the USGS be scheduled to provide a short update/presentation on the results of the monitoring program. Director Sharp moved for the approval of the cash disbursements as presented. Director Woodmansee seconded the motion which was unanimously approved.

Meeting Agenda. Chairman Brenner requested a modification to the agenda to add a memo from Carolyn McCormick of Peak HR, LLC providing an update on the General Manager search. General Manager McBride requested a modification to make agenda item (8) e) **Election of Director and Sole officer of the Stillwater Ditch Company** an action item and General Counsel Weiss requested agenda item (10) b) **Request by Lyn Halliday to be appointed to the GM Search Committee** be made an action item. Director Monger made a motion to approve the agenda as modified. Director Halliday seconded the motion which was unanimously approved.

Public Comment. Chairman Brenner invited the members of the public present to comment on items not otherwise scheduled on the agenda. There were no comments.

Report of the General Manager

Leonard Rice Engineers water quality standards update

Jessica DiToro of Leonard Rice Engineers presented an update on the water quality services they have provided that are related to the CDPHE standard setting adjacent to the Stagecoach Dam. After the presentation, Director Woodmansee asked staff to provide information on additional sampling being conducted at Stagecoach in 2020 and the progress on all samplings being done.

ERC Pricing

Mickey O'Hara and Peter Fleming discussed the current Colorado water resources legislation significance to the District. The purpose of the presentation and packet materials was to provide the Board with information to determine if they wanted to discuss ERC Pricing today or if they wanted to push this item to the June 18, 2020 board meeting. After discussion, the board agreed that more data is needed, and they will continue this discussion at the June board meeting.

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During public comment for this item, Jackie Brown suggested that Linda Bassi make a presentation to the board regard HB 20-1037.

Negotiations with City of SS/approval of offer letter

The board discussed the status of the negotiations and an offer letter that has been drafted to be sent to the City

During public comment, Jon Snyder made a presentation regarding the negotiations. Mr. Snyder presented the viewpoint of the City of Steamboat Springs Staff and City Council Members and requested an opportunity to speak to the full UYWCD Board in open session for all future discussion on this matter. Jon further commented that the City is open to Stagecoach firming alternatives and other water supply projects, but they are not in support of Morrison Creek Reservoir.

Director Sharp made a motion to approve the draft offer letter to the City as presented. Director Jones seconded. The motion was discussed by the Board. The motion passed with a vote of six in favor and three opposed. Directors Redmond, Sharp, Jones, Murphy, Monger and Haskins supported the motion. Directors Brenner, Woodmansee and Halliday did not support the motion.

Adopting Governance Manual/approval of minutes of April 16, 2020 meeting

After review of the draft manual, Director Sharp requested that a sentence be added to state that the District will pay mediation costs. Director Woodmansee moved to adopt the Governance Manual with the provision made by Director Sharp to add that the District will pay mediation costs. Director Haskins seconded the motion which was unanimously approved.

Director Jones made a motion to accept the April 16, 2020 Governance Committee minutes as written. Director Haskins seconded the motion. The vote was limited to the four members of the Governance Committee. All voted to approve the minutes as written.

Cost of office move

General Manager McBride reviewed the office move costs with the Board.

Resolution of new GM signer for bank accounts

The resolution was amended to add (d) Certificates of Deposit and (e) ColoTrust account to authorized bank accounts and the make the effective date of the resolution May 21, 2020. Director Monger moved to approve the resolution with the noted amendments. Director Halliday seconded the motion which was unanimously approved.

Report from the District Engineer

Reservoir water status

The status of Stagecoach and Yamcolo reservoir water was discussed.

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Sickles lease

The Sickles lease was discussed.

SC fill and release policy

Updates to the Fill and Release policies for Stagecoach Reservoir adopted by the UYWCD in 2013 were discussed. The UYWCD staff will present necessary updates the UYWCD BOD for adoption at a future meeting in 2020.

Ditch Rider

The District has hired John Nelson of Oak Creek for the seasonal Ditch Rider for the operation and maintenance of the Stillwater Ditch.

Report from the Public Information Manager

Summary of grant program status

The program status was discussed. All are encouraged to contact Holly for copies of the marketing materials for use and distribution.

Yampa/White/Green Basin Roundtable, Yampa River Fund and Integrated Water Manage Plan meeting updates

Summaries of the meetings were provided. Public Information Manager Kirkpatrick requested the Board to provide feedback on whether the Board would like to provide committee reports for the committees in which they serve as representatives of the District or if they would like staff to provide the reports.

Report from General Counsel

General Manager employment contract discussion

The Board reviewed and stated it would decide on this matter at a later date.

Water contracting matters

The contracts were provided in the packet. Director Sharp made a motion to accept agenda item (8) (b) i) & (8) (b) ii) with the minor amendment made and accepted by all the other contracted parties. Director Monger seconded the motion. Director Redmond abstained as he is a party to the carriage contracts. The motion passed with eight in favor and one abstention.

The Stillwater Ditch amendment is still pending as signatures are needed. These are expected shortly, and no issues are anticipated.

Bylaw Amendments

The review of proposed Bylaw amendments will be postponed to the June 18, 2020 Board meeting. Chairman Brenner requested Directors submit, in writing, any recommendations they have regarding the Term of Board President to General Counsel Weiss.

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City of Steamboat Springs CORA Request update

General Counsel Weiss reviewed the portion of the Open Records (CORA) request from the City of Steamboat Springs that asked for items referred to as the Tom Sharp matrix and a confidential memo regarding Stagecoach pricing prepared and distributed to the Board by General Manager McBride. The items have been withheld as they are pre-decisional work products. Additionally, the City has requested that the costs incurred by the District to respond to the CORA request be waived. Director Sharp moved to waive the recovery of fees with respect to the CORA request. Director Woodmansee seconded the motion which was unanimously approved. Director Sharp motioned to waive the privilege under the CORA request and authorize the release of the documents requested by the City with the notation that the District retains the right to maintain work products as confidential in the future. Director Monger seconded the motion which was unanimously approved.

Election of Director and Sole Officer of the Stillwater Ditch Company

Director Sharp moved to replace Kevin McBride with Andy Rossi as the Director and Sole Officer of the Stillwater Ditch Company so long as he remains Acting General Manager. Director Monger seconded the motion which was unanimously approved.

Water Resumes

Water resumes were discussed.

Status of other water cases, if any

Special Counsel Grosscup informed the Board that the Division 5 Water Resume for the month of May did not include any water court filings of interest to the District.

Executive Session. After discussion, it was determined there was no need for an Executive Session.

Board Member Reports

Update on GM Search/memo on process/acceptance of minutes

The current status of the General Manager search was discussed, and memo reviewed. Director Monger motioned to approve the search timetable and matrix as presented. Director Woodmansee seconded the motion which was unanimously approved.

Request by Lyn Halliday to be appointed to the Search Committee

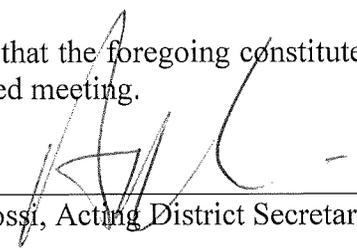
Director Halliday requested to be formally added to the General Manager Search Committee. Director Monger moved to approve Director Halliday's request to be formally added to the Search Committee. Director Sharp seconded the motion which was unanimously approved.

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Determination of future meetings. The scheduled date for the next Board meeting was confirmed, being Thursday, June 18, 2020 at 12:00 PM.

Director Redmond moved to adjourn the meeting at 4:10PM. The motion was seconded by Director Brenner which was unanimously approved.

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



Andy Rossi, Acting District Secretary/Manager

Date: 6/19/20

