





BOARD COMMUNICATION FORM

From: Andy Rossi

Date: 05/08/20

Item: Reservoir Water Status

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information:

Water storage data for Yamcolo Reservoir and Stagecoach Reservoir are included as reference materials for a summary discussion of the 2020 water year to date.

II. Summary and Alternatives:

NA

III. Staff Recommendation:

NA

IV. Legal Issues:

NA

V. Consistency with Board Goals and Policies:

2020 UYWCD Strategic Plan 2.3

Attachments:

NRCS Basin Report

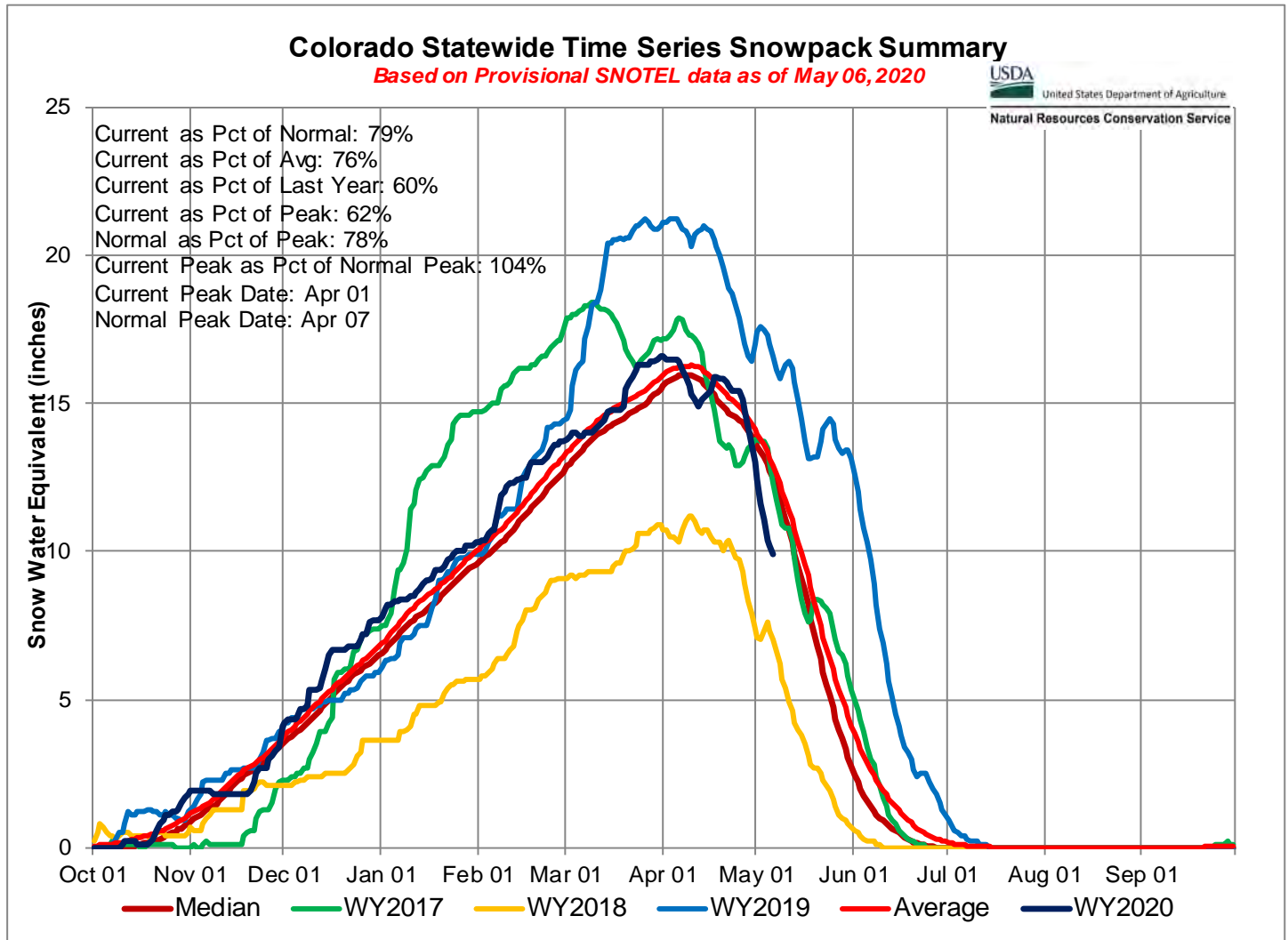
Spatial Estimates of SWE

Yamcolo Water Storage Data (WY 2020)

Stagecoach Water Storage Data (WY 2020)

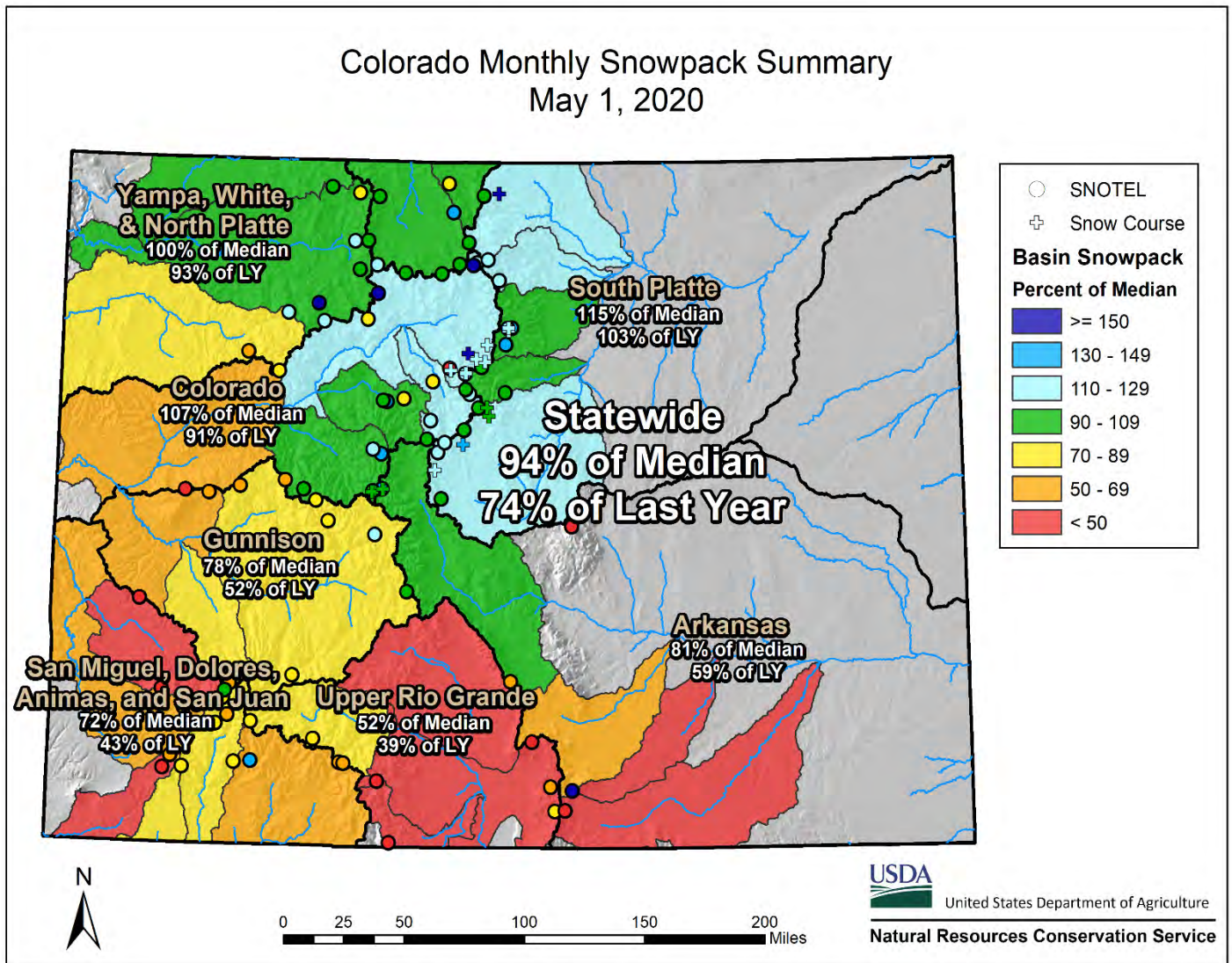
Colorado Statewide Water Supply Conditions

Summary



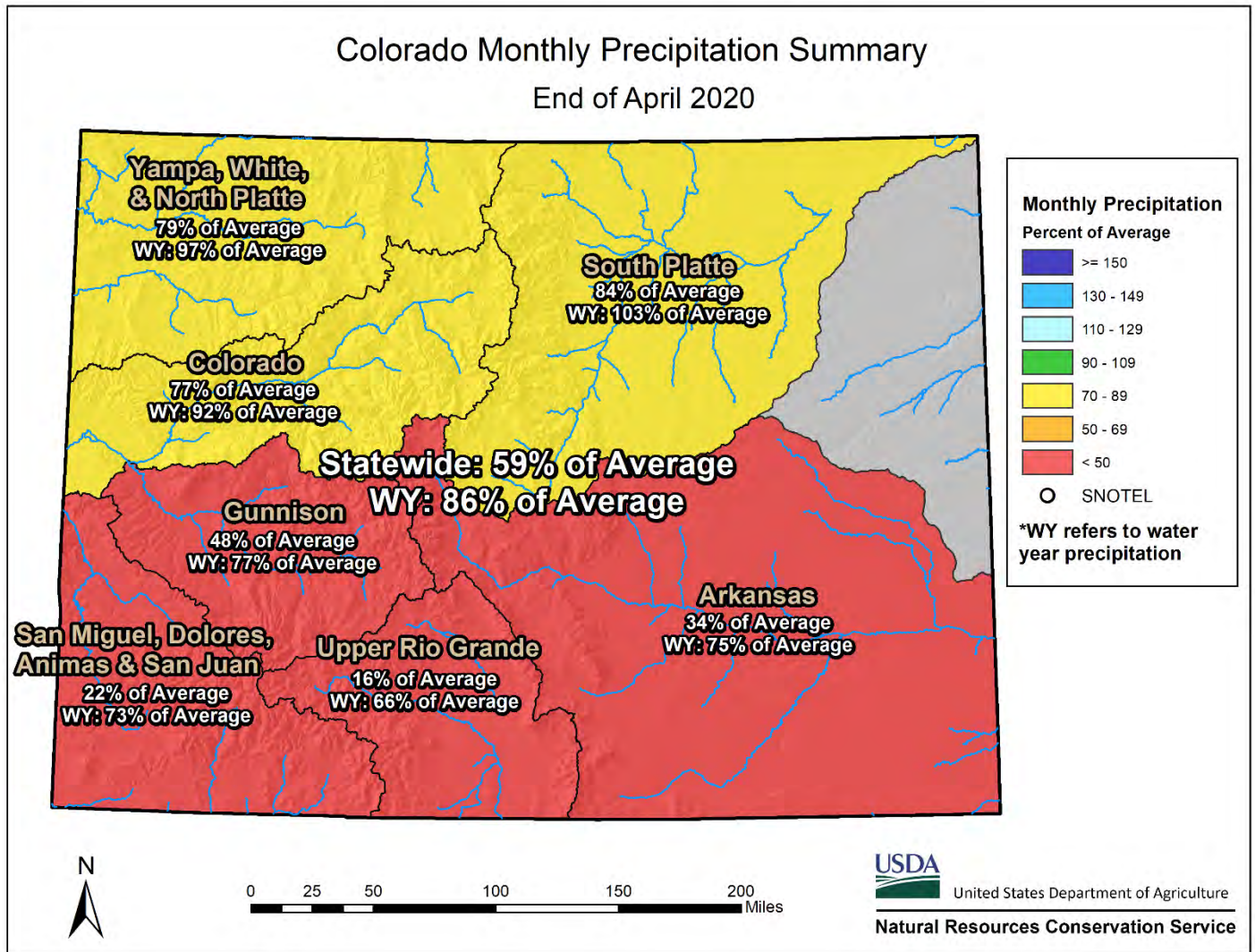
The month of April brought widely varying precipitation patterns to Colorado but all major basins received below average monthly precipitation. This was particularly exaggerated in southern Colorado where the majority of SNOTEL sites in the San Juan and Sangre de Cristo mountain ranges received the lowest or second lowest April precipitation on record. Statewide snowpack reached its peak on April 4th at 104 percent of normal. After the initial peak snowpack conditions varied widely across the state with snowmelt progressing quickly in dry southern Colorado but some parts of northern Colorado, such as the South Platte basin, received substantial snow accumulations in mid-April leading to a second higher peak. These differences in snowpack and precipitation patterns further amplified differences in streamflow forecasts between northern and southern Colorado. On average streamflow forecasts dropped between 10-15 percent since April 1st in the Gunnison, Rio Grande, and combined San Miguel, Dolores, Animas, and San Juan basins. The combination of an extremely dry late summer and fall and the recent precipitation deficits have led streamflow forecasts to be considerably lower than would commonly be assumed based on the peak snowpack accumulation which was near normal in these basins. This is an important consideration for water managers who have been monitoring the snowpack alone. The situation is considerably different in the northern half of Colorado where streamflow forecasts are much closer to average values and showed little change over the last month. No individual basins showed major change in reservoir storage over the last month and statewide storage is currently 104 percent of average.

Snowpack



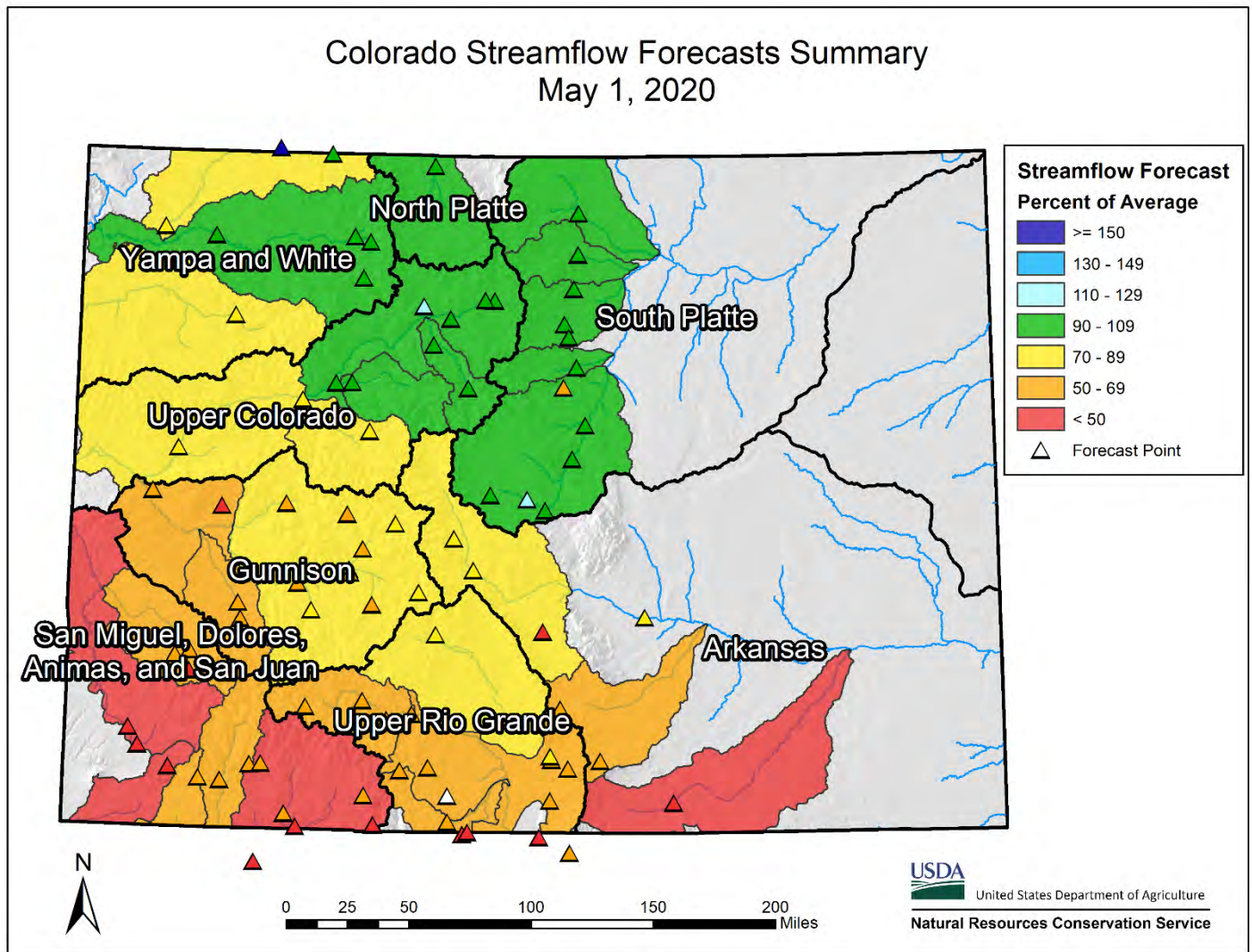
With higher mountain temperatures and below-average mountain precipitation, Colorado ended April with below-normal snowpack at 94 percent of normal. The bulk of the precipitation that did occur was received as snow in the northern mountains and the Front Range. To this effect, both the South Platte and the combined Yampa, White and North Platte river basin maintained average to above-average mountain snowpack of 115 and 100 percent respectively. A lack of substantial storm systems from the southwest contributed to a dwindling snowpack in basins further south. The Gunnison, Upper Rio Grande, and the combined San Miguel, Dolores, Animas, and San Juan basins all lost substantial snowpack during April. These basins ended the month with 78, 52, and 72 percent of normal respectively. As of May 1st, 11 SNOTEL sites in Gunnison, Upper Rio Grande, and the combined San Miguel, Dolores, Animas, and San Juan basins have completely melted out. Additionally, 91 percent of all measured sites in these basins registered below normal snowpack to end April. The Arkansas basin was a mixed bag, ending the month with 81 percent of normal snowpack. The Upper Arkansas sub-basin maintained an above-average snowpack of 109 percent. In contrast, the southern sub-basins Apishapa, Purgatoire, and Huerfano ended April with large deficits in snowpack of 10, 15 and 53 percent of normal. While still possible for late-season storms, drought conditions are likely to intensify for much of southern Colorado.

Precipitation



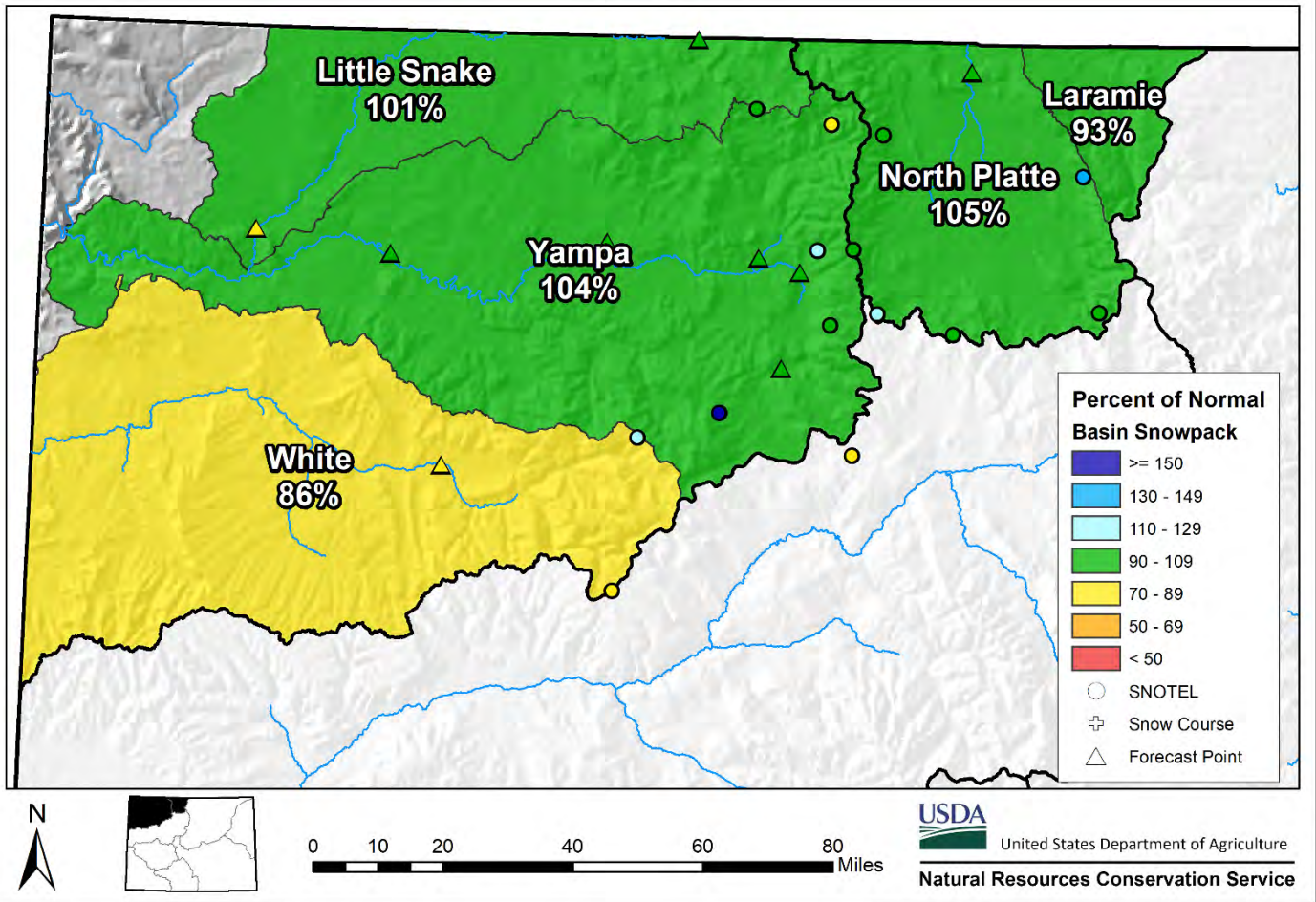
Precipitation totals for the month of April were below average across all of Colorado's mountains, with a third of all SNOTEL sites across the state measuring the lowest or second lowest precipitation levels on record for April. These record-dry conditions were most prevalent in the southern half of the state where [drought conditions](#) have deteriorated since last month. The Upper Rio Grande basin was extremely warm and dry last month, with 14 of the 15 SNOTELs in that basin receiving record low precipitation. The Upper Rio Grande basin received 16 percent of average precipitation which brings water year-to-date precipitation to 66 percent of average. Further to the west, the combined San Miguel, Dolores, Animas, and San Juan basins also experienced warm, dry conditions. The Columbus Basin SNOTEL on average receives 4.1 inches of precipitation in April but received a meager 0.3 inches of precipitation this April, another record low. These combined Southwest river basins received 22 percent of average precipitation bringing water year-to-date precipitation to 73 percent of average. To the east, the Arkansas basin received 34 percent of average precipitation bringing water year-to-date precipitation to 75 percent of average. The northern and parts of the central mountains received the highest amounts of precipitation in April but were still below average. The South Platte river basin received 84 percent of average precipitation bringing water year-to-date precipitation to 103 percent of average. The combined Yampa, White, and North Platte basins received 79 percent of average precipitation bringing water year-to-date precipitation to 97 percent of average. The Upper Colorado basin received 77 percent of average precipitation bringing water year-to-date precipitation to 92 percent of average. Finally, the Gunnison river basin received 48 percent of average precipitation which brings water year-to-date precipitation to 77 percent of average.

Streamflow



Owing to statewide below-average precipitation in April, forecasted streamflow volumes, calculated as 50 percent exceedance volumes, have decreased for most basins since the April 1st forecasts. However, due to the northern mountains and the Front Range maintaining an average to above-average snowpack, the North Platte and South Platte river basins are still forecasted to have above-average streamflow volumes of 106 and 102 percent of normal. Conditions have deteriorated further west where the combined Yampa and White, and Upper Colorado are expecting slightly below average streamflow volumes of 93 and 92 percent of normal. In these basins forecast points on streams sourced from mountains further west are generally expecting below-average streamflow volumes compared to forecast points draining mountains further east. In both basins, only 5 out of 21 forecasted points have forecasted streamflow volumes below 90 percent. From the crest of the Grand Mesa and Elk Range to the south, streamflow conditions have deteriorated due to dry soil conditions persisting from 2019, below-average snowpack, and substantially below-average April precipitation. The Gunnison, Upper Rio Grande, and combined San Miguel, Dolores, Animas, and San Juan river basins are now forecasted to have streamflow volumes of 60, 60, and 53 percent of normal. No forecast point in all three basins is forecasted to have greater than 80 percent of normal streamflow volumes. 57 percent of forecast points in those basins are expecting streamflow volumes below 60 percent of normal. Further east the Arkansas river basin is expecting 79 percent of normal streamflow volumes. Due to contrasting snowpack and precipitation conditions within the Arkansas River Basin, the Upper Arkansas sub-basin is expecting 84 percent of normal streamflow volumes compared to southern sub-basins Purgatoire and Huerfano expecting streamflow volumes of 49 and 51 percent of normal respectively.

Yampa, White, and North Platte River Basins Snowpack and Streamflow Forecasts May 1, 2020



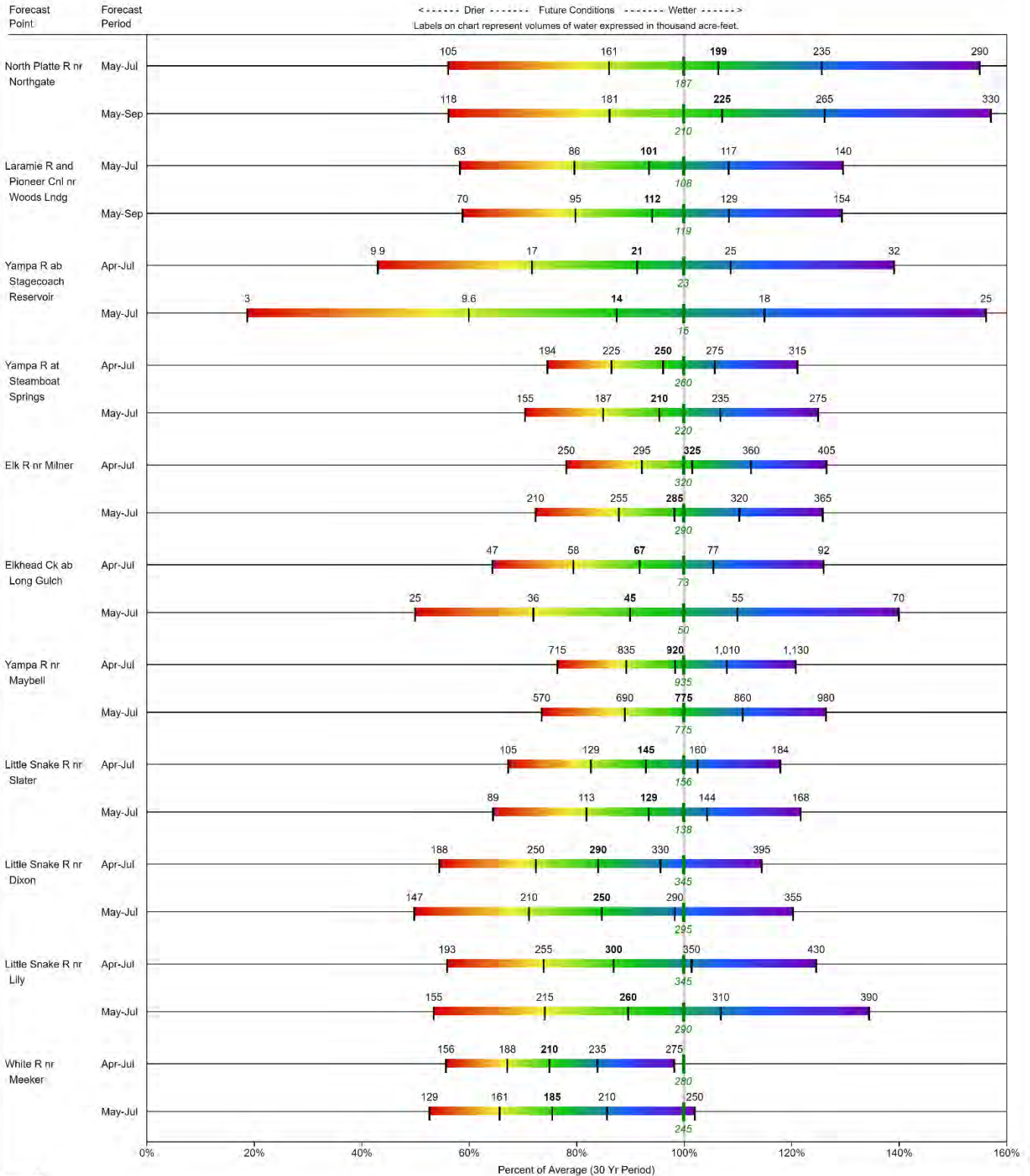
Watershed Snowpack Analysis May 1st, 2020

Sub-Basin	# of Sites	% Median	Last Year %	
				Median
Laramie	2	93		107
North Platte	8	105		113
Total Laramie & North Platte	10	103		112
Elk	2	90		93
Yampa	9	104		106
White	3	86		122
Total Yampa & White	11	97		107
Little Snake	8	101		107
Basin-Wide Total	26	100		109

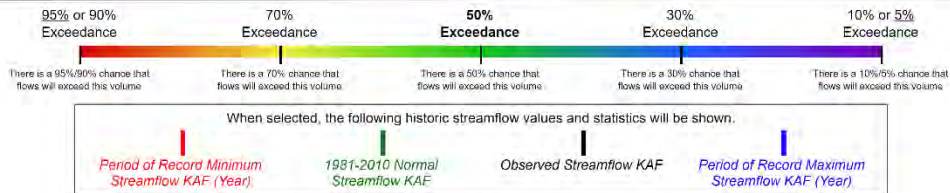
*SWE values calculated using first of month SNOTEL data and snow course measurements

YAMPA-WHITE-NORTH PLATTE RIVER BASINS
Water Supply Forecasts
 May 1, 2020

Forecast Exceedance Probabilities
 <----- Drier ----- Future Conditions ----- Wetter ----->
 Labels on chart represent volumes of water expressed in thousand acre-feet.



Legend



Some forecasts may be for volumes that are regulated or influenced by diversions and water management.

Spatial Estimates of Snow-Water Equivalent (SWE) Intermountain West Region May 1, 2020

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Data analysis and map production: Leanne Lestak

Support for technical development: NASA Jet Propulsion Laboratory (JPL)

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Summary of current conditions (as of 5/1/20)

As of May 1st, the modeled snow water equivalent (SWE) was in the range of 66% to 109% of the 2000-12 average across the Intermountain West (Figures 1 & 3). There remains a mostly north-south gradient with the southern half of the domain, including the Bear and Weber, exhibiting below average SWE (66% to 79%) and the northern basins close to or just above average (Figure 3). Please note that the basin-wide percent of long-term average from the spatial SWE estimates is not directly comparable with the SNOTEL basin-wide percent of average; however, values from this report are generally in close agreement. A better comparison might be made with the % average in the elevation bands (Table 2) that contain SNOTEL sites. Detailed SWE maps (in JPG format) and summaries of SWE (in Excel format) by individual basin and elevation band accompany the report and are publicly available on our [FTP](#) site.

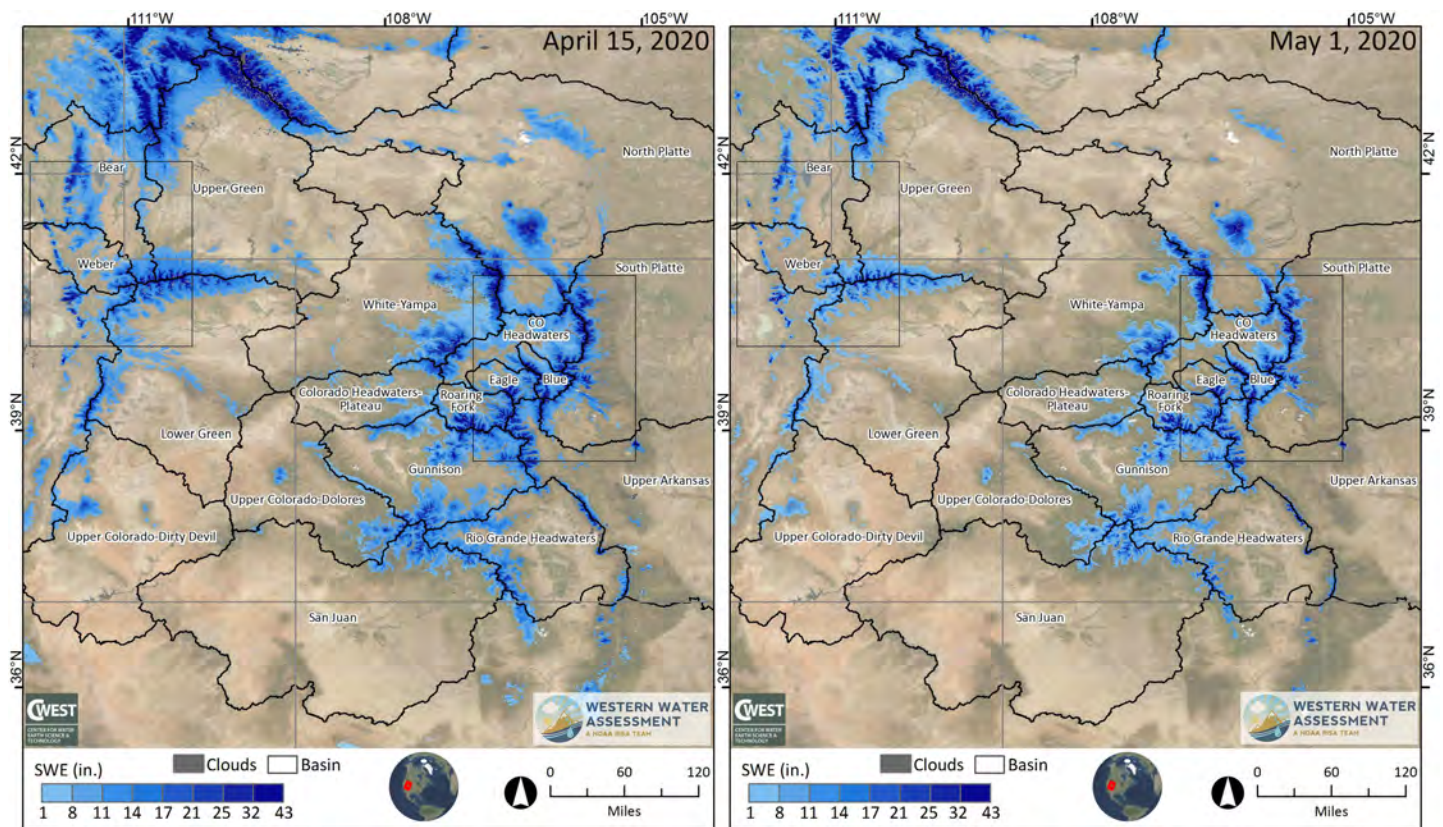


Figure 1. Estimated SWE amounts across the Intermountain West, May 1st.

Data Issues/Caveats for May 1, 2020

- DENSE FOREST COVER – Dense forest cover at lower elevations where snow-cover is discontinuous can cause the satellite to underestimate the snow-cover extent, leading to underestimation of SWE.
- LIMITED SNOW PILLOW DATA – When snow at the snow pillow sites melts out, but remains at higher elevations, the model tends to underestimate SWE at the under-monitored upper elevations. This issue typically occurs late in the melt season, resulting in less accurate SWE prediction at higher elevations compared to earlier in the snow season.

About this report

This is an experimental research product that provides near-real-time estimates of snow-water equivalent (SWE) at a spatial resolution of 500 m for the Intermountain West region (Colorado, Utah, and Wyoming) from mid-winter through the melt season. The report is released within a week of the date of data acquisition at the top of the report. A similar report covering the Sierra Nevada has been distributed to water managers in California since 2013-14.

The spatial SWE analysis method for the Intermountain West uses the following data as inputs:

- In-situ SWE from all operational NRCS SNOTEL sites and the CoCoRaHS network
- MODSCAG fractional snow-covered area (fSCA) data from recent cloud-free MODIS satellite images
- Physiographic information (elevation, latitude, upwind mountain barriers, slope, etc.)
- Historical daily SWE patterns (2000-2012) retrospectively generated using historical MODSCAG data and an energy-balance model that back-calculates SWE given the fSCA time-series and meltout date for each pixel

For more details on the estimation method see the *Methods* section below. Please be sure to read the *Data Issues / Caveats* section for a discussion of persistent challenges or flagged uncertainties of the SWE product.

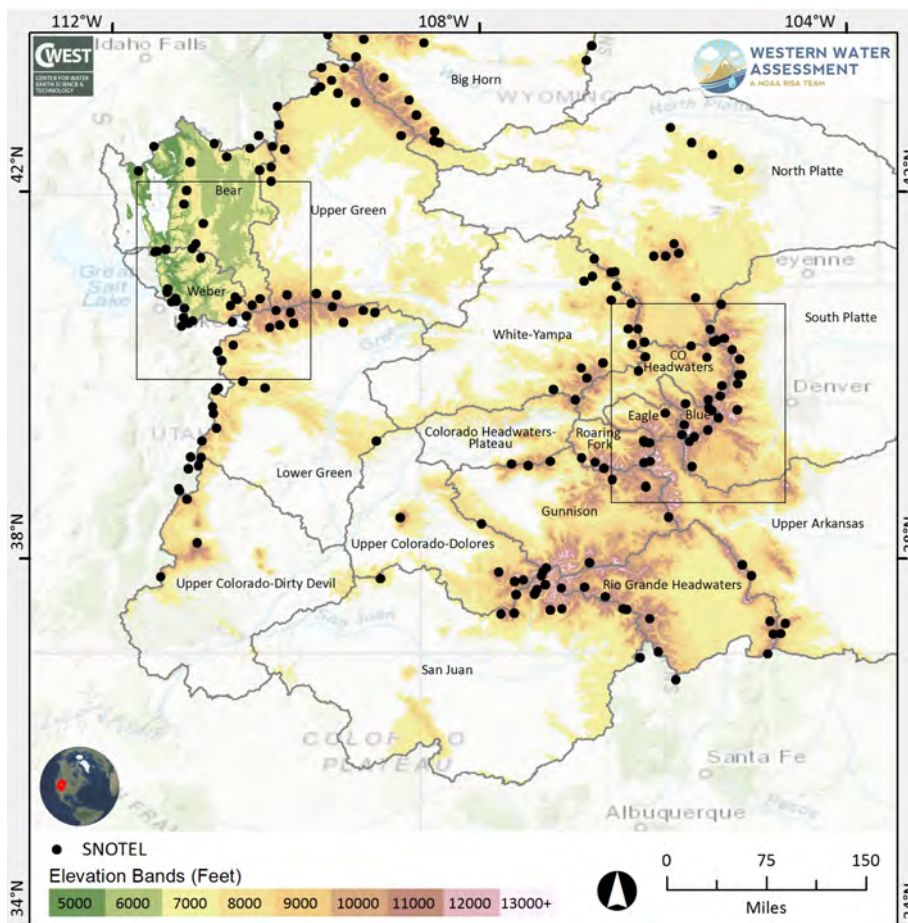


Figure 2. Intermountain West region. Location map identifies basins used in this report (gray boundaries), SNOTEL sites (black dots), and 1000' elevation bands (colored shading) that match those used in Table 1 and Table 2. The elevation bands below 7000' are shown only in the Bear and Weber basins. The Wasatch Front and Colorado Headwaters sub-regions are indicated by the small boxes.

Data availability for this report

312 SNOTEL sites in the Intermountain West network were recording SWE values out of a total of 312 sites; 0 were offline and 81 were recording zero SWE. CoCoRaHS measurements were not used for this report as most were below the snow line elevations.

The value of spatially explicit estimates of SWE

Snowmelt makes up the large majority (~60-85%) of the annual streamflow in the Intermountain West. The spatial distribution of snow-water equivalent (SWE) across the landscape is complex. While broad aspects of this spatial pattern (e.g., more SWE at higher elevations and on north-facing exposures) are fairly consistent, the details vary a lot from year to year, influencing the magnitude and timing of snowmelt-driven runoff.

SWE is operationally monitored at hundreds of NRCS SNOTEL sites spread across the Intermountain West, providing a critical first-order snapshot of conditions, and the basis for runoff forecasts from NRCS and NOAA.

However, conditions at SNOTEL sites (e.g., percent of normal SWE) may not be representative of conditions in the large areas between these point measurements, and at elevations above and below the range of the SNOTEL sites. The spatial snow analysis creates a detailed picture of the spatial pattern of SWE using SNOTEL, satellite, and other data, extending beyond the SNOTEL sites to unmonitored areas.

Interpreting the spatial SWE estimates in the context of SNOTEL The spatial product estimates SWE for every pixel where the MODSCAG product identifies snow-cover. Comparatively, SNOTEL samples 8-20 points per basin within a narrower elevation range (Figure 2). Thus, the basin-wide percent of long-term average from the spatial SWE estimates is not directly comparable with the SNOTEL basin-wide percent of average. A better comparison might be made with the % average in the elevation bands (Table 2) that contain SNOTEL sites.

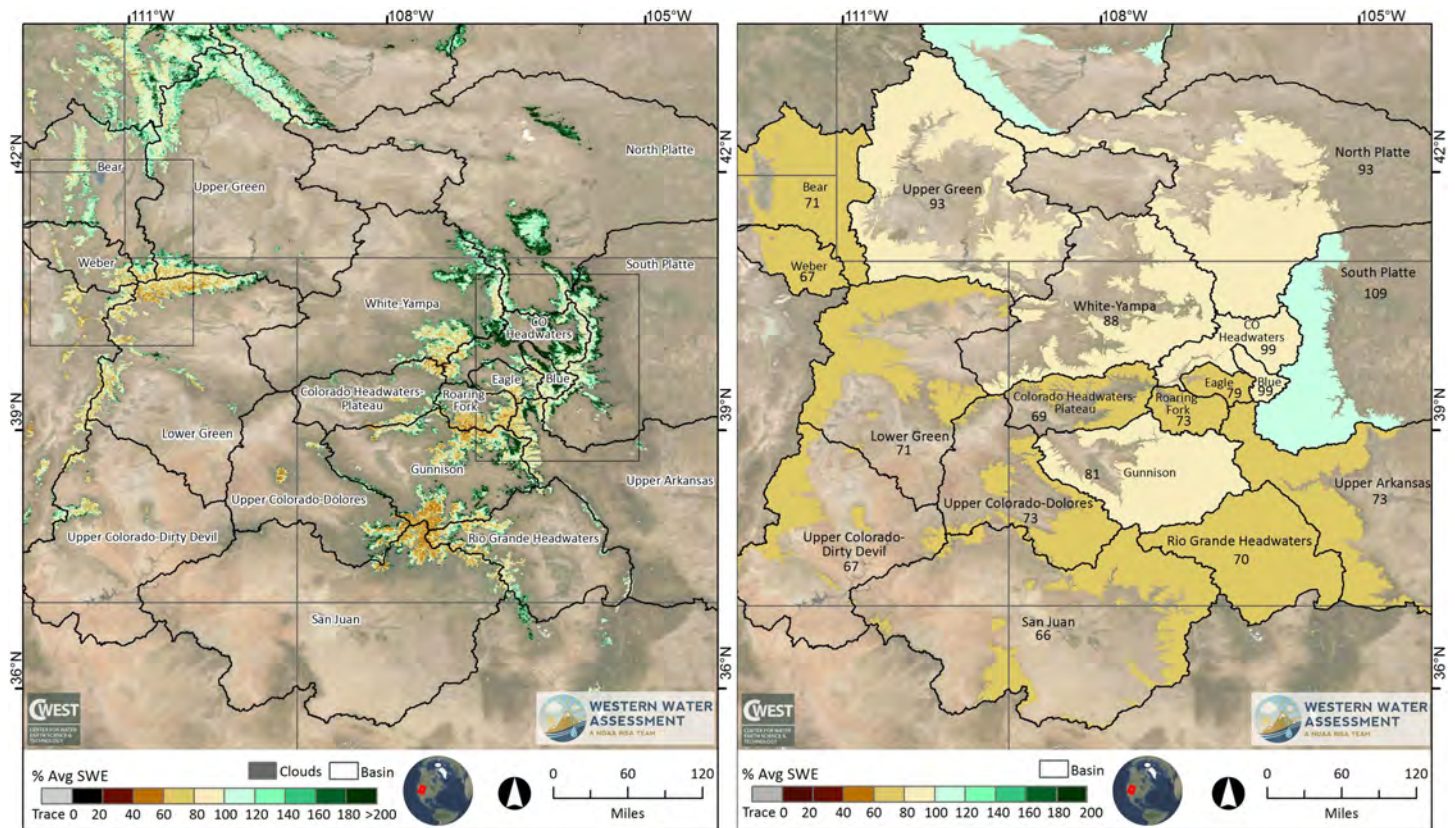


Figure 3. Estimated % of average SWE across the Intermountain West, May 1, 2020. Percent of long-term average (2000-2012) SWE for May 1, 2020 for the Intermountain West, calculated for each pixel (left) and basin-wide (right). Some pixels at lower elevations are showing as dark green (>180% of average) due to persistent snow cover that greatly

exceeds the average amount at these elevations (near-zero) for this time of year. Note that the basin-wide averages may reflect variable conditions across the elevation bands; see Table 2. Basin-wide percent of average is calculated across all model pixels >7000' elevation (>5000' elevation in the Bear River/Weber basins).

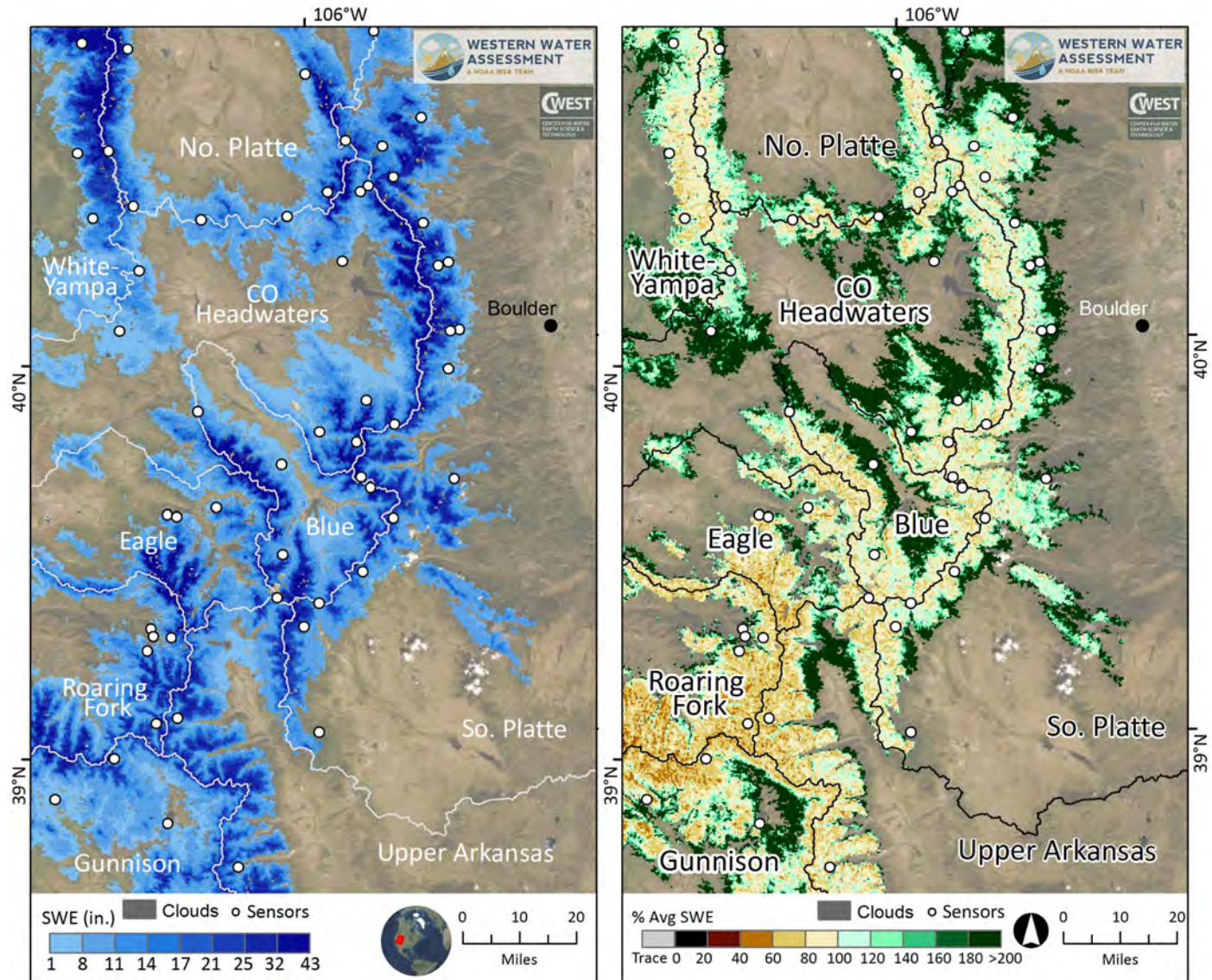


Figure 4. Estimated SWE across the Colorado Headwaters Sub-region, May 1, 2020. SWE amounts for May 1, 2020 (left), and the % of long-term average (2000-2012) SWE for May 1, 2020 for the snow-covered area (right).

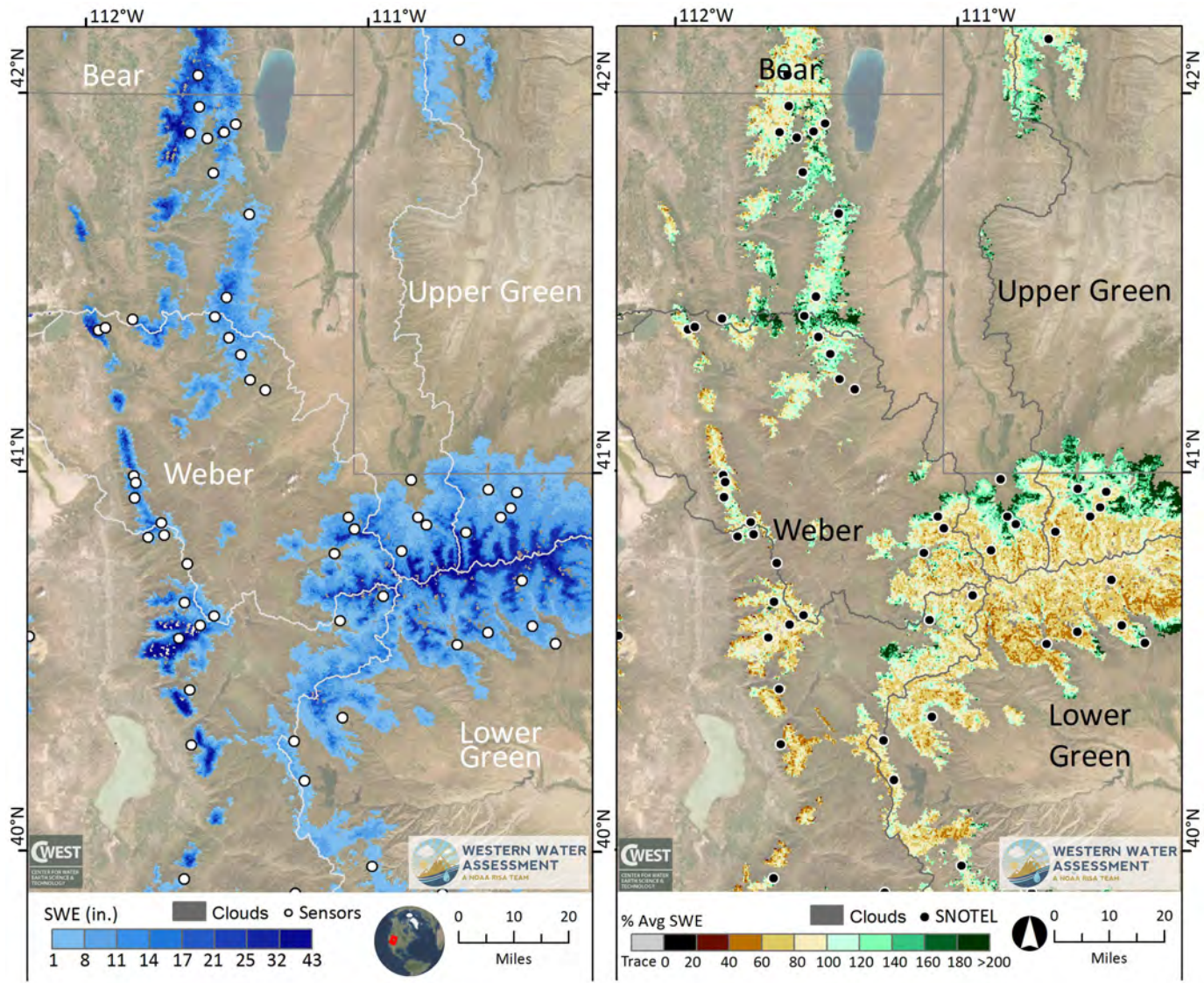


Figure 5. Estimated SWE across the Wasatch Front Sub-region, May 1, 2020. SWE amounts for May 1, 2020 (left), and the % of long-term average (2000-2012) SWE on May 1, 2020 for the snow-covered area.

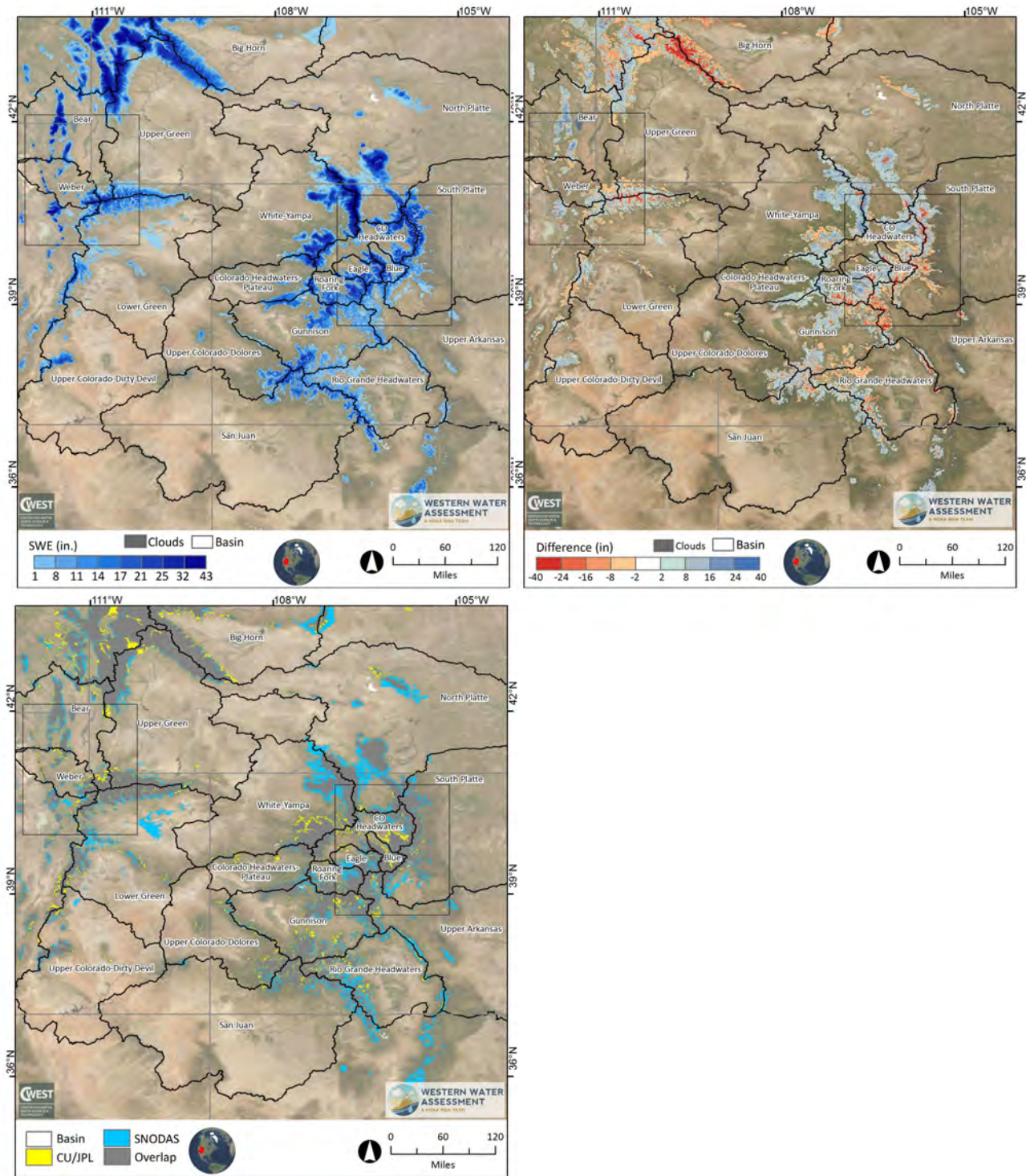


Figure 6. Comparison of the experimental (CU/JPL) SWE product and SNODAS SWE for the Intermountain West. The map in the upper left shows estimated SWE for May 1st from the NOAA National Weather Service's National Operational Hydrologic Remote Sensing Center (NOHRSC) SNOW Data Assimilation System (SNODAS). The upper right map shows the difference between the May 1st SNODAS SWE estimate and the experimental CU/JPL SWE estimate. Red pixels denote areas where SNODAS SWE is less than CU/JPL SWE and blue pixels show areas where SNODAS SWE is higher than CU/JPL SWE. The map in the lower left shows the snow-cover extent of SNODAS and CU/JPL SWE estimates. Yellow pixels show where the location of CU/JPL snow extends beyond the location of the SNODAS snow extent. Blue pixels show where the SNODAS snow extends beyond the CU/JPL snow extent. Gray areas indicate regions where both products agree on the snow-cover extent.

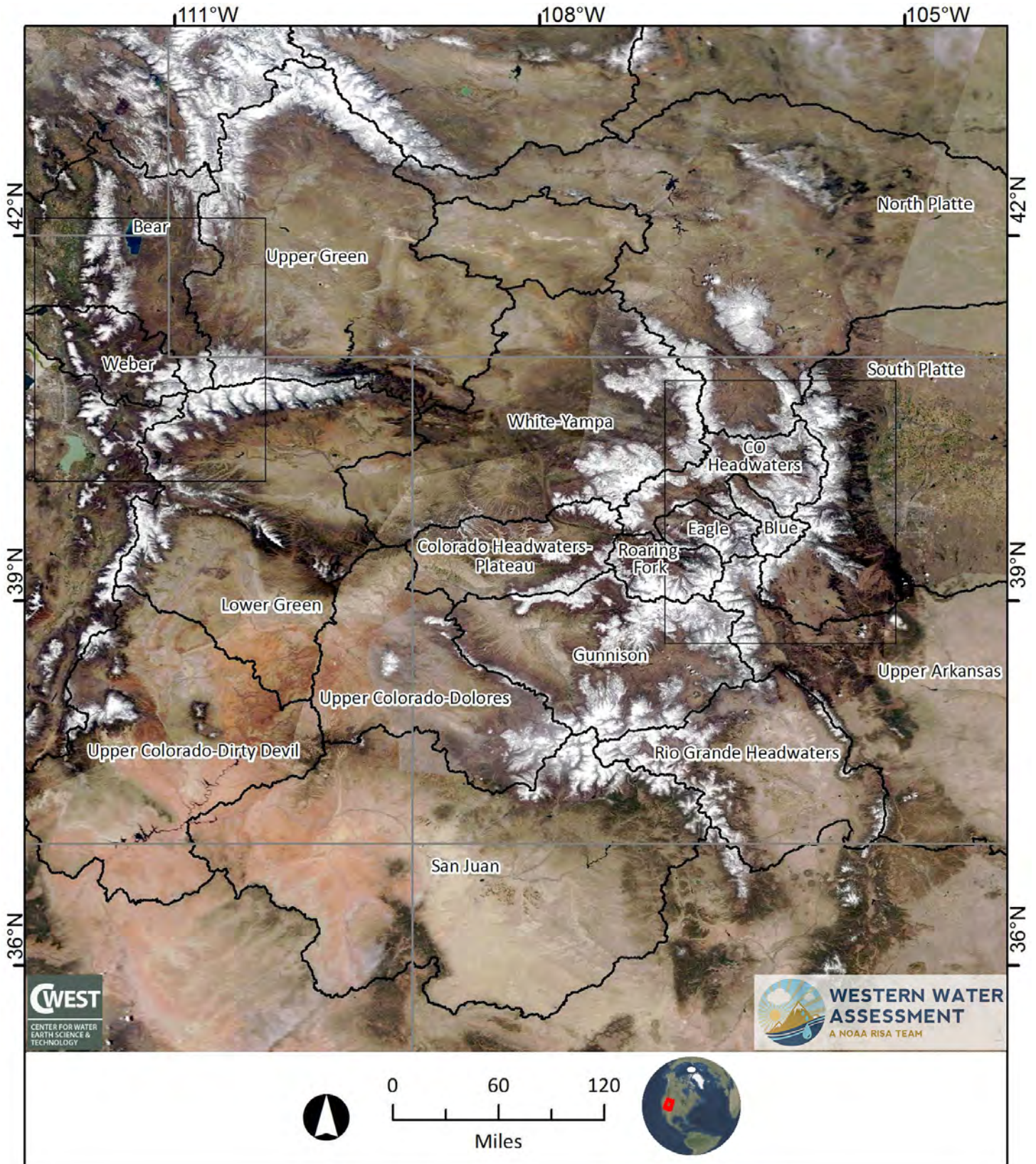


Figure 7. MODIS Image, Intermountain West. The May 1, 2020 cloud-free true color MODIS image composited from a few MODIS images that was used for the regression model run.

Table 1. Estimated SWE by basin. The basin-wide SWE values and averages, and areas, for all pixels at elevations >7000', except for the Bear and Weber basins, which are >5000'. Shown are April 15th percent of April 15th average SWE, May 1st percent of May 1st average SWE (2000-12 as derived from the regression model), April 15th mean SWE, May 1st mean SWE, May 1st percent of snow-covered area, May 1st water volume (acre-feet), the change in SWE between April 15th and May 1st, the area (mi²) inside each basin that contains data pixels (not including cloud-covered pixels, lakes or other satellite no data pixels), April 15th SNOTEL sensors (the number of stations are in parentheses), May 1st SNOTEL sensors, and May 1st snow courses, for those areas collected, summarized for each basin. For comparison, the last column shows May 1st basin-wide mean SWE from SNODAS*.

Basin	4/15/20 % 4/15 Avg	5/1/20 % 5/1 Avg	4/15/20 SWE (in)	5/1/20 SWE (in)	5/1/20 % SCA	5/1/20 Vol (af)	4/15 thru 5/1/20 Chg. in SWE (in)	5/1/20 Area (mi ²)	4/15/20 Sensors	5/1/20 Sensors	5/1/20 Courses	5/1/20 SNODAS* (in)
Bear	102.8	70.7	6.2	2.7	22.2	941,382	-3.5	6,499	16 (18)	10.3 (18)	14.2 (4)	3.7
Blue	106.2	98.9	15.4	12.3	78.7	473,113	-3.1	720	17.8 (6)	17.2 (6)	NA	9.9
Colorado Headwaters	114.6	99.1	10.7	7.1	55.9	1,136,607	-3.6	3,021	16.7 (12)	15.9 (12)	15.5 (6)	8.5
Colorado Headwaters-Plateau	84.6	69.5	5.4	3.0	31.6	308,424	-2.5	1,929	11.6 (1)	7.1 (1)	NA	4.4
Eagle	93.2	79.5	10.9	7.7	50.7	406,820	-3.2	994	14.2 (3)	10.3 (3)	NA	10.1
Gunnison	93.6	80.7	7.1	4.4	42.8	1,612,865	-2.6	6,818	12.7 (11)	8.2 (11)	8.6 (2)	4.7
Lower Green	99.3	70.8	6.8	3.4	33.7	1,116,863	-3.4	6,145	12.2 (20)	6.8 (20)	20.3 (1)	3.5
North Platte	109.7	93.5	5.2	2.6	18.8	1,586,707	-2.6	11,412	21.3 (19)	19.6 (20)	18 (12)	3.6
Rio Grande Headwaters	89.0	70.0	3.4	1.9	15.9	797,483	-1.5	7,875	9 (13)	4.2 (14)	NA	1.6
Roaring Fork	84.0	72.6	11.9	9.0	60.2	691,959	-3.0	1,447	16.7 (7)	13.3 (7)	13.7 (1)	10.5
San Juan	84.1	66.1	2.8	1.7	15.5	613,787	-1.0	6,696	15 (16)	8.8 (17)	4.8 (1)	2.3
South Platte	104.1	109.1	4.9	3.6	23.4	1,153,618	-1.3	6,081	14.7 (19)	14.4 (19)	8.9 (11)	3.3
Upper Arkansas	85.0	73.2	3.4	2.2	13.7	735,269	-1.1	6,231	8 (6)	5.2 (6)	9.6 (1)	1.4
Upper Colorado-Dirty Devil	107.8	67.0	3.2	1.2	16.0	182,545	-1.9	2,763	8.7 (4)	0.4 (4)	0 (1)	2.1
Upper Colorado-Dolores	83.7	72.9	2.9	1.6	19.8	314,888	-1.3	3,630	9.7 (7)	3.3 (7)	0 (1)	1.9
Upper Green	113.2	93.3	8.0	5.0	28.2	2,861,805	-2.9	10,673	15.4 (20)	11.4 (20)	22.5 (1)	4.1
Weber	91.7	66.5	5.7	2.6	24.4	309,561	-3.2	2,252	15.9 (15)	7.8 (15)	NA	3.1
White-Yampa	105.0	88.3	7.3	4.3	33.3	1,495,183	-3.0	6,505	18.6 (14)	15 (14)	31.4 (1)	6.6

* This is a comparison to the SNODAS (SNOW Data Assimilation System) nationwide product from the National Weather Service.

Table 2. Estimated SWE by basin and elevation band. Elevation bands begin at 7000' and extend past the highest point in the basin, except for the Bear and Weber basins, which begin at 5000'. Note that the area of the highest 2-5 bands is typically much smaller than the lower bands. Shown are April 15th percent of April 15th average SWE, May 1st percent of May 1st average SWE (2000-12 as derived from the regression model), April 15th mean SWE, May 1st mean SWE, May 1st percent of snow-covered area, May 1st water volume (acre-feet), the change in SWE between April 15th and May 1st, the area (mi²) inside each basin that contains data pixels (not including cloud-covered pixels, lakes or other satellite no data pixels), April 15th SNOTEL sensors (the number of stations are in parentheses), May 1st SNOTEL sensors, and May 1st snow courses, for those areas collected, summarized for each 1000' elevation band within each basin. For comparison, the last column shows May 1st mean SWE for each 1000' elevation band from SNODAS*.

Basin	Elevation Band	4/15/20 % 4/15 Avg	5/1/20 % 5/1 Avg	4/15/20 SWE (in)	5/1/20 SWE (in)	5/1/20 % SCA	5/1/20 Vol (af)	4/15 thru 5/1/20 Chg. in SWE (in)	5/1/20 Area (mi ²)	4/15/20 Sensors	5/1/20 Sensors	5/1/20 Courses	5/1/20 SNODAS* (in)
Bear	5000-6000'	5.1	0.0	0.1	0.0	0.0	0	-0.1	845.6	NA	NA	NA	0.0
	6000-7000'	84.9	9.1	2.6	0.1	1.6	16,489	-2.5	2792.9	0.4 (3)	0 (3)	0 (1)	0.1
	7000-8000'	113.0	62.9	8.3	2.7	31.1	283,806	-5.6	1978.8	15.2 (8)	7.7 (8)	14.7 (2)	-3.7
	8000-9000'	111.4	98.3	17.5	12.1	90.5	411,112	-5.5	639.4	25.4 (6)	19.6 (6)	27.6 (1)	18.5
	9000-10,000'	105.5	92.6	20.7	15.9	98.9	122,687	-4.7	144.4	14 (2)	7.6 (2)	NA	18.5
	10,000-11,000'	96.4	81.1	23.3	18.5	100.0	81,973	-4.7	83.1	NA	NA	NA	20.9
	11,000-12,000'	96.8	87.0	35.3	31.0	100.0	22,844	-4.3	13.8	NA	NA	NA	18.4
	12,000-13,000'	101.4	93.0	39.1	35.0	100.0	2,470	-4.1	1.3	NA	NA	NA	12.6
Blue	7000-8000'	61.8	0.0	0.6	0.0	0.0	0	-0.6	36.0	NA	NA	NA	0.0
	8000-9000'	157.8	97.4	6.2	1.7	29.0	9,576	-4.5	106.6	NA	NA	NA	0.4
	9000-10,000'	145.6	164.7	9.8	6.0	78.0	41,377	-3.7	129.0	10.5 (1)	6.8 (1)	NA	3.2
	10,000-11,000'	110.3	113.6	13.3	10.4	95.5	109,366	-2.8	196.7	20.5 (2)	20.1 (2)	NA	12.9
	11,000-12,000'	95.0	88.1	22.8	20.0	99.8	188,862	-2.7	176.7	18.4 (2)	18.7 (2)	NA	18.3
	12,000-13,000'	98.2	92.6	32.9	30.6	100.0	111,599	-2.3	68.5	NA	NA	NA	14.0
	13,000+	107.3	100.9	35.8	33.5	100.0	12,332	-2.3	6.9	NA	NA	NA	5.8
Colorado Headwaters-Plateau	7000-8000'	40.9	3.5	0.5	0.0	0.3	449	-0.5	738.2	NA	NA	NA	0.0
	8000-9000'	87.9	45.3	4.8	1.1	19.5	40,813	-3.7	704.1	NA	NA	NA	1.3
	9000-10,000'	89.2	83.1	11.4	7.6	91.1	103,227	-3.8	253.7	NA	NA	NA	12.3
	10,000-11,000'	85.2	76.2	16.0	12.9	99.6	155,957	-3.1	226.7	11.6 (1)	7.1 (1)	NA	18.5
	11,000-12,000'	67.2	59.4	25.4	22.6	100.0	7,979	-2.8	6.6	NA	NA	NA	22.1
Colorado Headwaters	7000-8000'	93.9	7.9	0.8	0.0	0.3	298	-0.8	468.4	NA	NA	NA	0.0
	8000-9000'	154.9	76.2	6.9	1.5	24.0	73,224	-5.4	900.1	7.7 (3)	2.9 (3)	NA	1.1
	9000-10,000'	132.1	131.3	10.9	6.7	79.9	278,231	-4.2	777.9	14.5 (3)	14.5 (3)	12.6 (3)	10.2
	10,000-11,000'	101.6	97.9	15.5	12.7	98.4	413,116	-2.9	611.7	22.1 (5)	23 (5)	17.1 (2)	20.0
	11,000-12,000'	94.7	88.4	27.6	25.2	100.0	308,504	-2.5	229.9	22.8 (1)	23.8 (1)	21 (1)	19.5
	12,000-13,000'	100.9	95.4	37.6	35.7	100.0	62,787	-2.0	33.0	NA	NA	NA	11.3
	13,000+	96.4	89.1	42.0	40.1	100.0	447	-1.9	0.2	NA	NA	NA	9.2
Eagle	7000-8000'	84.2	1.8	0.6	0.0	0.1	26	-0.6	171.4	NA	NA	NA	0.0
	8000-9000'	116.6	29.4	5.6	0.7	10.0	6,961	-4.9	194.5	11.8 (1)	6.9 (1)	NA	1.1
	9000-10,000'	104.2	74.5	9.1	3.9	46.5	37,838	-5.2	184.0	12.7 (1)	8.4 (1)	NA	8.5
	10,000-11,000'	92.2	87.4	12.7	9.8	83.1	140,736	-2.9	268.6	18.1 (1)	15.7 (1)	NA	17.7
	11,000-12,000'	86.4	80.0	23.4	20.8	98.8	154,554	-2.5	139.1	NA	NA	NA	21.1
	12,000-13,000'	85.8	80.1	36.3	34.1	100.0	62,327	-2.2	34.2	NA	NA	NA	16.0
	13,000+	94.6	88.6	40.2	38.0	100.0	4,378	-2.2	2.2	NA	NA	NA	9.4
	Gunnison	7000-8000'	53.8	5.5	0.3	0.0	0.1	299	-0.2	1089.5	NA	NA	NA
8000-9000'		77.0	42.0	2.1	0.4	7.3	36,637	-1.7	1811.3	12.7 (1)	5.6 (1)	NA	0.4
9000-10,000'		107.4	89.2	6.5	2.9	42.7	213,869	-3.7	1401.7	10.1 (2)	3.2 (2)	8.3 (1)	3.5
10,000-11,000'		107.8	97.5	11.4	7.4	80.1	608,623	-4.0	1535.8	14.4 (5)	10.2 (5)	8.8 (1)	9.5
11,000-12,000'		85.3	75.1	16.2	12.7	98.2	460,389	-3.5	680.2	11.7 (3)	9.1 (3)	NA	12.6
12,000-13,000'		75.7	67.6	21.6	18.3	99.6	266,769	-3.3	273.8	NA	NA	NA	11.7
13,000+		74.4	66.6	22.7	19.1	99.7	26,279	-3.6	25.7	NA	NA	NA	8.2

Basin	Elevation Band	4/15/20 % 4/15 Avg	5/1/20 % 5/1 Avg	4/15/20 SWE (in)	5/1/20 SWE (in)	5/1/20 % SCA	5/1/20 Vol (af)	4/15 thru 5/1/20 Chg. in SWE (in)	5/1/20 Area (mi ²)	4/15/20 Sensors	5/1/20 Sensors	5/1/20 Courses	5/1/20 SNODAS* (in)
Upper Arkansas	7000-8000'	26.4	0.7	0.0	0.0	0.0	12	0.0	1857.1	NA	NA	NA	0.0
	8000-9000'	35.8	1.4	0.2	0.0	0.0	169	-0.2	1587.8	NA	NA	NA	0.0
	9000-10,000'	58.3	21.2	1.0	0.1	1.8	8,368	-0.9	1239.3	0.6 (1)	0.6 (1)	NA	0.1
	10,000-11,000'	89.7	62.0	5.7	2.5	26.4	104,212	-3.3	786.7	9.4 (3)	5.4 (3)	NA	3.3
	11,000-12,000'	89.6	72.4	15.3	10.9	72.6	262,715	-4.4	450.4	9.7 (2)	7.3 (2)	9.6 (1)	8.6
	12,000-13,000'	93.3	84.3	24.7	21.1	94.1	294,571	-3.6	261.5	NA	NA	NA	7.3
13,000+	100.2	93.3	28.6	25.2	96.4	65,224	-3.4	48.5	NA	NA	NA	4.0	
Upper Colorado- Dirty Devil	7000-8000'	42.2	0.0	0.0	0.0	0.0	0	0.0	1190.1	NA	NA	NA	0.0
	8000-9000'	102.4	8.2	1.2	0.0	1.2	1,441	-1.2	833.0	11.5 (1)	0 (1)	NA	0.0
	9000-10,000'	127.9	60.3	7.8	1.9	32.7	39,862	-5.9	397.4	7.8 (2)	0 (2)	0 (1)	2.6
	10,000-11,000'	101.2	78.5	12.2	6.8	84.9	103,804	-5.3	285.3	7.9 (1)	1.5 (1)	NA	12.8
	11,000-12,000'	93.1	77.6	17.2	12.2	86.4	37,438	-5.0	57.4	NA	NA	NA	16.3
Upper Colorado- Dolores	7000-8000'	9.4	0.2	0.0	0.0	0.0	4	0.0	1491.4	NA	NA	NA	0.0
	8000-9000'	50.3	18.9	1.0	0.1	2.5	7,265	-0.9	1141.1	2 (1)	0 (1)	0 (1)	0.1
	9000-10,000'	107.7	85.1	6.4	2.4	43.7	62,984	-4.0	483.7	8.1 (3)	0 (3)	NA	1.8
	10,000-11,000'	98.4	92.5	10.0	6.8	90.2	126,763	-3.2	347.4	13.9 (3)	7.7 (3)	NA	10.0
	11,000-12,000'	76.8	65.4	14.9	11.2	99.3	74,275	-3.7	123.9	NA	NA	NA	15.7
	12,000-13,000'	71.6	64.6	22.2	18.7	100.0	36,975	-3.5	37.1	NA	NA	NA	11.7
	13,000+	72.9	67.6	25.9	22.5	100.0	6,622	-3.4	5.5	NA	NA	NA	7.9
Upper Green	7000-8000'	105.2	41.9	2.1	0.3	4.7	129,783	-1.8	7168.8	10.3 (1)	6.3 (1)	NA	0.1
	8000-9000'	121.2	89.7	12.0	5.6	51.8	527,234	-6.4	1779.5	16.1 (10)	12.1 (10)	22.5 (1)	6.4
	9000-10,000'	115.3	103.2	19.3	14.4	96.3	664,305	-4.9	865.7	14.6 (7)	9.9 (7)	NA	15.3
	10,000-11,000'	112.6	100.9	32.0	28.0	99.9	926,596	-3.9	619.7	17.8 (2)	15.3 (2)	NA	20.3
	11,000-12,000'	109.7	101.2	49.9	46.9	100.0	505,785	-3.0	202.2	NA	NA	NA	18.0
	12,000-13,000'	106.9	100.2	55.5	53.6	100.0	103,444	-1.9	36.2	NA	NA	NA	13.3
	13,000+	103.5	94.6	71.6	69.6	100.0	4,658	-2.0	1.3	NA	NA	NA	15.2
Weber	5000-6000'	9.0	0.0	0.1	0.0	0.0	0	-0.1	297.6	NA	NA	NA	0.0
	6000-7000'	49.8	10.5	1.3	0.1	1.5	4,117	-1.2	816.9	2 (2)	0 (2)	NA	0.0
	7000-8000'	100.2	48.3	7.1	1.8	23.7	71,577	-5.3	738.2	18 (7)	8.2 (7)	NA	1.8
	8000-9000'	104.2	88.8	14.4	8.9	87.7	123,693	-5.6	261.2	16.8 (3)	8.2 (3)	NA	11.3
	9000-10,000'	96.2	80.0	17.5	12.4	99.2	58,826	-5.1	88.9	22.5 (2)	17.1 (2)	NA	18.7
	10,000-11,000'	95.4	80.9	24.2	19.5	99.7	50,415	-4.7	48.5	NA	NA	NA	22.0
	11,000-12,000'	91.4	78.8	32.1	27.9	100.0	933	-4.3	0.6	NA	NA	NA	21.4
White-Yampa	7000-8000'	104.3	12.1	2.3	0.1	1.8	18,715	-2.3	3719.3	8.3 (1)	1 (1)	NA	0.6
	8000-9000'	119.3	105.7	9.1	4.5	55.8	372,713	-4.7	1556.4	18.4 (5)	13.4 (5)	31.4 (1)	7.5
	9000-10,000'	104.7	104.6	15.9	12.8	99.0	451,009	-3.1	660.0	18.7 (6)	16.4 (6)	31.4 (1)	20.3
	10,000-11,000'	95.9	88.9	22.7	20.0	100.0	517,533	-2.7	485.9	37.4 (2)	36.9 (2)	NA	28.4
	11,000-12,000'	84.4	77.9	32.8	30.4	100.0	135,027	-2.4	83.3	NA	NA	NA	22.7
	12,000-13,000'	80.4	74.3	28.0	25.0	100.0	186	-3.1	0.1	NA	NA	NA	19.1

* This is a comparison to the SNODAS (SNOW Data Assimilation System) nationwide product from the National Weather Service.

Location of Reports, Excel Format Tables, and JPG Maps

<ftp://snowserver.colorado.edu/pub/Rockies/>

Methods

The spatial SWE estimation method is described in Schneider and Molotch (2016). The method uses linear regression in which the dependent variable is derived from the operationally measured in situ SWE from all online NRCS SNOTEL sites in the domain. The SNOTEL SWE observations are scaled by the fractional snow-covered area (fSCA) across the 500 m pixel containing that SNOTEL site before being used in the linear regression model. The fSCA is a near-real-time cloud-free MODIS satellite image which has been processed using the MODIS Snow Cover and Grain size (MODSCAG) fractional snow-covered area algorithm program (Painter, et. al. 2009, snow.jpl.nasa.gov) and the Snow Today fSCA image when needed (Rittger, et. al. 2019, <https://nsidc.org/snow-today>).

The following independent variables (predictors) enter into the linear regression model:

- Physiographic variables that affect snow accumulation, melt, and redistribution, including elevation, latitude, upwind mountain barriers, slope, and others. See Figure 2 in Schneider and Molotch (2016) for the full set of these variables.
- The historical daily SWE pattern (2000-2012) retrospectively generated using historical MODSCAG data, and an energy-balance model that back-calculates SWE given the fractional Snow-Covered Area (fSCA) time series and meltout date for each pixel. See Guan, et. al., 2013 for details. (For computational efficiency, only one image from either the 1st or 15th of a month during the 2000-2012 period that best matches the real-time SNOTEL-observed pattern is selected as an independent variable.)

The real-time regression model for this date has been validated by cross-validation, whereby 10% of the SNOTEL data are randomly removed and the model prediction is compared to the measured value at the removed SNOTEL stations. This is repeated 30 times to obtain an average R-squared value, which denotes how closely the model fits the SNOTEL data. During development of this regression method, the model was also validated against independent historical SWE data collected in snow surveys at 9 locations in Colorado, and an intensive field survey in north-central Colorado.

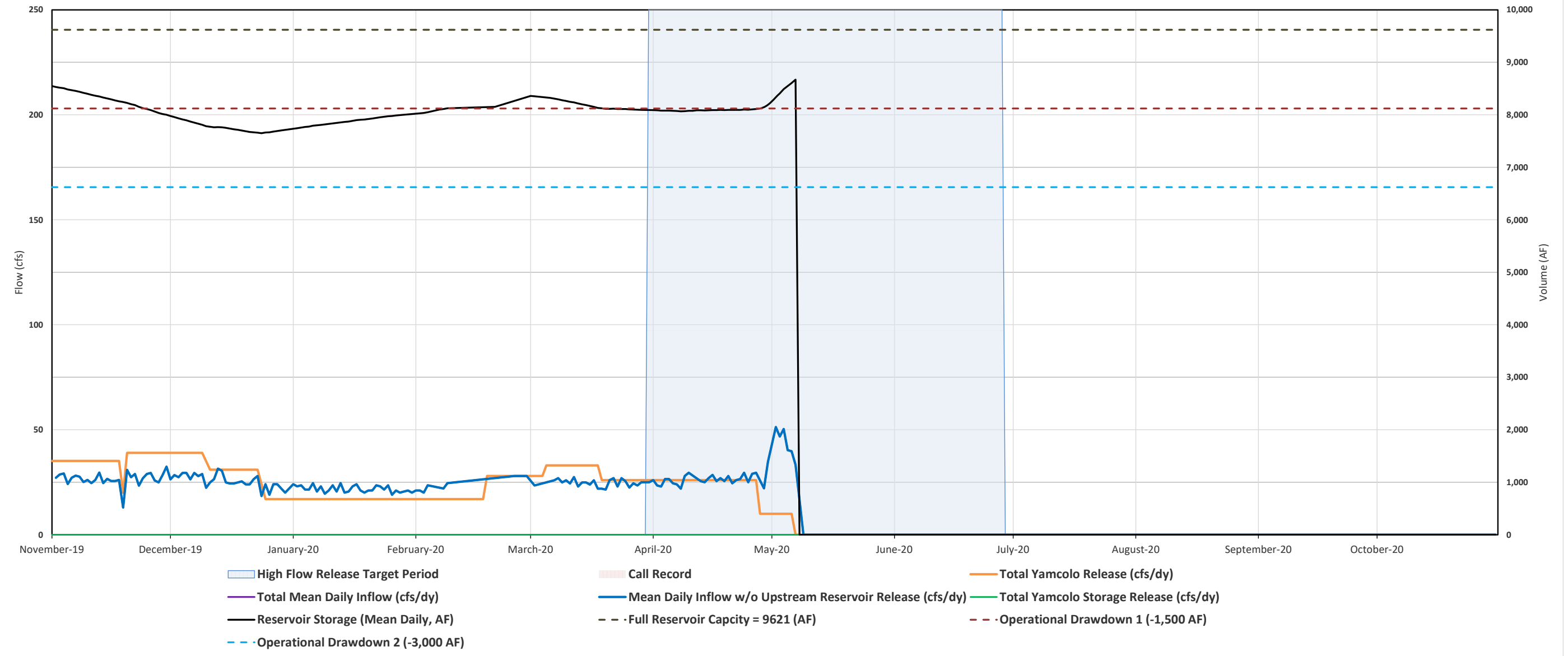
List of All Known Data Issues/Caveats

- RECENT SNOWFALL – There are occasionally problems with lower-elevation SWE estimates due to recent snowfall events that result in extensive snow-cover extending to valley locations where measurements are not available. This scenario results in an over-estimation of lower- elevation SWE.
- LIMITED SNOW PILLOW DATA – When snow at the snow pillow sites melts out, but remains at higher elevations, the model tends to underestimate SWE at the under-monitored upper elevations. This issue typically occurs late in the melt season, resulting in less accurate SWE prediction at higher elevations compared to earlier in the snow season.
- CLOUD COVER – Cloud cover can obscure satellite measurements of snow-cover. While careful checks are made, occasionally the misclassification of clouds as snow or *vice versa* may result in the mischaracterization of SWE or bare-ground.
- LOW LOOK ANGLE – When a satellite does not pass directly over a region but the area is still included within the satellite sensor’s field of view, this is referred to as a low “look angle”. The resulting image has lower effective resolution – this “blurry” MODSCAG data still contains useful information but may lead to overestimation of SWE near the margins of the snow-cover extent.
- POOR QUALITY SNOTEL DATA – Although data QA/QC is performed, occasional SNOTEL sensor malfunction may result in localized SWE errors.
- ANOMALOUS SNOW PATTERNS – Anomalous snow years or snow distributions may cause SWE error due to the model design to search for similar SWE distributions from previous years. If no close seasonal analogue exists, the model is forced to find the most similar year, which may result in error.
- DENSE FOREST COVER – Dense forest cover at lower elevations where snow-cover is discontinuous can cause the satellite to underestimate the snow-cover extent, leading to underestimation of SWE.

References and Additional Sources

- Guan, B., N. P. Molotch, D. E. Waliser, S. M. Jepsen, T. H. Painter, and J. Dozier. (2013). Snow water equivalent in the Sierra Nevada: Blending snow sensor observations with snowmelt model simulations. *Water Resources Research*, Vol. 49, 5029–5046, doi:10.1002/wrcr.20387.
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- Rittger, K., M. S. Raleigh, J. Dozier, A. F. Hill, J. A. Lutz, and T. H. Painter. 2019. Canopy Adjustment and Improved Cloud Detection for Remotely Sensed Snow Cover Mapping. *Water Resources Research* 24 August 2019. doi:10.1029/2019WR024914.
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Yamcolo Reservoir: WY 2020 (Provisional Data)



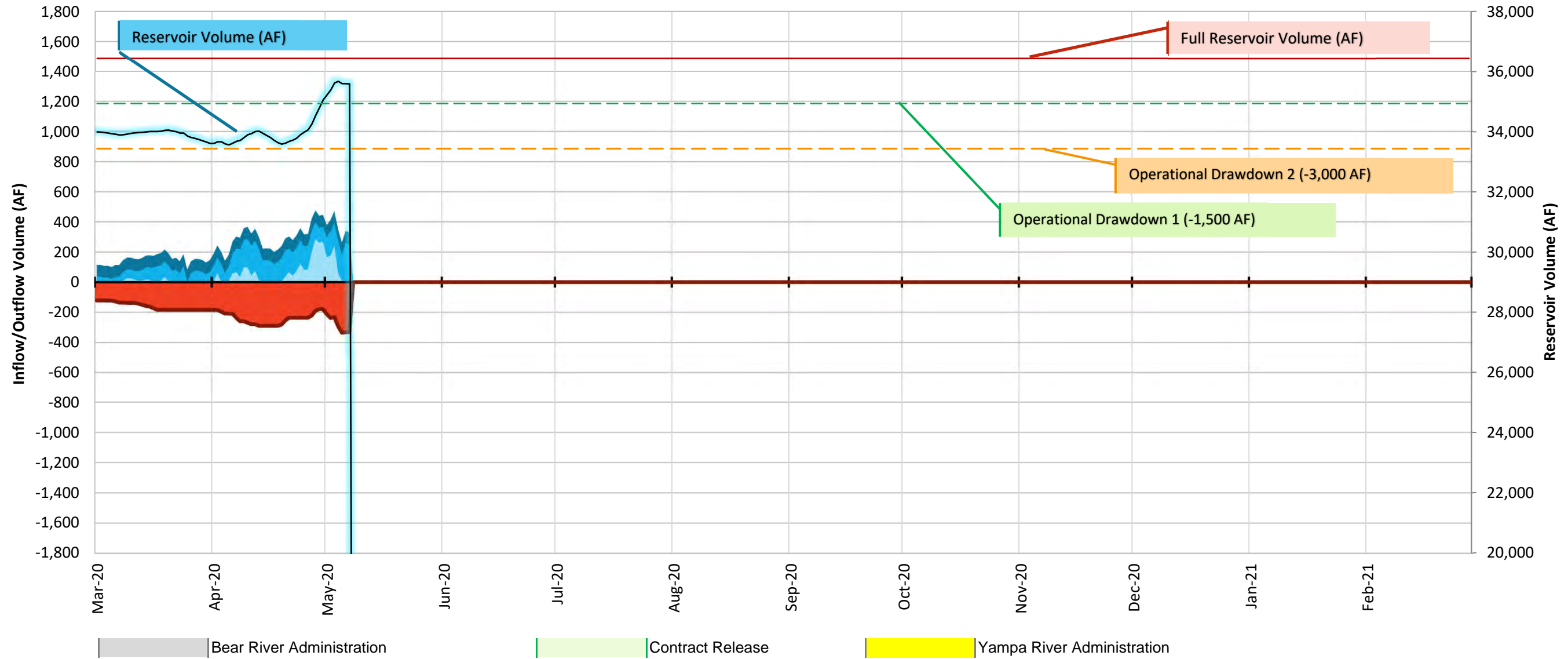
Stagecoach Reservoir Operations

Total Monthly Volume (AF)

Accounting Year 2020
5/7/2020

INFLOW	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Total
Physical	4,632	8,820	2,553										16,004
Storable	2,172	6,439	1,997										10,609
Stored	223	2,114	667										3,005

OUTFLOW	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Total
Operator	-4,962	-7,236	-1,974										-14,172
Spill	0	0	0										0
Gage	-4,962	-7,236	-1,974										-14,172







BOARD COMMUNICATION FORM

From: Andy Rossi, District Engineer

Date: 05/08/20

Item: UYWCD Grazing Lease for Sickle Parcel Located at Stagecoach

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information:

The Upper Yampa Water Conservancy District (UYWCD) reserves the right to permit the grazing of domestic livestock on 223 acres of the Conservation Easement section of the Stagecoach property owned by the UYWCD. The property included in the grazing permit area is commonly known as the “Sickle Place Property”. A memorandum is attached that summarizes the status of this grazing lease.

II. Summary and Alternatives:

Please refer to attached memorandum and reference documents.

III. Staff Recommendation:

The UYWCD begin discussions with the adjacent property owners in the summer of 2020 to address concerns in the hopes of renewed grazing practices on the Sickles Parcel in 2021.

IV. Legal Issues:

UYWCD Property Management

V. Consistency with Board Goals and Policies:

2020 UYWCD Strategic Plan 2.5

Attachments: Memorandum and Reference Documents



MEMORANDUM

TO: UYWCD BOD, Kevin McBride, District Manager

FROM: Andy Rossi, District Engineer

DATE: May 8, 2020

RE: UYWCD Grazing Lease for Sickle Parcel Located at Stagecoach

Summary

The Upper Yampa Water Conservancy District (UYWCD) reserves the right to permit the grazing of domestic livestock on 223 acres of the Conservation Easement section of the Stagecoach property owned by the UYWCD. The property included in the grazing permit area is commonly known as the “Sickle Place Property”. This memo summarizes the current status of this grazing lease.

1.0 Introduction

A Deed of Conservation Easement in Gross was made on April 22, 1991 by the UYWCD as Grantor and the State of Colorado, acting through the Colorado Division of Wildlife (now CPW), as Grantee for the portion of the property associated with the Stagecoach Reservoir project. The Conservation Easement property is approximately defined as lands lying to the north of Routt County Road 18, located north of the reservoir. As part of this Conservation Easement, the UYWCD reserves the right to permit the grazing of domestic livestock on 223 acres of the Conservation Easement property. The portions of the Conservation Easement contract that detail the specifics of the reserved grazing rights are included with this memo for reference.

Along with the reserved grazing rights, the UYWCD is required to maintain a section of fencing along the south border of the grazing area. The UYWCD is not required to lease the Sickle Place Property for grazing as part of the Conservation Easement contract.

2.0 Current Status of Grazing Lease

The UYWCD entered into a grazing lease agreement for the Sickle Place with Trout 123, LLC in 2016. The 2016 Grazing Lease Agreement administration and management were handled by the CPW staff in consultation with the UYWCD staff. Two additional grazing lease terms were granted to Trout 123, LLC in 2017 and 2018. No grazing was permitted on the property in 2019 at the recommendation of the CPW staff. Grazing practices permitted under the 2016 – 2018



agreements were conducted in accordance with the terms of those agreements and the grazing lease area is in excellent condition. Currently the UYWCD has no contract granting the rights to graze livestock on UYWCD property with any party.

The UYWCD solicited proposals for a renewed grazing lease in 2020. Two proposals were submitted to the UYWCD for consideration. After review of the proposals, local representatives of the CPW and the UYWCD staff recommended that grazing practices on the Sickie Place Property again be postponed for the 2020 season. The interested parties were conferred on this opinion and agreed with the decision to postpone grazing for 2020.

The main concerns of the interested parties, UYWD, and CPW are the management of access with the patch work of adjacent property ownership, water management, and noxious weed control. The UYWCD will begin discussions with the adjacent property owners in the summer of 2020 to address these concerns in the hopes of renewed grazing practices on the Sickles Parcel in 2021.

a. The Grantor reserves the right to permit the grazing of domestic livestock on 223 acres of the easement property, described in Exhibit "B," known as the Sickie Place, attached hereto and incorporated herein by reference. Such grazing of livestock shall be limited to 75 A.U.M.s (cow and calf units) during the period of June 15 to October 15 of each year.

5. PROHIBITED USES. The following uses and practices by Grantor and Grantee, although not an exhaustive recital of uses and practices which are inconsistent with the purposes of this conservation easement, shall be prohibited upon or within the Property. Uses and prohibited practices on the property shall be as set forth in Paragraph 17 of this Easement Deed.

a. The construction or placement of any buildings, camping accommodations, mobile homes, signs (except informational or directional signs approved by the parties), billboards or other device for advertising or other structures (except fences) or utilities (except powerlines) on the Property.

b. The dumping of ashes, trash, garbage or other unsightly or offensive material, and the changing of the topography by placing soil, landfill, or other substances on the Property.

c. The operation of any motorized vehicles on the Property, except on Routt County Road 18 (described in Exhibit A-1 and attached hereto) running through the Property and except by Grantor or Grantee or persons acting with their authorization.

d. Filling, excavating, dredging, mining, drilling, removal of topsoil, sand, gravel, rock or other materials, and the exploration for or extraction of oil, gas, or other hydrocarbon and other minerals on or below the surface of the Property.

e. The removal, cutting or destruction of trees or native plants; or the introduction of exotic vegetation, except for habitat improvement by Grantee; or as otherwise agreed by Grantor and Grantee.

f. The grazing or other use of livestock on the Property, except as reserved to the Grantor in Paragraph 4 (a). Provided that, horses used for packing and access while hunting shall be permitted, and controlled livestock grazing may be allowed for vegetation management purposes if approved by both parties.

g. The use of biocides, except as consented to by Grantee and Grantor.

h. The feeding, enticement, or harassment of any wildlife, except emergency feeding by Grantee as necessary to manage the animal population in accordance with sound wildlife management practices;

EXHIBIT "B"

Attached to and made a part of the Deed of Conservation Easement in Gross between The Upper Yampa Water Conservancy District, Grantor, and the State of Colorado acting by and through the Department of Natural Resources for the use and benefit of the Division of Wildlife and Wildlife Commission, Grantee.

Description of property referred to in the Deed of Conservation Easement in Gross as follows:

DESCRIPTION OF THE SICKLE PLACE PROPERTY

Approximately 220 acres more or less

The lands included within the above described lands know as the Sickle property more particularly described as the NW1/4NW1/4 of Section 28, S1/2SE1/4 of Section 20, N1/2NE1/4, N1/2SE1/4NE1/4 of Section 29, T4N R84W are subject to grazing rights.

CDOW and DPOR:

1. Emergency winter feeding of elk
2. Law enforcement
3. Biological surveys or data gathering

Routt County Sheriff's Office:

1. Law enforcement
2. Public emergencies

CDOW shall:

1. Take all appropriate actions in an attempt to obtain approval from Routt County for closure of County Road 18 for three months annually.
2. Include closure regulations in Chapter 9 of CDOW regulations "Land and Water Use." Inclusion of a similar closure regulation in the appropriate DPOR chapter may also be appropriate. The Chapter 9 regulation will be: Blacktail Mountain Conservation Easement (Routt County) see "Service Creek SWA."

SERVICE CREEK SWA (Routt County)

Blacktail Mountain Unit (Conservation Easement):

1. Public use is prohibited for approximately six (6) months each year commencing and concluding on dates designated by CDOW.
2. Motorized vehicle use is prohibited, except for vehicles operated by or under control of UYWCD or CDOW.
3. Big game hunting is allowed during all seasons that apply to Game Management Unit 15 in accordance with rules and regulations adopted by the Colorado Wildlife Commission, with the exception of small game hunting and trapping, which are prohibited after November 15.

B. Grazing Management

UYWCD has made a commitment to prohibit livestock grazing on 449 of the 672 acre easement. Grazing is allowed on a forage availability basis for a maximum of 75 animal unit months per season (AUMs) from June 15 through October 15 annually for cattle on the remaining 223 acres, commonly known as the "Sickle Place" and described in Exhibit "B" to the Deed of Conservation Easement In Gross.

The first objective in this grazing management plan is to ensure that livestock that are grazing the area are the livestock that are allowed under the Conservation Easement. UYWCD agrees to control the grazing situation on the area by means of the following only:

1. Install and maintain three strand wire fence in the areas shown on Attachment 1 to this Range Improvement Plan.

2. Maintain other existing fence shown on Attachment 1.

3. In the event that maintenance of fence as set forth in the two preceding sentences does not prevent significant trespass of livestock into the conservation easement, UYWCD agrees to construct and maintain such other and further perimeter or drift fencing as may be reasonably necessary to prevent the significant trespass of livestock not permitted hereunder on the conservation easement. For purposes of this paragraph, "significant trespass" shall be defined as trespass by livestock in contravention to this Section 8 (Grazing Management) in excess of five (5) individual trespass incidents in any calendar year. In any event, UYWCD shall correct trespass violations within seventy-two (72) hours of notification that such trespass has occurred.

4. There are three springs in the area subject to the conservation easement. Subject to the physical availability of water to flow from springs, UYWCD will protect these springs so they remain operational. UYWCD will file for water rights for wildlife on the spring that lies furthest west.

C. Vegetation Management

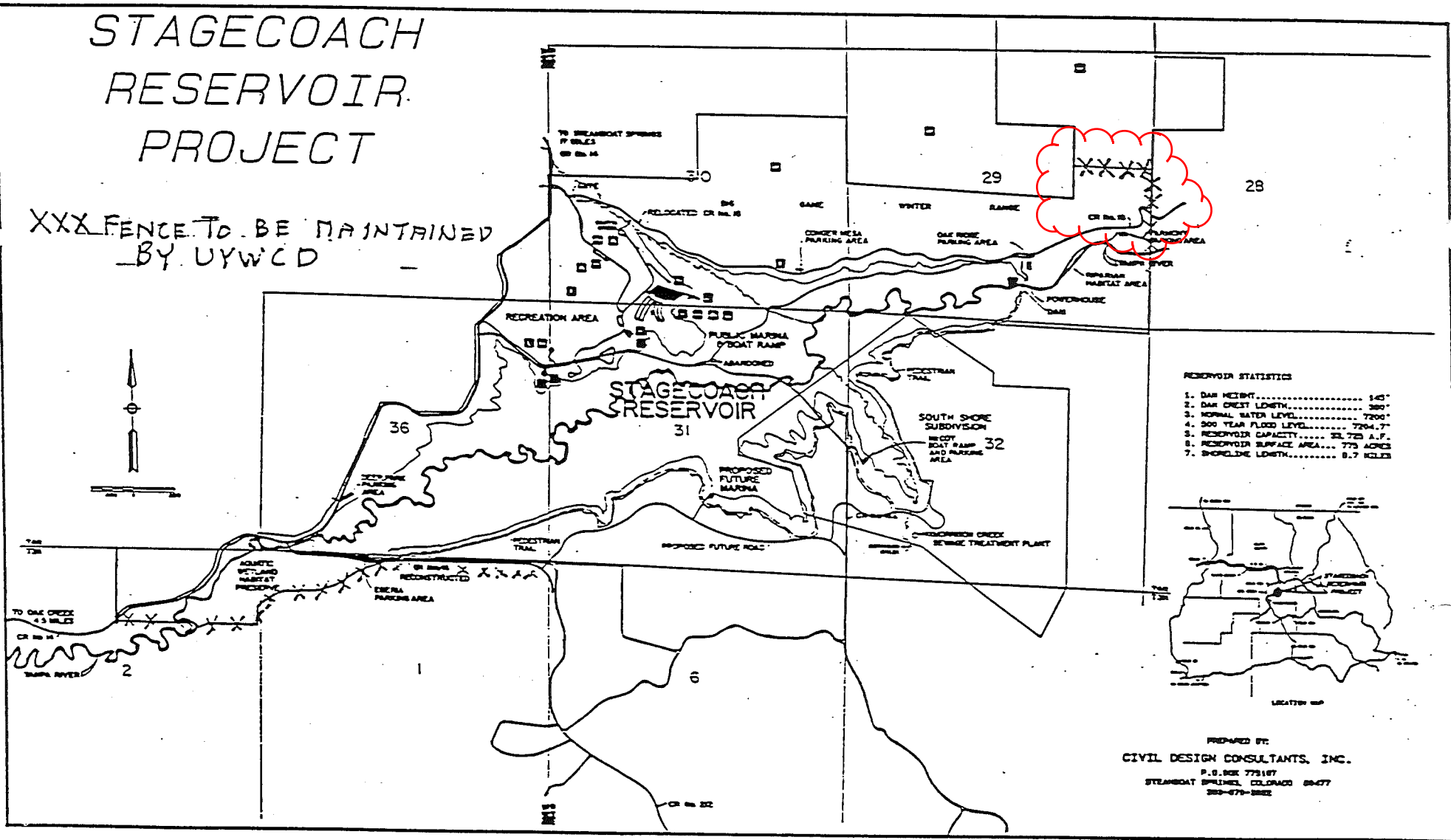
The goal of vegetation management on Blacktail Mountain is to improve the quantity of forage available to wintering elk. Approximately 150-200 elk winter in the Blacktail Mountain vicinity.

Much of the area of the conservation easement is steep, south-facing slope immediately above the reservoir site and below rocky cliff faces. Due to the slope and aspect, this area accumulates the least snow cover on the mountain, and is important to elk in severe winters. The lower slopes are sagebrush-grass and oak-serviceberry. In some areas, particularly on the east portions of the easement, the shrubs have been heavily browsed to the point of severely limiting shrub growth. On the west end, browsing is not as severe: much of the oak and serviceberry there has grown beyond the reach of elk. Prescribed burning is the proposed treatment for these areas.

Other areas used by elk in winter are the "bench" area above the previously mentioned cliffs and the basin on the southeast side of Blacktail Mountain. The bench area is a mixture of sagebrush, oak-serviceberry, and aspen vegetation types. The basin area is similar, with grass meadow along the intermittent stream. South slopes of oak-serviceberry in this basin should be burned to promote resprouting, along with similar areas on the bench.

STAGECOACH RESERVOIR PROJECT

XXX FENCE TO BE MAINTAINED
BY UYWCD



RESERVOIR STATISTICS

1. DAM HEIGHT..... 145'
2. DAM CREST LENGTH..... 380'
3. NORMAL WATER LEVEL..... 7200'
4. 500 YEAR FLOOD LEVEL..... 7204.7'
5. RESERVOIR CAPACITY..... 28,725 A.F.
6. RESERVOIR SURFACE AREA..... 775 ACRES
7. SHORELINE LENGTH..... 8.7 MILES

PREPARED BY:
CIVIL DESIGN CONSULTANTS, INC.
P.O. BOX 775187
STEAMBOAT SPRING, COLORADO 80477
303-679-2822



Trout 123

United States of America

S 1/2 SE 1/4
SECTION 20

United States of America

Hagenbuch Trust

UYWCD
Sickle Parcel

N 1/2 NE 1/4
SECTION 29

NW 1/4 NW 1/4
SECTION 28

United States of America

United States of America

N 1/2 SE 1/4 NE 1/4
SECTION 29

Trout 123

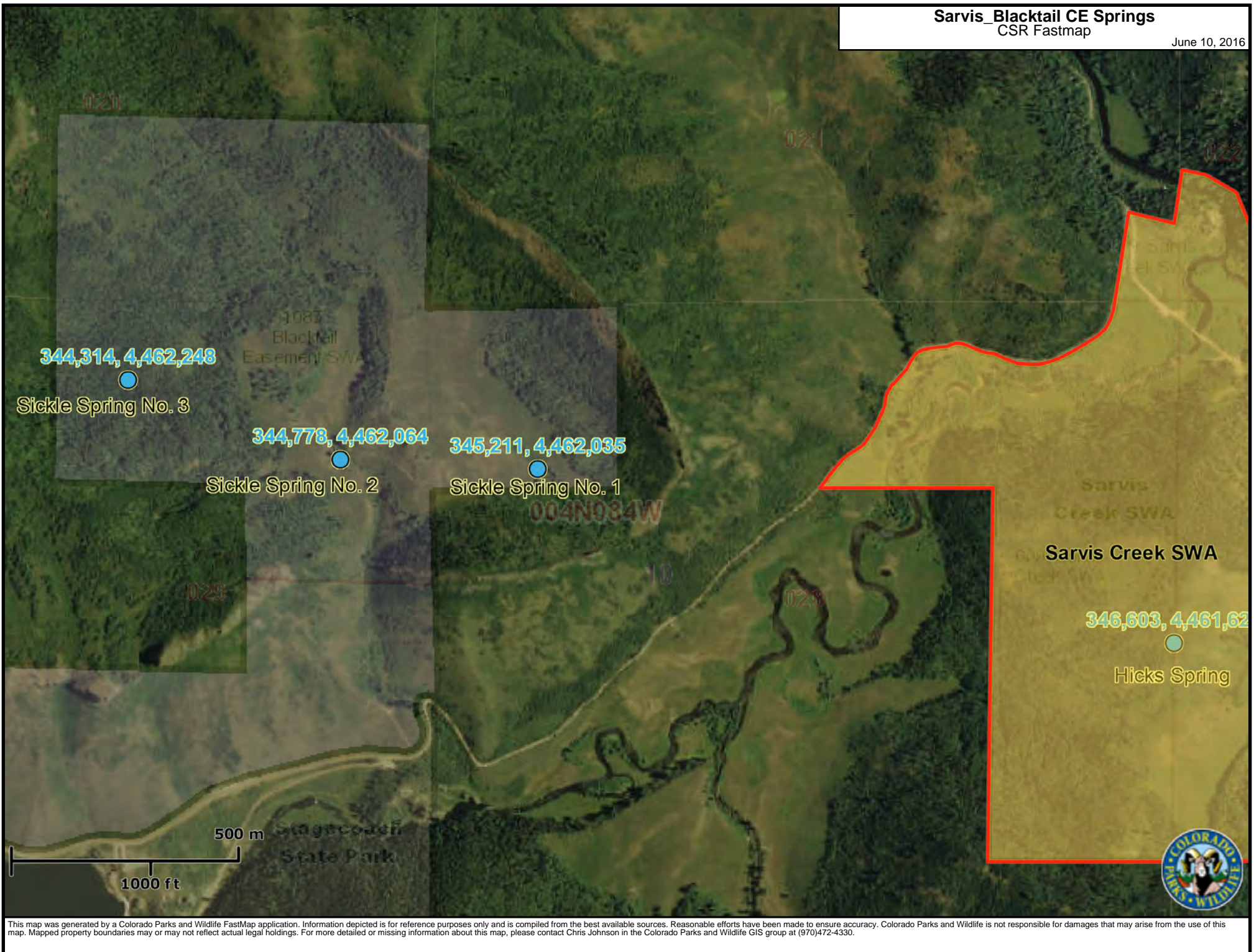
Hagenbuch Trust

18

UYWCD

Hagenbuch Trust

Morrison Creek



This map was generated by a Colorado Parks and Wildlife FastMap application. Information depicted is for reference purposes only and is compiled from the best available sources. Reasonable efforts have been made to ensure accuracy. Colorado Parks and Wildlife is not responsible for damages that may arise from the use of this map. Mapped property boundaries may or may not reflect actual legal holdings. For more detailed or missing information about this map, please contact Chris Johnson in the Colorado Parks and Wildlife GIS group at (970)472-4330.

THE DISTRICT COURT IN AND FOR

WATER DIVISION NO. 6

STATE OF COLORADO

CASE NO. 88CW42

FILED WATER DIV 6
STATE OF COLORADO

NOV 29 1988

IN THE MATTER OF THE APPLICATION FOR
WATER RIGHTS OF ROBERT & ELAINE GAY
IN THE YAMPA RIVER OR ITS TRIBUTARIES.
TRIBUTARY INVOLVED _____
IN ROUTT COUNTY.

RULING OF REFEREE
(ABSOLUTE)

1. Applicant: Robert & Elaine Gay
Address: 32885 CR 18-C
Steamboat Springs, CO 80487
2. Name of ditch or other structure: Sickles Spring 1 and 2
3. Point of diversion and/or place of storage: Spring No. 1 is located in NWN Sec. 28, T 4 N., R 84 W., 6th P.M. at a point 1300 feet South of the North line and 700 feet East of the West line.
Spring No. 2 is located in NENE, Sec. 29; T 4 N., R 84 W., 6th P.M. at a point 700 feet West of the East line and 1200 feet South of the North Line.
4. Means of diversion: No. 1-Undeveloped spring for stockwater
No. 2-pipeline & stocktank used for stockwatering
5. Type of use: Stockwatering
6. Amount of Water: .033cfs each
7. Priority of water right: 6-1-1948
8. Date of filing application: 5-12-88

The priority here awarded shall be junior to all water rights or Conditional water rights awarded on applications filed in previous calendar years and shall also be junior to all priorities awarded in decrees entered prior to June 7, 1969, or decrees entered in proceedings which were pending on such date. As between all applications for water rights filed in the same calendar year, priorities shall be determined by historical dates of appropriation and shall not be affected by the date of entry of this judgment.

It is the ruling of the Referee that the statements in the application are true and that the above described water right is approved and granted the indicated priority.

Dated this 28th day of November, 1988.


G. I. Buffham
Water Referee - Division No. 6

**NO PROTEST WAS FILED IN THIS MATTER.
THE FOREGOING RULING IS CONFIRMED
AND APPROVED, AND IS MADE THE
JUDGMENT AND DECREE OF THIS COURT.**

FILED WATER DIV 6
STATE OF COLORADO

JAN 12 1989

DATED: 1-12-89
TRKampis
WATER JUDGE

IN THE DISTRICT COURT IN AND FOR

WATER DIVISION NO. 6

STATE OF COLORADO

CASE NO. 88CW95

FILED WATER DIV 6
STATE OF COLORADO

MAR 22 1989

IN THE MATTER OF THE APPLICATION FOR
WATER RIGHTS OF UPPER YAMPA WATER CONS. DIST.
IN THE YAMPA RIVER OR ITS TRIBUTARIES.
TRIBUTARY INVOLVED _____
IN ROUIT COUNTY.


RULING OF REFEREE
(ABSOLUTE)

1. Applicant: Upper Yampa Water Cons. Dist.
Address: Box 0339
Steamboat Springs, CO 80488
2. Name of ditch or other structure: Sickles Spring #3
3. Point of diversion and/or place of storage: Located in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 29,
T. 4 N., R. 84 W., at a point 650 feet from the north line and 2300 feet from
the east line.
4. Means of diversion: Spring
5. Type of use: Stockwatering & wildlife
6. Amount of Water: 0.033 cfs
7. Priority of water right: 9/15/1988
8. Date of filing application: 9/23/1988

The priority here awarded shall be junior to all water rights or Conditional water rights awarded on applications filed in previous calendar years and shall also be junior to all priorities awarded in decrees entered prior to June 7, 1969, or decrees entered in proceedings which were pending on such date. As between all applications for water rights filed in the same calendar year, priorities shall be determined by historical dates of appropriation and shall not be affected by the date of entry of this judgment.

It is the ruling of the Referee that the statements in the application are true and that the above described water right is approved and granted the indicated priority.

Dated this 16th day of March, 1989.


G. I. Buffham II
Water Referee - Division No. 6

NO PROTEST WAS FILED IN THIS MATTER.
THE FOREGOING RULING IS CONFIRMED
AND APPROVED, AND IS MADE THE
JUDGMENT AND DECREE OF THIS COURT.

DATED: May 10, 1989
Richard
WATER JUDGE

FILED WATER DIV 6
STATE OF COLORADO

MAY 10 1989

BARGAIN AND SALE DEED
WATER RIGHTS

THIS BARGAIN AND SALE DEED is made as of December 30, 2016, between **TROUT 123, LLC**, a Colorado limited liability company, whose legal address is 1125 South 103rd Street, Suite 800, Omaha, NE 68124 ("Grantor"), and **WILLIAM W. GAY** ("Grantee"), whose legal address is 32885 RCR 18-C, Steamboat Springs, CO 80487.

GRANTOR, for and in consideration of the sum of Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Grantor, has sold and conveyed, and by these presents does hereby sell and convey unto Grantee, his heirs, successors and assigns forever, the following water, water right, spring and spring right, together with all structures used for or associated with the diversion, conveyance, measurement, storage, or use of the water and right, whether or not adjudicated, and all easements, rights of way, licenses, permits, contract rights and governmental approvals therefor or pertaining thereto:

Sickles Spring No. 2. Any and all interest in and to Sickles Spring No. 2, including the entirety of the Sickles Spring No. 2 water right decreed for 0.033 cfs on January 12, 1989, in Case No. 88CW42, in the District Court in and for Water Division 6, State of Colorado, said water right having a decreed date of appropriation of June 1, 1948.

TOGETHER with any and all hereditaments and appurtenances thereto belonging, or in anywise appertaining to the water and water right, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate right, title, interest, claim and demand whatsoever of the Grantor, either in law or equity of, in and to the above bargained water, water right and right to water.

SUBJECT to the condition that (i) Grantor shall retain a reversionary interest in the above-described Sickles Spring No. 2 and (ii) upon the death of Grantee, if not sooner reconveyed by Grantee to Grantor, the above-described Sickles Spring No. 2 shall revert to Grantor upon the recordation of the death certificate of Grantee. In the event that Grantee conveys the above-described Sickles Spring No. 2 to any third party prior to Grantee's death, or by instrument upon Grantee's death, then any such third party shall be subject to the reversionary interest of Grantor as set forth herein.

THIS DEED is dated as of the day and year first above written.

GRANTOR:

TROUT 123, LLC, a Colorado limited liability company



By: Bruce E. Grewcock
Its: Manager

STATE OF Nebraska)
COUNTY OF Douglas) ss.
)

The foregoing Bargain and Sale Deed Water Rights was subscribed, sworn to and acknowledged before me by Bruce E. Grewcock, as Manager of Trout 123, LLC, a Colorado limited liability company.

Witness my hand and official seal this 13 day of December, 2016.

Cheryl R. Gardner
Notary Public

My commission expires: March 3, 2017



ACKNOWLEDGEMENT OF REVERSIONARY RIGHT

By accepting this Bargain and Sale Deed Water Rights for the above-described Sickles Spring No. 2, the undersigned Grantee acknowledges the reversionary interest retained by Grantor and agrees that any third party (other than Grantor) receiving title from Grantee to the above-described Sickles Spring No. 2 shall take title subject to such reversionary rights.

GRANTEE:

William W. Gay
William W. Gay

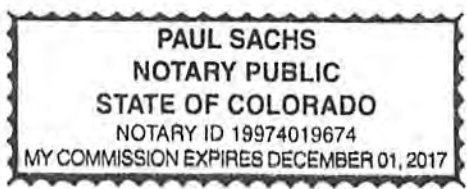
STATE OF COLORADO)
) ss.
COUNTY OF ROUTT)

The foregoing Acknowledgement of Reversionary Right set forth in this Bargain and Sale Deed Water Rights was subscribed, sworn to and acknowledged before me by William W. Gay.

Witness my hand and official seal this 30th day of December, 2016.

Paul Sachs
Notary Public

My commission expires: December 1, 2017







BOARD COMMUNICATION FORM

From: Andy Rossi, District Engineer

Date: 05/06/20

Item: Stagecoach Reservoir Fill and Release Policy

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information:

In July of 2013, the Upper Yampa Water Conservancy District (UYWCD) adopted Resolution 2013 – 2: *A RESOLUTION ADOPTING STAGECOACH RESERVOIR FILL AND RELEASE POLICIES*. Since the adoption of these policies in 2013, there have been changes to the water storage contracts in Stagecoach and Yamcolo Reservoirs and diligence proceeding for the UYWCD water rights. Therefore, the Stagecoach Reservoir Fill and Release Policies require updates.

II. Summary and Alternatives:

Draft proposed updates and changes to the Stagecoach Reservoir Fill and Release policies are presented for discussion and review by the UYWCD Board of Directors. Fill and Release Policy updates for Yamcolo Reservoir will be presented to the UYWCD BOD later in 2020.

III. Staff Recommendation:

Discuss and review the draft proposed changes to the Stagecoach Reservoir Fill and Release Policies and provide staff with feedback to be compiled for a final draft of updated policies to be presented at the July 2020 UYWCD Board of Directors meeting for adoption.

IV. Legal Issues:

UYWCD Water Rights Management, UYWCD Storage contract management, Reservoir operations.



V. Consistency with Board Goals and Policies:

2020 UYWCD Strategic Plan 9.2

Attachments: Draft Proposed Edits to Stagecoach Reservoir Fill and Release Policies

RESOLUTION NO. 2013-2

**A RESOLUTION ADOPTING STAGECOACH
RESERVOIR FILL AND RELEASE POLICIES.**

WHEREAS, the Upper Yampa Water Conservancy District ("District") constructed, owns, and operates Stagecoach Reservoir located in Routt County, Colorado on the Yampa River; and

WHEREAS, the District is empowered pursuant to C.R.S. § 37-45-134 to make and enforce all reasonable rules and regulations for the management, control delivery, use and distribution of water; and

WHEREAS, the Board of Directors of the District ("Board") desires to adopt the attached fill and release policies for Stagecoach Reservoir, which the Board finds to be reasonable rules and regulations for the management, control, delivery, use and distribution of water, which maximize the beneficial use of water available for storage and release from Stagecoach Reservoir and which are consistent with all permits, approvals and contractual commitments of the District and the requirements of law for the operation of Stagecoach Reservoir.

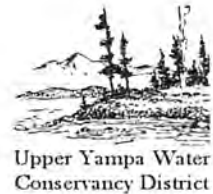
NOW THEREFORE, be it resolved that the Upper Yampa Water Conservancy District Stagecoach Reservoir Fill and Release Policy attached hereto is approved and adopted effective July 24, 2013.

**UPPER YAMPA WATER
CONSERVANCY DISTRICT**

By: 
John Redmond, President

ATTEST


Kevin McBride, Secretary



Upper Yampa Water Conservancy District Stagecoach Reservoir Fill and Release Policy

I.) **General Policy**

The Upper Yampa Water Conservancy District (“District”) has constructed and owns and operates a dam and reservoir known as Stagecoach Reservoir in Routt County, Colorado for the purpose of supplying water within its boundaries. The dam and reservoir are located on the Yampa (Bear) River upstream from the City of Steamboat Springs. The total storage capacity of the Reservoir is approximately 36,439 acre-feet. Water is stored in Stagecoach Reservoir pursuant to various water rights owned by the District. The storage and release of water to meet the needs of water customers holding water contracts with the District is the primary function of the reservoir. Use of the Reservoir as a recreational amenity and for generation of green hydroelectric energy are important ancillary benefits to the storage and releases of water but remain secondary to providing water to the District’s allotment and augmentation contract customers. The District recognizes the need to adapt to the variability of precipitation throughout the year and over successive years in adopting these policies on reservoir filling and release. The District will continue to work towards making its system a reliable source of water for the District’s constituents by improvements in its operation of existing projects and contemplation of new projects that may change these policies in the future. To that end the District Board adopts these policies for the operation of Stagecoach Reservoir.

II.) **Filling Policies**

Stagecoach Reservoir typically fills during spring runoff and releases water under allotment contracts in the late summer and fall of the year. Water is stored under decreed water rights owned by the District in order to best meet the needs of its constituents. Water accounting will be done in accordance with the laws of the State of Colorado. Water accounting procedures subject to these policies will be developed by UYWCD staff in consultation with the Division Engineer and approved by the Board.

a) **Water Rights**

i) **Water rights decreed for storage**

Water rights decreed for storage in Stagecoach Reservoir:

The following absolute and conditional water rights are decreed for storage in Stagecoach Reservoir:



WATER RIGHT				AMOUNT					ADMIN NO.	APPROP. DATE
Ditch Rights (below per 95CW078)¹				518.4 AF absolute						
Ditch	April	May	June	July	Aug	Sept	Oct	Total (AF)		
Yellow Jacket	0.5	16.5	52.1	48.9	23.8	5.5	0.7	148.0	14175.00000 33782.25353	10/22/1888 06/01/1919
Union	1.5	20.7	165.3	154.7	36.4	2.9	0	381.5	14563.00000 33782.24988	11/14/1889 06/01/1918
Union reduction ²	1.3	18.7	149.1	139.5	32.8	2.6	0	344.0	n/a	n/a
Little Chief	0.8	4.8	12.3	6.8	1.6	0.1	0	26.4	20450.19968 33782.25353	09/02/1904 03/01/1919
Total	2.6	40.0	213.5	195.2	58.2	8.2	0.7	518.4		
Four Counties Ditch No. 1 and No. 3				151 cfs (302 AF/day) absolute 605 cfs (1210 AF/day) conditional					39599.00000	06/02/1958
Bear Reservoir				11,614.2 AF absolute					40815.00000	09/30/1961
Pleasant Valley Reservoir				20,854 AF absolute / 9,246 AF conditional³					41727.39991	06/29/1959
Pleasant Valley Feeder Canal				300 cfs (600 AF/day) conditional					41727.39991	06/29/1959
Four Counties Ditch No. 3 Enlargement and Extension				864 cfs (1728 AF/day) conditional					41727.41412	05/20/1963
Bear Reservoir Enlargement				22,105.8 AF conditional					44559.44488	10/21/1971
Stagecoach Reservoir 2nd Filling				6,670 AF absolute					53691.53386	03/01/1996

ii) Start of Fill.

The start of fill date for Stagecoach Reservoir is March 1 of each year.

iii) Carryover storage.

On the start of fill date, water in storage in the Reservoir will be first allocated to the Bear Reservoir water right up to a maximum of 11,614.2 acre-feet and then to the Pleasant Valley

¹ Case No. 95CW078 changed these water rights for storage in Stagecoach Reservoir and allows for evaporation and augmentation and other uses under respective priorities.

² Union Ditch consumptive use reduced for wetland development and maintenance, water supply for water fowl ponds and recreation uses in Case No.95CW78.

³ 40,720 AF total per Case No. W-946-76, minus 20,854 AF absolute, minus 10,620 AF transferred to Morrison Creek Reservoir in Case No. 07CW061

Reservoir water right. No water carried over shall be applied against the Four Counties Ditch No. 1 and No. 3 or the Yellow Jacket, Union or Little Chief Ditches water rights.

iv) First Fill

After the start of fill date, the remaining capacity in the Reservoir shall be filled under the water rights set forth above in order of seniority. Water stored under the Bear reservoir and Pleasant Valley water rights shall include augmentation if in priority for such use. The Reservoir shall be deemed to have filled once when the volume of water stored is equal to the capacity of the Reservoir less water carried over from the prior year and less evaporation, seepage and releases occurring between start of fill and the completion of the first fill.

v) Second Fill

After the first fill, except for evaporation and seepage which shall be replaced by utilization of the Yellow Jacket, Union and Little Chief Ditches and the Four Counties water rights in order of seniority, water shall be stored under the Stagecoach 2nd Filling water right.

vi) Augmentation Use

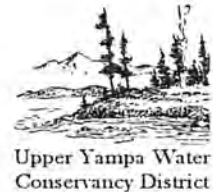
The water rights listed in paragraph 1 (A) above were changed to add and include as beneficial uses, appropriative rights of exchange and substitution, augmentation and exchange for replacement purposes and all other augmentation uses. The priority date for such additional uses for each of the water rights is the original decreed priority date with the exception of the Bear Reservoir and Pleasant Valley Reservoir water rights, which have a priority date for such additional uses of June 29, 2001. If water is stored under the Bear Reservoir and Pleasant Valley Reservoir water rights at such time that such water rights are not in priority for augmentation uses but are in priority for other uses, the District shall account separately for such water stored for purposes other than augmentation and such water shall not be released for augmentation purposes in the year of storage or afterwards but may be released for all other purposes.

vii) Raise Water Right

All water stored in Stagecoach Reservoir in excess of 32,468.2 acre feet in 2011__ was stored pursuant to the Pleasant Valley Reservoir conditional water rights described in paragraph 1 (A) above.

viii) Other Conditional Rights

In any year which the Bear Reservoir Enlargement, Pleasant Valley Reservoir conditional water rights, Pleasant Valley Feeder Canal conditional rights and remaining conditional water rights in Four Counties Ditch Nos. 1 and 3 and Four Counties Ditch No. 3 Enlargement and Extension are in priority when filling under the first fill, the District will fill under such rights and seek to make more of such rights absolute.



ix) Filling Priority

The District has designated certain pools of water within the Reservoir for the purpose of contracting water. Contracts will be written and assigned to specific pools within the reservoir and contracts within each pool shall have equal priority (abated proportionally) when the pool contains water. Filling priority of Pools in the Reservoir shall be as follows

- 9,000 AF “Municipal/Industrial Pool”
- 2,000 AF “Augmentation Pool”
- 4,000 AF “Exchange Pool”
- 3,164 AF “Raise Pool”
- 3,275 AF “Preferred Remainder Pool”
- 15,000 AF “Emergency Remainder Pool”

x) Description of pools

i. Municipal/Industrial

The Municipal/Industrial Pool currently consists of:

7000 acre-feet of water allocated to Tri-State Generation and Transmission, Inc. (“Tri-State”) or its successors or assigns, or the municipal or industrial allottees of water from Stagecoach Reservoir who contract for all or part of the 7000 acre-feet allotted to Tri-State if the District’s current contract with Tri-State for 7000 acre-feet from Stagecoach is terminated or released or amended in whole or in part (“Tri-State Pool”).

2000 acre-feet allocated for municipal use pursuant to existing contracts between the District and such contracting entities or the municipal or industrial allottees of water from Stagecoach Reservoir who contract for all or part of the 2000 acre-feet allotted to such contracting municipal users if the District’s current contract with any such municipal user for water from Stagecoach is terminated or released or amended in whole or in part (“Municipal Pool”)

The Municipal Pool is currently allotted as follows:

- | | | |
|--------|---|----------|
| (i) | Mt. Werner and Sanitation District | (200 AF) |
| (ii) | Tree Haus Metropolitan District | (50 AF) |
| (iii) | Morrison Creek Metropolitan Water and Sanitation District | (500 AF) |
| (iv) | City of Steamboat Springs | (552 AF) |
| (v) | Town of Hayden | (200 AF) |
| (vi) | Dakota Ridge Homeowners Association | (50 AF) |
| (vii) | Edexco, Inc. d/b/a/ Raindrop Water, Inc. | (50 AF) |
| (viii) | Priest Creek Ranch, LLC | (83 AF) |
| (ix) | Alpine Land | (17 AF) |

(x)	Agate Creek Preserve	(20 AF)
(xi)	Sidney Peak Ranch Ltd., liability company	(20 AF)
(xii)	Peabody Coal Company (Seneca Coal)	(100 AF)
(xiii)	Brian Stahl et al.	(58 AF)

Water stored in the Municipal Pool is available for release to municipal and industrial users including community water systems serving residential subdivisions and recreational in-channel diversions decreed to municipalities.

2. The Augmentation Pool

The Augmentation Pool currently consists of:

2000 acre-feet of water allocated for augmentation use pursuant to the decree entered in Case No. 06CW49, Water Division 6 (“Master Augmentation Pool”).

3. The Exchange Pool

The Exchange Pool currently consists of:

4000 acre-feet of water formerly under contract to Tri-State and deliverable out of Yamcolo Reservoir pursuant to an exchange agreement which expired and was not renewed (“Exchange Pool”). 192 acre feet in the Yamcolo Exchange Pool is currently allotted to Brian Stahl et al.

4. The Raise Pool

The Raise Pool Currently consists of: 3164 acre-feet of water not currently under contract which represents the increase in capacity of the Reservoir resulting from the raise in the level of the spillway completed in 2011.

5. The Preferred Remainder Pool

The Preferred Remainder Pool currently consists of: 3275 acre-feet of water not currently under contract which represents the remaining capacity of the Reservoir not allocated to the pools described in paragraphs II(b)ii 1 through 4 above or II(b)ii 6 below (“Emergency Remainder Pool”).

6. The Emergency Remainder Pool

The Emergency Remainder Pool currently consists of: 14000 acre-feet of water not currently under contract which represents the remaining capacity of the Reservoir not allocated to the pools above 1,000 AF of Sediment Storage, physically dead storage, and water that has limited hydraulic capacity for release.

III.) Management of the Pools

a) Start of Year Allocation

The water available in the reservoir on March first and any subsequent fill shall be allocated to the pools listed in paragraph 2A in descending order until each pool is completely filled before allocating any water to the next Pool. If insufficient water is available in any Pool to supply water to all parties holding contracts for delivery of water from that Pool, the water available for delivery to each contract holder shall be reduced proportionally.

b) Tri-State Carry over

As between Tri-State and municipal contracts within the Tri-State and Municipal Pools, the first water stored up to 9,000 acre feet shall be allocated pro rata between Tri-State and municipal water users until Tri-State's 7,000 Stagecoach account and municipal accounts up to 2,000 acre feet have been filled. Further, the 7,000 acre feet allocated to Tri-State is carried over in storage from year to year. This carry-over contract right included in the Tri-State Pool will not be included in subsequent allottees of the Municipal/Industrial Pool if Tri-State releases or terminates all or a portion of its contract for the Tri-State Pool.

c) Commitment of Reservoir Pools

When the Reservoir is completely filled all contracts and commitments made in previous documents are fully served, including all contractual obligations and non-contract obligations of in-reservoir recreation storage. Thus when the reservoir is full, with the exception of evaporation and release from storage for minimum stream flow, 18,275 AF will be left after contract releases for the year, until and unless the Preferred Remainder Pool is contracted to allottees in the future.

d) Post Billing Fill

When water is not available to fill the Reservoir by July 15 in any year, the emergency remainder and then the preferred remainder are shorted. Thus contractual obligations will be available with the Reservoir at a volume of 18,164 AF (elev. 7178.7 or 25.3 ft. below current full). In any year where the Reservoir is not full by July 15 and storable inflow is available between July 15 and March 1 of the following year such storage will be made available to the unfilled pools in the order of the priority of pools set forth above, to be available during the water year of such filling. Such additional water made available to a previously unfilled pool will be made available proportionally among all allottees holding contracts from such pool. If only the emergency remainder or the preferred remainder pools were not filled in such water year, then the additional post-July 15 storable inflow will be allocated to supply these pools.

IV) Release Policies

a) Release Operations

Except as otherwise required under the District's existing contracts for the delivery of water, releases

of water pursuant to contract shall be made from the pool specified in the contract. Where feasible, Reservoir releases pursuant to contract will be made through the Districts hydro generation facilities. Use of the Jet Flow valve may be made in time of emergency if necessary for structural concerns, control of dissolved oxygen levels downstream of the dam, or to minimize spilling over the dam crest for environmental concerns. These operational constraints made due to permitting requirements of the power plant through the FERC will be considered “Hydro” releases.

b) Outlet Capacity and ramping

Because of limited outlet capacity, the total instantaneous rate for contract releases at which water may be released from Stagecoach Reservoir will not exceed turbine capacity. The District will make requested releases as soon as possible (typically within 24 hours during the work week). Requested releases will be made in accordance with the District’s ramping rate practices.

c) Evaporation

Evaporation for the entire Stagecoach Reservoir will be applied and debited solely against the Emergency Remainder Pool.

d) Minimum Streamflow releases

Required minimum stream flow releases which exceed inflow and which are not released pursuant to contract shall be applied and debited first against the Emergency Remainder Pool and then against the Preferred Remainder Pool.

e) Prevention of Ice Damage

After September 1 of each year the District will make 1,500 AF space available as necessary from the Emergency Remainder Pool to avoid ice on the spillway crest. After November 30 the District will release additional water first from the Emergency Remainder Pool and then from the Preferred Remainder Pool in order to make space available in the Reservoir to store an amount not exceeding the 95% confidence of Reservoir filling based on the forecasts of Colorado River Basin Forecast Center as modified by adopted District forecast criteria and snowpack data.

RESOLUTION NO. 2013 - 2

Commented [AR1]: Resolution numbering updated when new document adopted by BOD.

A RESOLUTION

ADOPTING STAGECOACH RESERVOIR FILL AND RELEASE POLICIES.

WHEREAS, the Upper Yampa Water Conservancy District ("District") constructed, owns, and operates Stagecoach Reservoir located in Routt County, Colorado on the Yampa River; and

WHEREAS, the District is empowered pursuant to C.R.S. § 37-45-134 to make and enforce all reasonable rules and regulations for the management, control delivery, use and distribution of water; and

WHEREAS, the Board of Directors of the District ("Board") desires to adopt the attached fill and release policies for Stagecoach Reservoir, which the Board finds to be reasonable rules and regulations for the management, control, delivery, use and distribution of water, which maximize the beneficial use of water available for storage and release from Stagecoach Reservoir and which are consistent with all permits, approvals and contractual commitments of the District and the requirements of law for the operation of Stagecoach Reservoir.

NOW THEREFORE, be it resolved that the Upper Yampa Water Conservancy District Stagecoach Reservoir Fill and Release Policy attached hereto is approved and adopted effective July 24, 2013.

**UPPER YAMPA WATER
CONSERVANCY DISTRICT**

By: _____

ATTEST

Kevin McBride, Secretary

Commented [AR2]: Update GM Signature

Upper Yampa Water Conservancy District
Stagecoach Reservoir Fill and Release Policy

I.) General Policy

The Upper Yampa Water Conservancy District (" District") has constructed and owns and operates a dam and reservoir known as Stagecoach Reservoir in Routt County, Colorado for the purpose of supplying water within its boundaries. The dam and reservoir are located on the Yampa (Bear) River upstream from the City of Steamboat Springs. The total storage capacity of the Reservoir is approximately 36,439 acre-feet. Water is stored in Stagecoach Reservoir pursuant to various water rights owned by the District. The storage and release of water to meet the needs of water customers holding water contracts with the District is the primary function of the reservoir. Use of the Reservoir as a recreational amenity and for generation of green hydroelectric energy are important ancillary benefits to the storage and releases of water but remain secondary to providing water to the District's allotment and augmentation contract customers. The District recognizes the need to adapt to the variability of precipitation throughout the year and over successive years in adopting these policies on reservoir filling and re lease. The District will continue to work towards making its system a reliable source of water for the District' s constituents by improvements in its operation of existing projects and contemplation of new projects that may change these policies in the future. To that end the District Board adopts these policies for the operation of Stagecoach Reservoir.

11.) Filling Policies

Stagecoach Reservoir typically fills during spring runoff and releases water under allotment contracts in the late summer and fall of the year. Water is stored under decreed water rights owned by the District in order to best meet the needs of its constituents. Water accounting will be done in accordance with the laws of the State of Colorado. Water accounting procedures subject to these policies will be developed by UYWCD staff in consultation with the Division Engineer and approved by the Board.

a) Water Rights

i) Water rights decreed for storage

Water rights decreed for storage in Stagecoach Reservoir.
The following absolute and conditional water rights are decreed for storage in Stagecoach Reservoir:

WATER RIGHT				AMOUNT					ADMIN NO.	APPROP. DATE
Ditch Rights (below per 95CW078)¹				518.4 AF absolute						
Ditch	April	May	June	July	Aug	Sept	Oct	Total (AF)		
Yellow Jacket	0.5	16.5	52.1	48.9	23.8	5.5	0.7	148.0	14175.00000 33782.25353	10/22/1888 06/01/1919
Union	1.5	20.7	165.3	154.7	36.4	2.9	0	381.5	14563.00000 33782.24988	11/14/1889 06/01/1918
Union reduction ²	1.3	18.7	149.1	139.5	32.8	2.6	0	344.0	n/a	n/a
Little Chief	0.8	4.8	12.3	6.8	1.6	0.1	0	26.4	20450.19968 33782.25353	09/02/1904 03/01/1919
Total	2.6	40.0	213.5	195.2	58.2	8.2	0.7	518.4		
Four Counties Ditch No. 1 and No. 3				151 cfs (302 AF/day) absolute 605 cfs (1210 AF/day) conditional					39599.00000	06/02/1958
Bear Reservoir				11,614.2 AF absolute					40815.00000	09/30/1961
Pleasant Valley Reservoir				20,854 AF absolute/ 9,246 AF conditional³					41727.39991	06/29/1959
Pleasant Valley Feeder Canal				300 cfs (600 AF/day) conditional					41727.39991	06/29/1959
Four Counties Ditch No. 3 Enlargement and Extension				864 cfs (1728 AF/day) conditional					41727.41412	05/20/1963
Bear Reservoir Enlargement				22,105.8 AF conditional					44559.44488	10/21/1971
Stagecoach Reservoir 2nd Filling				6,670 AF absolute					53691.53386	03/01/1996

ii) Start of Fill.

The start of fill date for Stagecoach Reservoir is March 1 of each year.

iii) Carryover storage.

On the start of fill date, water in storage in the Reservoir will be first allocated to the Bear Reservoir water right up to a maximum of 11,614.2 acre-feet and then to the Pleasant Valley

¹ Case No. 95CW078 changed the se water rights for storage in Stagecoach Reservoir and allows for evaporation and augmentation and other uses under respective priorities.

² Union Ditch consumptive use reduced for wetland development and maintenance, water supply for waterfowl ponds and recreation uses in Case No.9 5CW78.

³ 40,720 AF total per Case No. W-946-76, minus 20,854 AF absolute, minus 10,620 AF transferred to Morris on Creek Reservoir in Case No. 07CW061

Commented [AR3]: UYWCD Water Rights Table of information to be reviewed by General Counsel for potential updates to data included in table.

Reservoir water right. No water carried over shall be applied against the Four Counties Ditch No. 1 and No. 3 or the Yellow Jacket, Union or Little Chief Ditches water rights.

iv) First Fill

After the start of fill date, the remaining capacity in the Reservoir shall be filled under the water rights set forth above in order of seniority. Water stored under the Bear reservoir and Pleasant Valley water rights shall include augmentation if in priority for such use. The Reservoir shall be deemed to have filled once when the volume of water stored is equal to the capacity of the Reservoir less water carried over from the prior year and less evaporation, seepage and releases occurring between start of fill and the completion of the first fill.

v) Second Fill

After the first fill, except for evaporation and seepage which shall be replaced by utilization of the Yellow Jacket, Union and Little Chief Ditches and the Four Counties water rights in order of seniority, water shall be stored under the Stagecoach 2nd Filling water right.

vi) Augmentation Use

The water rights listed in paragraph 1 (A) above were changed to add and include as beneficial uses, appropriative rights of exchange and substitution, augmentation and exchange for replacement purposes and all other augmentation uses. The priority date for such additional uses for each of the water rights is the original decreed priority date with the exception of the Bear Reservoir and Pleasant Valley Reservoir water rights, which have a priority date for such additional uses of June 29, 2001. If water is stored under the Bear Reservoir and Pleasant Valley Reservoir water rights at such time that such water rights are not in priority for augmentation uses but are in priority for other uses, the District shall account separately for such water stored for purposes other than augmentation and such water shall not be released for augmentation purposes in the year of storage or afterwards but may be released for all other purposes.

vii) Raise Water Right

All water stored in Stagecoach Reservoir in excess of 32,468.2-acre feet in 2011 was stored pursuant to the Pleasant Valley Reservoir conditional water rights described in paragraph 1 (A) above.

viii) Other Conditional Rights

In any year which the Bear Reservoir Enlargement, Pleasant Valley Reservoir conditional water rights, Pleasant Valley Feeder Canal conditional rights and remaining conditional water rights in Four Counties Ditch Nos. 1 and 3 and Four Counties Ditch No. 3 Enlargement and Extension are in priority when filling under the first fill, the District will fill under such rights and seek to make more of such rights absolute.

ix) Filling Priority

The District has designated certain pools of water within the Reservoir for the purpose of contracting water. Contracts will be written and assigned to specific pools within the reservoir and contracts within each pool shall have equal priority (abated proportionally) when the pool contains water. Filling priority of Pools in the Reservoir shall be as follows

9,000 AF "Municipal/Industrial Pool"

2,000 AF "Augmentation Pool"

~~4,000 AF "Exchange Pool"~~ Re-name/re-assign this volume to a "General Pool"?

3,164 AF "Raise Pool"

3,275 AF "Preferred Remainder Pool"

15,000 AF "Emergency Remainder Pool"

x) Description of pools

1. Municipal/Industrial

The Municipal/Industrial Pool currently consists of:

~~7000 acre-feet of water allocated to Tri-State Generation and Transmission, Inc. ("Tri-State") or its successors or assigns, or the municipal or industrial allottees of water from Stagecoach Reservoir who contract for all or part of the 7000 acre feet allotted to Tri State if the District's current contract with Tri State for 7000 acre feet from Stagecoach is terminated or released or amended in whole or in part ("Tri-State Pool").~~

92000 acre-feet allocated for municipal use pursuant to existing contracts between the District and such contracting entities or the municipal or industrial allottees of water from Stagecoach Reservoir who contract for all or part of the 92000 acre-feet allotted to such contracting municipal users if the District's current contract with any such municipal user for water from Stagecoach is terminated or released or amended in whole or in part ("Municipal Pool")

The Municipal Pool is currently allotted as follows:

(i)	Mt. Werner and Sanitation District	(200 AF)
(ii)	Tree Haus Metropolitan District	(50 AF)
(iii)	Morrison Creek Metropolitan Water and Sanitation	(500 AF)
(iv)	District City of Steamboat Springs	(552 AF)
(v)	Town of Hayden	(200 AF)
(vi)	Dakota Ridge Homeowners Association	(50 AF)
(vii)	Edexco Inc. d/b/a/ Raindrop Water, Inc.	(50 AF)
(vii)	Priest Creek Ranch, LLC	(83 AF)
(ix)	Alpine Land	(17 AF)

(x)	Agate Creek Preserve	(20 AF)
(xi)	Sidney Peak Ranch Ltd., liability company	(20 AF)
(xii)	Peabody Coal Company (Seneca Coal)	(100 AF)
(xiii)	Brian Stahl et al.	(58 AF)

Commented [AR4]: Do we need/want to explicitly name all muni contracts in fill and release policy?

Water stored in the Municipal Pool is available for release to municipal and industrial users including community water systems serving residential subdivisions and recreational in-channel diversions decreed to municipalities.

2. The Augmentation Pool

The Augmentation Pool currently consists of:

2000 acre-feet of water allocated for augmentation use pursuant to the decree entered in Case No. 06CW49, Water Division 6 ("Master Augmentation Pool").

3. The Exchange Pool

The Exchange Pool currently consists of:

~~4000 acre-feet of water formerly under contract to Tri-State and deliverable out of Yameolo Reservoir pursuant to an exchange agreement which expired and was not renewed ("Exchange Pool").~~ 192-acre feet ~~in the Yameolo Exchange Pool~~ is currently allotted to Brian Stahl et al.

4.3. The Raise Pool

The Raise Pool Currently consists of 3,164 acre-feet of water not currently under contact which represents the increase in capacity of the Reservoir resulting from the raise in the level of the spillway completed in 2011.

5.4. The Preferred Remainder Pool

The Preferred Remainder Pool currently consists of: 3,275 acre-feet of water not currently under contract which represents the remaining capacity of the Reservoir not allocated to the pools described in paragraphs II(b)ii 1 through 4 above or II(b)ii 6 below ("Emergency Remainder Pool").

6.5. The Emergency Remainder Pool

The Emergency Remainder Pool currently consists of: 14,000 acre-feet of water not currently under contract which represents the remaining capacity of the Reservoir not allocated to the pools above 1,000 AF of Sediment Storage, physically dead storage, and water that has limited hydraulic capacity for release.

III.) Management of the Pools

a) Start of Year Allocation

The water available in the reservoir on March first and any subsequent fill shall be allocated to the pools listed in paragraph 2A in descending order until each pool is completely filled before allocating any water to the next Pool. If insufficient water is available in any Pool to supply water to all parties holding contracts for delivery of water from that Pool, the water available for delivery to each contract holder shall be reduced proportionally.

~~b) Tri State Carryover~~

~~As between Tri State and municipal contracts within the Tri State and Municipal Pools, the first water stored up to 9,000 acre feet shall be allocated pro rata between Tri State and municipal water users until Tri State's 7,000 Stagecoach account and municipal accounts up to 2,000 acre feet have been filled. Further, the 7,000 acre feet allocated to Tri State is carried over in storage from year to year. This carry-over contract right included in the Tri State Pool will not be included in subsequent allottees of the Municipal/Industrial Pool if Tri State releases or terminates all or a portion of its contract for the Tri State Pool.~~

e)b) Commitment of Reservoir Pools

When the Reservoir is completely filled all contracts and commitments made in previous documents are fully served, including all contractual obligations and non-contract obligations of in-reservoir recreation storage. Thus, when the reservoir is full, with the exception of evaporation and release from storage for minimum stream flow, 18,275 AF will be left after contract releases for the year, until and unless the Preferred Remainder Pool is contracted to allottees in the future.

d) Post Billing Fill

When water is not available to fill the Reservoir by July 15 in any year, the emergency remainder and then the preferred remainder are shorted. Thus, contractual obligations will be available with the Reservoir at a volume of 18,164 AF (elev. 7178.7 or 25.3 ft. below current full). In any year where the Reservoir is not full by July 15 and storable inflow is available between July 15 and March 1 of the following year such storage will be made available to the unfilled pools in the order of the priority of pools set forth above, to be available during the water year of such filling. Such additional water made available to a previously unfilled pool will be made available proportionally among all allottees holding contracts from such pool. If only the emergency remainder or the preferred remainder pools were not filled in such water year, then the additional post-July 15 storable inflow will be allocated to supply these pools.

IV) Release Policies

a) Release Operations

Except as otherwise required under the District's existing contracts for the delivery of water, releases

of water pursuant to contract shall be made from the pool specified in the contract. Where feasible, Reservoir releases pursuant to contract will be made through the District's hydro generation facilities. Use of the Jet Flow valve may be made in time of emergency if necessary, for structural concerns, control of dissolved oxygen levels downstream of the dam, or to minimize spilling over the dam crest for environmental concerns. These operational constraints made due to permitting requirements of the power plant through the FERC will be considered "Hydro" releases.

b) Outlet Capacity and ramping

Because of limited outlet capacity, the total instantaneous rate for contract releases at which water may be released from Stagecoach Reservoir will not exceed turbine capacity. The District will make requested releases as soon as possible (typically within 24 hours during the work week). Requested releases will be made in accordance with the District's ramping rate practices.

c) Evaporation

Evaporation for the entire Stagecoach Reservoir will be applied and debited solely against the Emergency Remainder Pool.

d) Minimum Streamflow releases

Required minimum stream flow releases which exceed inflow, and which are not released pursuant to contract shall be applied and debited first against the Emergency Remainder Pool and then against the Preferred Remainder Pool.

e) Prevention of Ice Damage

After September 1 of each year the District will make 1,500 AF space available as necessary from the Emergency Remainder Pool to avoid ice on the spillway crest. After November 30 the District will release additional water first from the Emergency Remainder Pool and then from the Preferred Remainder Pool in order to make space available in the Reservoir to store an amount not exceeding the 95% confidence of Reservoir filling based on the forecasts of Colorado River Basin Forecast Center as modified by adopted District forecast criteria and snowpack data.





BOARD COMMUNICATION FORM

From: Andy Rossi, District Engineer

Date: 05/06/20

Item: Seasonal Ditch Rider

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information:

The Upper Yampa Water Conservancy District has hired John Nelson of Oak Creek, CO for the position of seasonal Ditch Rider for the operation and maintenance of Stillwater Ditch

II. Summary and Alternatives:

NA

III. Staff Recommendation:

Wave and say “Hello” to John when you see him out working on the Stillwater Ditch.

IV. Legal Issues:

NA

V. Consistency with Board Goals and Policies:

2020 UYWCD Strategic Plan 2.1





BOARD COMMUNICATION FORM

From: Holly Kirkpatrick

Date: 05/14/20

Item: Grant Program Status

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information:

Program status for the Diversion Infrastructure Improvement Project.

II. Summary and Alternatives:

We have received the notice to proceed with grant disbursements for the Diversion Infrastructure Improvement Project from CWCB. As we move into irrigation season, I have seen an increase in calls regarding the program, but most that I have spoken with are working on putting together estimates for the work they hope to implement when flows allow. I am working with other agencies including the Division Engineer's Office, Community Agriculture Alliance, and several other working groups to help distribute marketing materials and disseminate information about the program. I will also be advertising the project through local media outlets. Marketing materials are being developed as needed and I have attached a flyer and postcard that has been distributed to the aforementioned agencies. If you plan to attend a meeting or belong to an organization that might be able to assist in getting the word out about our program, please let me know. I will be happy to have additional marketing materials delivered to them.

I have also attached a sample report to track the progress of the program as we move forward.

III. Staff Recommendation:



NA

IV. Legal Issues:

NA

V. Consistency with Board Goals and Policies:

Strategic Plan Goal: 4.1

Attachments:

Flyer Sample

Report Sample

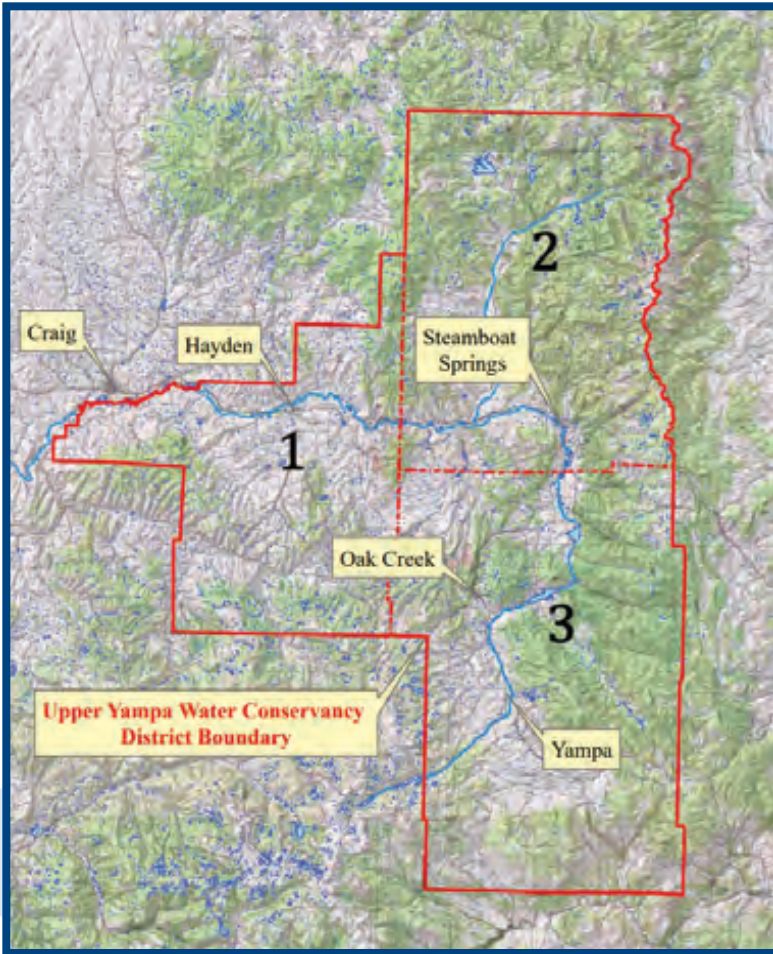
DIVERSION INFRASTRUCTURE IMPROVEMENT PROJECT



UPPER YAMPA WATER
—CONSERVANCY DISTRICT—

Receive a
50% REIMBURSEMENT
up to **\$5,000**

Qualify with a simple
2 STEP PROCESS



The Upper Yampa Water Conservancy District knows you didn't get into agriculture because you love paperwork.

That's why UYWCD has partnered with the Yampa/White/Green Basin Roundtable to protect your water rights and offer a streamlined grant application process to get you funding for the installation of headgates and measuring devices just when you need it most.

The Diversion Infrastructure Improvement Project offers a simple 2 step process to ensure your improvements are feasible and affordable so you can get back to doing all of the things you love.

1

- Verify that your property lies within UYWCD boundaries

- Obtain project approval from the Colorado Division of Water Resources Division Engineer's Office

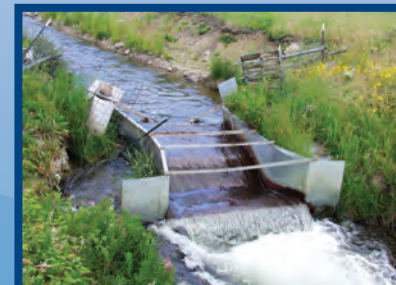
- Gather and submit estimates for your scope of work

2

- Complete your scope of work

- Obtain an inspection of completion of work from Colorado Division of Water Resources Division Engineer's Office

- Submit receipts for reimbursement



Please contact Holly Kirkpatrick, Communications & Marketing Manager with any questions
hkirkpatrick@upperyampawater.com • 970.439.1081 • cell 828.734.4244

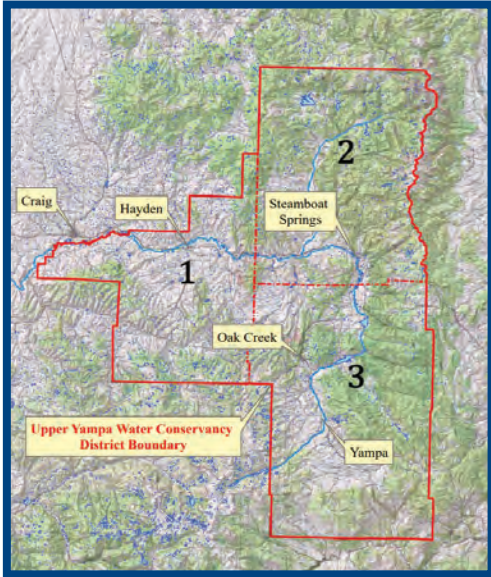
DIVERSION INFRASTRUCTURE IMPROVEMENT PROJECT

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The Diversion Infrastructure Improvement Project offers a simple 2 step process to ensure your improvements are feasible and affordable so you can get back to doing all of the things you love.





Receive a **50% REIMBURSEMENT** up to **\$5,000**

Qualify with a simple 2 step process

1

- Verify that your property lies within UYWCD boundaries
- Obtain project approval from the Colorado Division of Water Resources Division Engineer's Office
- Gather and submit estimates for your scope of work

2

- Complete your scope of work
- Obtain an inspection of completion of work from Colorado Division of Water Resources Division Engineer's Office
- Submit receipts for reimbursement

Please contact Holly Kirkpatrick, Communications & Marketing Manager with any questions
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Diversion Infrastructure Improvement Project		
	Tier 1	Tier 2
Number of Applications Received:		
Number of Applications Approved:		
Amount Approved (\$)		
UYWCD:		
WSRF:		
Amount Distributed (\$)		
UYWCD:		
WSRF:		





BOARD COMMUNICATION FORM

From: Holly Kirkpatrick

Date: 05/14/20

Item: Meeting Updates

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information:

Committee report for Y/W/G Basin Roundtable, Integrated Water Management Plan (IWMP), and Yampa River Fund (YRF).

II. Summary and Alternatives:

Y/W/G Basin Roundtable: The Yampa/White/Green Basin Roundtable is working to update the Basin Implementation Plan and have hired consultants to move this process forward. The consultant reports that the Y/W/G Basin is ahead of the curve on their updates and projects a completed Basin Implementation Plan update by January of 2022.

The Big River Committee is working diligently to formulate a statement of demand management principles that reflects the Basin's key positions on demand management. The statement is a work in progress, but currently addresses four key areas including, equity of responsibility and opportunity, guided market, environment and recreation, and rural communities. I have attached a copy of the demand management presentation for your review as this closely relates to the equitable apportionment discussion of this board.

IWMP: The IWMP is moving forward with diversion assessments. Segment coordinators are working to identify the assessments to be completed this summer with work starting at the end of June 2020. It is estimated that an additional 45-50 assessments will be completed this year.

The IWMP is also working to identify educational opportunities or demonstration projects that community members could tour to understand the benefits of river restoration and diversion infrastructure improvements. I will be advocating for Stagecoach, it's wetlands, and tailwaters to be included as a demonstration project.



Yampa River Fund: The Yampa River Fund Technical Advisory Committee reviewed grant applications over the month of April. On April 29th, the YRF Steering Committee made their final funding decisions for the first round of the YRF grant cycle. I have included a table of the grant funds awarded by the YRF for your review. Of particular interest to this board is the \$45,000 awarded to Colorado Water Trust for Stagecoach Reservoir Environmental Release Project. Although the legal mechanisms of delivery are still being ironed out through recent legislation, which is included in your packet in the ERC Pricing Discussion, it is very probable that they will come to fruition in the near future and it is now guaranteed that funding is available to purchase them.

The next meeting of the YRF Steering Committee will be held in July. However, the date has not yet been determined.

III. Staff Recommendation:

Continued involvement in outside organizations to enhance District understanding and collaboration.

IV. Legal Issues:

NA

V. Consistency with Board Goals and Policies:

Strategic Plan Goal: 1.1, 5.1, 8.3

Attachments:

Meeting Schedule

Demand Management Presentation

YRF Grant Funding Awards

Date	Committee Meeting
4/1/2020	Upper Yampa Watershed Group
4/8/2020	Yampa River Fund Technical Advisory Committee
4/17/2020	Yampa River Fund Technical Advisory Committee
4/28/2020	Integrated Water Management Plan Meeting
5/7/2020	Big River Committee
5/13/2020	Y/W/G Basin Roundtable



Demand Management Discussion

Presentation No. 3
Big River Committee
May 13, 2020

1

3rd In The Series



The Big River Committee

- Focus: Demand Management
- Goal: Statement of Fundamental DM Principles

This Presentation

1. Review of Current BRC DM Context, Statement, and Criteria
2. Recap of Kevin Rein's Compact Admin Presentation from the March IBCC Meeting

2

2

A Starting Point



Context:

In the face of persistent drought and anticipated long-term growth in demand for water, Colorado and the other 6 Colorado River Basin states have prepared a Drought Contingency Plan (DCP). One element of that plan is to investigate the feasibility of Demand Management (DM). If implemented, DM will become a future program which, on a voluntary, temporary, and compensated basis, will reduce consumptive water use by individual, public, and commercial water rights holders, to avoid administration of the Colorado River Compact on the Colorado River.

3

3

The Core Idea



Statement:

The Yampa/White/Green River Basin Roundtable supports the concept of DM that preserves and enhances agriculture, local communities and economies in our basin, and addresses environmental needs as well as recreational water use, provided that any DM program meets the following specific criteria:

4

4

The Specifics – Part 1



Equity of Responsibility and Opportunity: No river basin nor single water user group (i.e, Ag, M&I) should bear a disproportionate share of DM responsibility, and DM opportunities must be available to all water right holders on a reasonably-equitable basis.

5

5

The Specifics – Part 2



Guided Market: A marketplace for DM water transactions is established and regulated by the State of Colorado that includes a market structure to ensure fairness and transparency.

6

6

The Specifics – Part 3 (and Maybe 4)



Recreation and Environment: Any DM program must consider its impact on environmental needs, including adverse impacts that may result from reduced water supply or changes in timing of flows, and recreational water use, including potential negative economic consequences.

7

The Specifics – Part 4



Rural Communities: Any DM program must evaluate all impacts that could result to rural communities including negative economic, cultural, or social impacts.

8

Next Time ...

1. Final draft language
2. One or 2 more criteria, possibly
3. A proposed specific equitable apportionment solution

9

State Engineer's Office Compact Compliance Strategy Colorado River Basin

Kevin Rein, P.E., State Engineer
Division of Water Resources

March 31, 2020



10

“Four Takeaways for Today”

1. Understand the SEO's Compact Compliance Strategy
2. What influences Compact Compliance Strategy?
3. Current activity of the State Engineer's Office
4. Compact Administration, one scenario



11

Yampa River Fund Grant Awards		
Organization	Project	Amount
Colorado Water Trust	Stagecoach Reservoir Environmental Release Project	\$45,000
Yampa Valley Sustainability Council	Irrigation Project for Yampa River Forest Restoration	\$30,358
Town of Oak Creek	Oak Creek Restoration & Greenway Designs	\$44,821
Trout Unlimited	Lower Elkhead Creek Restoration Project	\$35,000
Moffatt County	Loudy Simpson Improvements Project	\$44,821



BOARD COMMUNICATION FORM

May 21, 2020 Board Meeting

(Not Privileged)

From: Robert G. Weiss, Legal Counsel

Date: May13, 2020

Item: General Manager Employment Agreement Pros and Cons

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

- I. Request/Issue and Background Information:** The Board asked me to provide information on the pros and cons of entering into an employment agreement with the new general manager.

The operations of the District are governed by the Water Conservancy Act, which authorizes the District to "appoint and employ such officers, attorneys, agents, and employees therefor as found by the board to be necessary and convenient." Nothing in the Act requires or prohibits the District from entering into employment agreements with any District employee. The District has not previously entered into a formal employment agreement with any District employee.

The District adopted comprehensive Personnel Guidelines in 2015 (last revised 5-18-2016). The Guidelines state that they do not create an enforceable agreement and that all employment with the District is at-will, including the General Manager, who "serves at the pleasure of the Board of Directors subject to the terms of any written employment contract approved by the Board and executed by the District and the General Manager." This language from the Guidelines authorizes but does not require an employment agreement with the General Manager.

The Guidelines are comprehensive, covering all aspects of the employment relationship, including working conditions, compensation and benefits, employee conduct and grievances. All of these provisions apply to the General Manager except for the disciplinary section, unless the Board were to agree to make variations in an employment agreement.

Assuming the Board wishes the Guidelines to apply to the General Manager in the same manner as other District employees, the main reason to consider an employment agreement would be to modify the employment-at-will nature of the relationship. This

could be done by agreeing to an employment agreement containing the following provisions:

- Agreement to a specific term of employment.
- Agreement that employment would not be terminated except for cause.
- Agreement to pay a severance package upon early termination.

In the private sector, employment agreements often include non-disclosure and confidentiality requirements and non-compete provisions applicable to the employee after the end of employment but that would seem less applicable to governmental employment. To the extent the Board wishes to vary benefits established in the Guidelines such as vacation time (first year employee gets 10 days under the Guidelines) that could be handled in an offer letter rather than a formal employment agreement.

- II. Summary and Alternatives:** The pros and cons of an employment agreement boil down to the Board's view of an employment relationship other than employment at-will. If the Board finds that committing to a term of employment is necessary to recruit the most qualified candidate for the General Manager position, the Board may want to be open to an employment agreement if requested by such candidate. If that does not appear to be the case, an employment agreement may not be needed.
- III. Staff Recommendation:** It is my recommendation that the Board defer the decision on an employment agreement until the Board has selected the finalists for the position and then discuss the matter with each finalist.
- IV. Legal Issues:** As described above.
- V. Consistency with Board Goals and Policies:** N/A
- VI. Fiscal Impact:** Value of severance package.



BOARD COMMUNICATION FORM

May 21, 2020 Board Meeting
(Not Privileged)

From: Robert G. Weiss, Legal Counsel

Date: May 13, 2020

Item: Yamcolo/Stagecoach contracting update

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information: This is an update on Yamcolo contracting matters which are not privileged and confidential attorney-client communications or protected from disclosure as instructions to negotiators.

A. Yamcolo Individual Irrigators and Carriage Contracts. The Individual Irrigator water is fully subscribed at 3500 AF and all Petitions and Carriage contracts have been signed by the individual irrigators and the District. Sleeping Lion (Fisher) took full 2400AF allotment (including 500 AF 2030 carve out). We plan to record the petitions at the cost of the irrigators for notice purposes because they create a statutory lien on the property of the individual irrigator. We are not recording the Carriage contracts. We will return a recorded copy of the petition and a copy of the Carriage contract to each irrigator.

B. YIA Amendment and YIA Carriage Comntracts. The YIA amendment is attached which we expect to be ratified by the YIA Shareholders at their annual meeting on May18, 2020. Also attached is YIA/Stillwater Ditch Allocation Agreement fully signed with counterpart signatures. Upper Yampa and the Stillwater Ditch and Reservoirs Company are not parties to this document. Pursuant to the YIA amendment each of the YIA members who use the Stillwater Ditch have signed Carriage contracts. They are:

Owner	YIA Yamcolo Allocation (AF)	Ditch Allocation (CFS)	Export Right (AF)
Five Pine LLC/ Schaffner	60	1.0	0
Redmond	35	0.0	0

Ricca	50	0.5	50
LVJ Properties (Hatt)	300	3.0	300
Total	445	4.5	350

D. **2005 Stillwater Ditch Agreement Amendment.** The negotiations to reacquire the Stillwater Ditch with its former shareholders have been suspended for at least 4 or 5 years. The District has/or will reimburse the attorney's fees of the former shareholders up to \$11,000. The attached Amendment suspends annual repricing to the former shareholders based on O, M & A which was set to start this year under the existing agreement and instead establishes a 2020 fixed fee of \$0.74 per share fee (total in 2020 of \$8,186.25) adjusted annually by CPI (using the same CPI adjustment formula as the other Yamcolo contracts) through 2041.

This is being sent out for signature. It requires notaries since the amendment makes permanent changes to the original agreement which was recorded. As far as the named parties and percentage ownership interest shown we researched this in summer of 2018 and were able to find recorded title documents and other records that accounted for the shares owned by the former shareholders except for 50 shares originally owned by Cliff Sutton out of the original total 11,062.50 shares. Sutton's interest appears to have been split among these parties, according to the District records:

- 15-Sleeping Lion Ranch;
- 22-Porcupine Ridge (now Lone Creek Land);
- 7-Clynkes Bear River Ranch Corporation;
- 1-Kevin Krausgrill;
- 3-John and Sara Redmond;
- 2-Town of Yampa.

We have accepted this division of 50cfs formerly belonging to Suttons without being able to conclusively validate it of record. However, it appears to be accepted by the parties who warrant in the agreement that Ownership is correct and we have no reason to believe to the contrary. In addition we have received no claim from any party that is inconsistent with this division of the Stillwater Ditch interests other than a from Robert (Bobby) George who in 2017 claimed he owned a 1/12 interest in the Ditch through Dorothy Hinkle. Hinkle was not a party to the 2005 Agreement. We asked Bobby George to document his claimed interest but have had no response.

Karina will bill shareholders \$0.74 per share for 2020.

II. Summary and Alternatives: See above

III. Staff Recommendation: Motion to Approve YIA agreement and 4 YIA Carriage contracts.

IV. Legal Issues: As described above.

V. Consistency with Board Goals and Policies: N/A

VI. Fiscal Impact: Various

Attachments: 2005 Stillwater Ditch Amendment

YIA amendment

YIA/Stillwater Ditch Agreement (fully signed/Upper Yampa not party)

YIA Carriage Contract Example

AMENDMENT AGREEMENT

THIS AMENDMENT AGREEMENT (the "Amendment") is made and entered into effective the 30th day of March, 2020 ("Effective Date"), between the UPPER YAMPA WATER CONSERVANCY DISTRICT, a Colorado water conservancy district ("District") and the YAMCOLO IRRIGATORS ASSOCIATION, INC., a Colorado nonprofit corporation (the "Irrigators Association").

RECITALS

WHEREAS, after the first 30 years of the Agreement, the annual purchase price of the water allocated to the Irrigators Association is required to be determined as set forth in paragraph 3.2 of the Agreement; and

WHEREAS, effective April 14, 2011, the District and the Irrigators Association entered into an Arbitration Settlement and Agreement which established the purchase price of the water allocated to the Irrigators Association under the Agreement for calendar years 2011 and 2012; and

WHEREAS, effective April 1, 2013, the District and the Irrigators Association entered into a Second Arbitration Settlement and Agreement which established the purchase price of the water allocated to the Irrigators Association under the Agreement for calendar years 2013, 2014 and 2015; and

WHEREAS, effective May 1, 2016, the District and the Irrigators Association entered into a Third Arbitration Settlement and Agreement which established the purchase price of the water allocated to the Irrigators Association under the Agreement for calendar year 2016; and

WHEREAS, by e-mail dated March 31, 2017, the Irrigators Association accepted the revised purchase price offered by the District for the water allocated to the Irrigators Association under the Agreement for calendar year 2017; and

WHEREAS, effective April 1, 2018, the District and the Irrigators Association entered into a Fifth Arbitration Settlement and Agreement which established the purchase price of the water allocated to the Irrigators Association under the Agreement for calendar year 2018; and

WHEREAS, by e-mail dated March 28, 2019, the Irrigators Association accepted the revised purchase price offered by the District for the water allocated to the Irrigators Association under the Agreement for calendar year 2019; and

WHEREAS, the parties have negotiated in good faith and now desire to establish a purchase price for the water allocated to the Irrigators Association hereunder for the calendar years 2020 through 2041, and also desire to make certain other permanent changes and amendments to the Agreement as set forth in this Amendment; and

WHEREAS, the parties acknowledge that the District opposes the export of stream and reservoir water out of the Yampa River basin except as stated in and authorized by the Agreement, as amended by this Amendment.

NOW, THEREFORE, in consideration of the foregoing recitals and the promises and agreements of the parties as hereinafter set forth, the parties agree as follows:

1. The purchase price for the 3,000 AF of water allocated to the Irrigators Association for 2020 is set at \$13.00 per acre foot.

2. The annual price per acre foot for the water stored in Yamcolo Reservoir and allocated and available for release to the Irrigators Association for calendar years 2021 through 2041 shall be an amount equal to the greater of (i) the price per acre foot charged to the Irrigators Association for water stored in Yamcolo Reservoir and allocated to the Irrigators Association for the prior calendar year, or (ii) the product obtained by multiplying the price per acre foot charged to the Irrigators Association for water stored in Yamcolo Reservoir and allocated to the Irrigators Association for the prior calendar year by a fraction the denominator of which is the Consumer Price Index for All Urban Consumers ("CPI-U"), Denver-Aurora-Lakewood Metropolitan Area, "All Items" (1982 – 84 = 100), published by the Bureau of Labor Statistics of the United States Department of Labor (the "CPI") for the semi-annual period ending December 31 of the year prior to the prior year and the numerator of which is the CPI for the semi-annual period ending December 31 of the prior year. However, notwithstanding the foregoing, the following rules shall apply and supersede the price as determined above for any calendar year from 2021 through 2041:

(a) If the CPI-U increase for the preceding calendar year was 1.5% or less, then apply a 1.5% increase; but

(b) If the CPI-U increase for the preceding calendar year was more than 1.5% but not more than 4%, then decrease such actual CPI-U increase by 0.5% and apply such adjusted increase; but

(c) If the CPI-U increase for the preceding calendar year was more than 4%, then divide the amount by which such increase exceeds 4% by 2, and add the result to 4% and apply such adjusted increase, but

(d) In no event shall the adjusted percentage increase be less than 1.5% nor more than six percent (6%).

In the event the Bureau of Labor Statistics discontinues publication of the CPI in the format existing as of the Effective Date, then the District shall select a reasonably comparable price index, which index shall be substituted for the CPI in this paragraph. If the base year used in computing the CPI is changed, the adjustment to the purchase price shall be changed accordingly, so that all increases in the CPI are taken into account, notwithstanding any such

change in the base year.

A chart demonstrating the operation of this paragraph 2 is attached as Exhibit A to this Agreement for illustrative purposes. If there is any inconsistency between the chart and the text of this Amendment, the text of the Amendment shall be controlling.

3. The parties agree that paragraphs 1 and 2 of this Amendment are for the purpose of resolving the purchase price for the water allocated to the Irrigators Association for years 2020 through 2041 only under the Agreement, as amended hereby, and shall not apply to determination of the purchase price in 2042 and subsequent years, nor in any way prejudice the rights of either party under the Agreement as amended hereby, including the rights of the parties to determine the purchase price of the water allocated to the Irrigators Association for 2042 and all years thereafter in accordance with the provisions of paragraph 3.2 of the Agreement, as amended hereby.

4. Paragraph B of the Recitals to the Agreement is hereby deleted in its entirety and the following is inserted in lieu thereof:

"B. The storage capacity in Yamcolo Reservoir described below in excess of the approximately 1,000 AF of conservation pool shall be allocated to the pools described below (collectively the "Pools") effective upon adoption by the Board of Directors of the District (the "Board") of a confirming Resolution, and shall remain in effect indefinitely except as from time to time amended by Resolution of the Board:

(1) Municipal and/or Industrial use, augmentation use, other non-agricultural uses including (but not limited to) recreational, piscatorial and instream flow uses, and/or other lawful use by a Municipal or Industrial or other non-agricultural customer, for up to 1,500 AF, including up to 500 AF which is re-allocated to this Pool from the Individual Contract Pool as described in subsection B(4) below, which re-allocated 500 AF may also be used for irrigation and stock water uses (such 1,500 AF, in all, being herein referred to as the "Original Municipal Pool");

(2) Municipal and/or Industrial use, augmentation use, other non-agricultural uses including (but not limited to) recreational and piscatorial and instream flow uses, and/or other lawful use by a Municipal or Industrial or other non-agricultural customer, for up to 3,500 AF, such Pool to consist of storage water (a) recontracted for any or all such uses after termination of any Individual Irrigator Contract (as defined below) to the extent the agricultural user and District do not renew such Individual Irrigator Contract, and (b) available to be contracted for such uses as confirmed by Resolution of the Board pursuant to Section 8.1(b) below to the extent of storage water previously allocated to the 3,500 AF Individual Contract Pool but which is not under contract for irrigation and stock watering uses (this Pool being herein referred to as the "Enlarged Municipal Pool");

(3) Irrigation and stock watering uses only for the 3,000 AF allocated to the Irrigators Association pursuant to the Agreement (the "YIA Pool"). The YIA Pool

includes up to 445 AF of storage water currently allocated to certain members of the Irrigators Association (hereinafter referred to as the "YIA Stillwater Ditch Allocation"). 350 AF of the YIA Stillwater Ditch Allocation has historically been delivered and applied to use within the Colorado River Basin through the Stillwater Ditch (sometimes herein called the "Stillwater Ditch" or the "Ditch") for such irrigation and stock watering purposes. The rate of flow of the entire YIA Stillwater Ditch Allocation down the Stillwater Ditch shall be as set forth in the carriage contract required under subparagraph 1.3(b) below, but may not exceed 4.5 cfs. The right of export of such 350 AF of the YIA Stillwater Ditch Allocation into the Colorado River basin (referred to herein as the "YIA Stillwater Ditch Export Right") is freely transferrable among members of the Irrigators Association, but only upon, in each instance, the written transfer of such export right signed by the transferor and the transferee. However, no such transfer shall be effective or binding on the District or its successor Ditch owner until notice of such transfer is given to the District or its successor Ditch owner (such notice to include a description of the Colorado River basin lands to be irrigated by the transferee and the Ditch Irrigator Turn-Out lateral from which such flow will be diverted), and the transferor and transferee have entered into new or amended carriage contracts with the District or its successor Ditch owner in conformity with the requirements of subparagraph 1.3(b) below.

(4) Municipal and Industrial and Domestic and Irrigation and Commercial and Stock Watering and Snowmaking and Firefighting and Recreational and Piscatorial and Augmentation and Instream Flow uses, including any beneficial uses permitted under water rights decrees of the District and including delivery to and use within the Colorado River Basin and including re-use and successive uses of return flows to extinction for any lawful beneficial use, directly or by exchange, for 3,500 AF (the "Individual Contract Pool"). Such Individual Contract Pool was formerly 4,000 AF allocated to Colorado Ute Electric Association and later allocated to individual irrigators primarily using deliveries through the Stillwater Ditch, but has now been reduced to not more than 3,500 AF by the re-allocation of the Reallocated 500 AF to the Original Municipal Pool as described in subparagraph B(1) above. The District intends to enter into individual contracts for allotment of storage water out of this Individual Contract Pool. Individual contracts may be made to agricultural users and, if so, will be limited to irrigation and/or stock water uses and for terms ending no later than November of 2041 ("Individual Irrigator Contracts"). Any of the 3,500 AF Individual Contract Pool which is not taken up by Individual Irrigator contracts or is included in terminated, canceled or reduced Individual Irrigator contracts may be reallocated by Resolution of the Board and recontracted by the District for non-agricultural uses and shall then become a part of the Enlarged Municipal Pool described in subparagraph B(2) above; the Individual Contract Pool may be increased by any relinquishments of allotted water from the YIA Pool pursuant to subparagraph 8.1(a) below; and

(5) Any Lawful Purpose Permitted by District Water Decrees, directly or by exchange, for all water stored in Yamcolo Reservoir under the Yamcolo Reservoir Second Enlargement (the "Enlargement Pool"), or stored under any Yamcolo Reservoir

re-fill decree (the "Refill Pool"). The Enlargement Pool and the Refill Pool are collectively referred to herein as the "Junior Priority Pool."

5. In paragraph C of the Recitals to the Agreement, change "agricultural" to "irrigation and stock watering."

6. The first sentence of paragraph 1.2 of the Agreement is deleted and the following is inserted in lieu thereof: "The individual irrigators shall give at least twenty four (24) hours advance notice to the Yamcolo Administrator specifying the date(s), time and rate of flow in cubic feet per second (c.f.s) of water requested to be released, and the Yamcolo Administrator shall use reasonable diligence to accomplish such request within such 24 hours, but such time to accomplish such request may be extended by such Administrator as reasonably necessary or appropriate to accommodate administration, directives, or policies of the District, Division Engineer or Water Commissioner or due to operating emergencies or other water cause or factor not fully in the control of the District."

7. Paragraph 1.3 of the Agreement is hereby deleted in its entirety and the following inserted in lieu thereof:

"1.3

(a) The Irrigators Association acknowledges that the District acquired 100% of the shares of the Stillwater Ditch and Reservoirs Company (the "Ditch Company") in 2005 and simultaneously entered into that certain Assignment of Stock and Water Delivery Agreement recorded at Reception No. 621890 of the Routt County records (the "Ditch Agreement") with the former shareholders of the Ditch Company (together with their successors and assigns the "Original Users"), which among other things committed the District to operate the Stillwater Ditch in a manner to permit the Ditch Users to use up to 36.3 c.f.s of the capacity of the Stillwater Ditch (the "First Priority Capacity") for delivery of certain water storage or direct flows as described in paragraphs 4 and 5 of the Ditch Agreement. Such Ditch Agreement may be amended or changed in the future whereby the First Priority Capacity of the Stillwater Ditch may be reduced, or may be terminated by mutual agreement of the Original Users or their successors, and the District, in the event the District transfers ownership of the Ditch to a subsequent owner. Accordingly, the YIA Pool stored water, separately from the YIA Stillwater Ditch Allocation, may be delivered into and through the Stillwater Ditch, but such delivery is subject to perpetual restrictions, whether or not the Ditch is owned by the District, as follows: (i) the YIA Pool stored water flow, other than the YIA Stillwater Ditch Allocation, delivered into and down the Stillwater Ditch must be contained entirely within the First Priority Capacity of the Ditch, but such stored water cannot encroach upon the water flowing in the First Priority Capacity unless such Capacity is not then being fully used by the Original Users; (ii) the YIA Pool stored water, other than the YIA Stillwater Ditch Allocation, cannot encroach upon the capacity of the Ditch above the First Priority Capacity or the YIA Stillwater Ditch Allocation capacity, such further capacity being reserved by the District for other water deliveries; (iii) all other YIA Pool stored water delivered into the Stillwater Ditch, excluding the YIA Stillwater Ditch

Allocation, must be applied solely on lands where all return flows go to the Yampa River basin; and (iv) members of the Irrigators Association claiming such right to deliver Yamcolo storage water down the Ditch shall comply with subparagraph 1.3b below.

(b) The owner or owners of the YIA Stillwater Ditch Allocation, including the owner or owners of the YIA Stillwater Ditch Export Right, shall each be required to negotiate and obtain individual carriage contracts from the District or its successor Ditch owner in which each such claimant shall identify the part of the YIA Stillwater Ditch Allocation owned by such owner, and its original YIA member holding such allocation, and if such claimant claims part of the YIA Stillwater Ditch Export Right, also identify all subsequent transferees of such YIA Stillwater Ditch Export right, through whom such claimant claims either the right to capacity within the First Priority Capacity or right to capacity within the YIA Stillwater Ditch Allocation capacity, as applicable, and the amount of the Ditch flow capacity claimed to be usable by such claimant. The claimant shall provide such documentation as the District or the Ditch owner shall request to substantiate its claim. The owners of YIA Stillwater Ditch Allocation acknowledge that it is necessary for the District or the Ditch owner at all times to have full detailed knowledge of all users of the First Priority Capacity and the YIA Stillwater Ditch Allocation capacity of the Ditch, and the allocation of such capacities, for regulatory and cost billing purposes. The terms and provisions in Ditch carriage contract forms shall be as determined by the District in its sole discretion. The Irrigators Association waives and agrees that it has no right, privilege, or entitlement to approve future Stillwater Ditch policies, Bylaws, pricing, assessment rules, or other rules and regulations adopted by the District or Ditch owner (in all, the "Stillwater Ditch Terms"), including (but not limited to) pricing or assessments or management or repairs or maintenance, as may be adopted by the District or the Ditch owner or changed from time to time in the sole discretion of the District or Ditch owner. YIA is not a third party beneficiary of the Stillwater Ditch or the Stillwater Ditch Terms or the Ditch Agreement or any amendments thereto.

(c) In any calendar year when insufficient water is stored in Yamcolo Reservoir by July 15, for any reason, to supply the Pools described in paragraph B of the Recitals above, as measured at time of peak annual storage, the water allocated to such Pools shall abate as follows:

- (i) First, the Junior Priority Pool shall abate entirely.
- (ii) Next, the Original Municipal Pool, the Enlarged Municipal Pool, the YIA Pool, and the Individual Contract Pool will all abate proportionally.
- (iii) Then any uncontracted amount of water in the Individual Contract Pool will further abate up to the amount of remaining unreplaced abatements under subparagraph (ii) above but such further abatement shall be applied in the following order or priority: first, to Original Municipal Pool contracts up to the amount that it will suffer no reduction, then, second, to water contracted out of the Enlarged Municipal Pool for non-agricultural purposes up to the amount that it

will suffer no reduction, then, third, to the contracted water out of the Individual Contract Pool, proportionally among such Individual Contract Pool allottees, up to the amount that it will suffer no reduction.

(iv) If after application of subparagraph (iii) above, there remains unreplaced abatements to contracts within the Original Municipal Pool and/or Enlarged Municipal Pool (including contracted portions of the Individual Contract Pool for non-agricultural uses) under subparagraph (ii) above, then all of the contracted Individual Irrigator Contract allotments for irrigation and/or stockwater uses from the Individual Contract Pool will further abate collectively and proportionally among such Individual Contract Pool allottees only in a collective amount sufficient to make up and replace all remaining unsatisfied replacements for abatements applied to all storage water then allocated, first, to Original Municipal Pool contracts and, second, contracted out of the Enlarged Municipal Pool until all of such non-agricultural allotment contracts in Yamcolo Reservoir that year are fully filled and have full yield or until all sources of replacement under this subparagraph (iv) are exhausted.

(v) If after application of subparagraph (iv) above, there remains unreplaced abatements to the Original Municipal Pool contracts, then all of the contracted Enlarged Municipal Pool will further abate collectively and proportionally among such Pool in a collective amount sufficient to make up and replace all remaining unsatisfied replacements for abatements applied to all storage water then allocated to Original Municipal contracts until all allotment contracts in Yamcolo Reservoir that year for the Original Municipal Pool are fully filled and have full yield or until all sources of replacement under this subparagraph (v) are exhausted.

Abatements within a Pool are allocated pro rata among contract holders in that Pool."

A diagram demonstrating the operation of this paragraph 1.3(c) is attached as Exhibit B to this Agreement for illustrative purposes. If there is any inconsistency between the diagram and the text of this Amendment, the text of the Amendment shall be controlling.

8. The last sentence of paragraph 3.2 of the Agreement is deleted and replaced with the following three sentences:

"The parties and the arbitrators shall conduct such arbitration expeditiously to the end that the decision of the arbitrators is rendered by July 14 of such year. Any final decision of the arbitrators which interprets and defines the components of the phrase "operation and maintenance costs" in paragraph 3.2 hereof shall be binding on the parties for a period of 4 years, including the year in which such decision is made. It is acknowledged that the parties intend to commence negotiations regarding a possible fixed purchase price for the 3,000 AF of water allocated to the Irrigators Association for 2042 and

thereafter by no later than the commencement of 2040, though neither party is obligated hereby to agree to any pricing other than as above provided in this paragraph 3.2."

9. Section 4 of the Agreement is amended by the addition of new paragraphs 4.2, 4.3, and 4.4 which read as follows:

"4.2 Subject to the administration of State of Colorado water rights and all federal, state, and local permits for the operation of Yamcolo Dam and Reservoir, the maximum allowable combined instantaneous release rate through the Yamcolo Reservoir outlet works for water stored in Yamcolo Reservoir is 220 c.f.s at any one time. The District reserves the right to limit and or amend the maximum allowable amount of water released through the outlet works from Yamcolo for any uses (including agricultural) for any reason, and the parties acknowledge that such maximum allowable release rate may be reduced by the District as Yamcolo Reservoir is drawn down or as necessary or appropriate for river administration, operational emergencies or circumstances beyond the control of the District. The maximum allowable combined instantaneous release rate through the Yamcolo Reservoir outlet works for water stored in Yamcolo Reservoir as determined from time to time by the District under the preceding two sentences is herein called the "Maximum Release Rate." The release rate through the Yamcolo Reservoir outlet works for the Original Municipal Pool shall take precedence and seniority over the release rate of all other water stored in Yamcolo Reservoir, and such releases shall not be abated by the District, subject only to required governmental permit minimum release requirements and the Maximum Release Rate. In the event the instantaneous release requests between May 15 and August 1 by allottees out of the YIA Pool and Individual Contract Pool and the Enlarged Municipal Pool (including the Additional 500 AF) exceed the Maximum Release Rate, the release requests from the non-agricultural allottees of the Enlarged Municipal Pool shall abate first and prior to any abatement of releases to allottees in the YIA Pool and agricultural allottees in the Individual Contract Pool and the Additional 500 AF, and any abatement of release rates applied to such YIA Pool and agricultural allottees in the Individual Contract Pool and the Additional 500 AF shall be apportioned pro-rata among such agricultural users. Between August 1 and the following May 14, in the event continued instantaneous release requests conflict among such Pools with the Maximum Release Rate, the allottees of the Original Municipal Pool and Enlarged Municipal Pool and non-agricultural allottees in the Additional 500 AF shall have first priority and shall not be required to have releases abate; provided, however, that releases solely for environmental, recreational, or streamflow enhancement purposes and releases solely to deliver storage water for re-storage in Stagecoach Reservoir shall abate to the extent necessary to deliver through the Yamcolo Reservoir outlet works without exceeding the then-Maximum Release Rate all properly requested agricultural use storage water out of Yamcolo Reservoir for agricultural use in the Yampa River basin.

4.3 Except as provided in the next sentence, the point of delivery of water from the YIA Pool shall be the Yampa (Bear) River immediately below the Yamcolo Reservoir dam, and the Irrigators Association shall assume the risk of seepage,

evaporation, and other delivery losses of YIA Pool releases. Some storage water out of the YIA Pool may be delivered by exchange from Coal Creek or Watson Creek or the Yampa River below the Town of Yampa, but in the event of any such use by exchange, the user shall be solely responsible to obtain any decrees or permits for such exchange use and, insofar as the District is concerned, the "exchanged" storage water point of delivery shall be the Bear River immediately below the Yamcolo Reservoir dam. For YIA storage pool water delivered down such River to the various head gates or turn-outs or locations for exchanges of members of the Irrigators Association, such risk of losses applies, and for the YIA Stillwater Ditch Allocation of water in the YIA Pool and other YIA Pool water permitted under Section 1.3a above to be carried in the Stillwater Ditch by carriage contracts, the point of delivery is still the Yampa (Bear) River immediately below the Yamcolo Reservoir, and such contractees of water in the YIA Pool (including the YIA Stillwater Ditch Allocation) permitted to be carried in the Stillwater Ditch shall assume the risks of seepage, evaporation, and other delivery losses down the Bear River and down the Stillwater Ditch. The District has no responsibility for construction, maintenance, or repair of headgates or lateral turn-outs or exchange facilities on the Yampa (Bear) River or down the Stillwater Ditch or elsewhere as necessary or appropriate to take delivery of any of the YIA Pool water released by the District at the Yamcolo Reservoir dam.

4.4 There is no carry-over of storage of YIA Pool water or Individual Contract Pool agricultural water in Yamcolo Reservoir from year to year, notwithstanding paragraph 3.1 of the Agreement. Accordingly, any of the YIA Pool remaining in storage in Yamcolo Reservoir on November 2 of any year is forfeited to the District, and the District may retain all or any part of such water in storage and/or may sell or grant and release all or any part of such water from the Reservoir for any beneficial use permitted by the water rights decrees of the District to any person or entity approved by the District, all without compensation or accounting to the Irrigators Association."

10. Paragraph 8.1 of the Agreement is hereby deleted in its entirety and the following inserted in lieu thereof:

"8.1

(a) The water stored in Yamcolo Reservoir in the YIA Pool and allocated and delivered to the Irrigators Association under this Agreement shall never be used outside of the Yampa River Basin or outside of the geographical limits of the District as it may exist from time to time, and shall never be used for other than irrigation of agricultural lands and for stock water, and all lands which receive benefit from such water shall be situated within the boundaries of the District and within the Yampa River Basin (except for 350 AF of the YIA Stillwater Ditch Allocation water which may be exported into the Colorado River basin under Section 1.3a above). YIA Pool stored water not delivered into the Stillwater Ditch is usable only for Bear River delivery and diversions for irrigation and/or stock water out of Bear River and not through the Stillwater Ditch, with the exception of a small amount delivered below the Yamcolo Dam

into the Bear River for use by exchange with Coal Creek or Watson Creek. In the event any portion of the water allocated to the Irrigators Association under this Agreement is used or diverted for any period of time in violation of the preceding two sentences by any member of the Irrigators Association, then such portion of water shall be forfeited by said member to the Irrigators Association, and the Irrigators Association shall redistribute such forfeited water to one or more of its members; provided that no portion of such forfeited water shall be redistributed to the defaulting member. Nothing herein shall prevent a member of the Irrigation Association who takes storage water releases from Yamcolo Reservoir under the Agreement (as amended by this Amendment) from making maximum beneficial agricultural uses of such water within the lands owned or leased by such member, including surface return flows or wastewater on such lands which is not yet returned to the natural stream. However, the parties acknowledge that re-use of water out of the YIA Pool which has reached the natural stream is not an entitlement of either the District or the Irrigators Association (or its members) under Colorado water law. A member of the Irrigation Association may not lease or sell or transfer or exchange the re-use of YIA Pool water diverted to such member to other landowners outside of the member's owned or leased lands. The District reserves ownership of the re-use and successive uses to extinction of any of the YIA Pool water stored in Yamcolo Reservoir, to the extent permitted by Colorado law. Any member of the Irrigators Association may lease, transfer or exchange such member's allocated share of the YIA Pool water to or with any other member of the Irrigators Association, so long as the limitations of this Agreement and any applicable terms or provisions of the Irrigators Association's governing documents are complied with, and subject to Colorado water law. The Irrigators Association shall in good faith seek to enforce the limitations of this paragraph 8.1 among its members. The Irrigators Association may at any time relinquish any portion of the YIA Pool water allocated to it by the District, for all future years, by written notice given to the District between November 15 of any year and the next following May 15, specifying the quantity permanently relinquished. Such amount permanently relinquished shall reduce pro tanto the amount of water contracted for in the YIA Pool to the Irrigators Association under this Agreement, and shall correspondingly increase the amount of water within the Individual Contract Pool. The District will thereafter have the right to contract for, assign for other beneficial uses, sell, allocate and/or otherwise dispose of the quantity permanently relinquished from the YIA Pool, as an additional part of the Individual Contract Pool, whether permanently or for fixed terms, at the District's sole discretion. Once a portion of the allocated YIA Pool water has been relinquished to the District, the Irrigators Association will no longer be liable for payment to the District of the purchase price under Section 3 above for the relinquished portion of such YIA Pool."

(b) If any portion of the 3,500 AF Individual Contract Pool is not contracted for agricultural purposes and such uncontracted water is subsequently contracted by the District for M&I or augmentation or other non-agricultural uses

(and then treated as part of the Enlarged Municipal Pool), then 1/2 of the premium of the price paid to the District annually through 2041 for such non-agricultural use by the subsequent non-agricultural allottee of such subsequently contracted water, over and above the applicable Irrigators Association contract price that year, shall be credited that year against the Irrigators Association overall contract payment for its 3,000 AF, and the remaining 1/2 is retained by the District. This process does not apply to any of the Reallocated 500 AF which is re-allocated into the Original Municipal Pool for non-agricultural purposes as described in Recital B(4) above, and does not apply to up to the additional 500 AF of water which the District may "withdraw" from the Individual Irrigator Contracts on November 1, 2030, by written notice given prior to such date and also re-allocate into the Enlarged Municipal Pool under Recital B(4) above."

11. Except as herein amended, the Agreement is ratified and confirmed.

UPPER YAMPA WATER CONSERVANCY
DISTRICT

YAMCOLO IRRIGATORS
ASSOCIATION, INC.

By: _____

By:  _____

Exhibit A

Paragraph 2 YIA Pricing Calculation Example

Example 2021 Price Calculation:

2020 Price per AF = \$13.00	or	$2020 \text{ Price per AF} = \$13.00 \times \frac{\text{Example 2020 CPI}}{\text{Example 2019 CPI}}$	Whichever is Greater:	
CPI Decrease	13.00	$13.00 \times \frac{226.280}{230.338} = 12.77$		Resulting 2021 Price (\$) per AF 13
CPI Increase	13.00	$13.00 \times \frac{230.338}{226.280} = 13.23$		13.23

However, notwithstanding the foregoing, the following rules shall apply and supersede the price above for any calendar year from 2021 through 2041:

13

	if 2020 CPI increase =	Price Increase	Resulting 2021 Price (\$) per AF
(a)	0.0%	1.50%	13.20
	0.1%	1.50%	13.20
	0.2%	1.50%	13.20
	0.3%	1.50%	13.20
	0.4%	1.50%	13.20
	0.5%	1.50%	13.20
	0.6%	1.50%	13.20
	0.7%	1.50%	13.20
	0.8%	1.50%	13.20
	0.9%	1.50%	13.20
	1.0%	1.50%	13.20
	1.1%	1.50%	13.20
	1.2%	1.50%	13.20
	1.3%	1.50%	13.20
	1.4%	1.50%	13.20
1.5%	1.50%	13.20	
(b), (d)	1.6%	1.10%	13.20
	1.7%	1.20%	13.20
	1.8%	1.30%	13.20
	1.9%	1.40%	13.20
	2.0%	1.50%	13.20
	2.1%	1.60%	13.21
	2.2%	1.70%	13.22
	2.3%	1.80%	13.23
	2.4%	1.90%	13.25
	2.5%	2.00%	13.26
	2.6%	2.10%	13.27
	2.7%	2.20%	13.29
	2.8%	2.30%	13.30
	2.9%	2.40%	13.31
	3.0%	2.50%	13.33
	3.1%	2.60%	13.34
3.2%	2.70%	13.35	
3.3%	2.80%	13.36	
3.4%	2.90%	13.38	
3.5%	3.00%	13.39	
3.6%	3.10%	13.40	
3.7%	3.20%	13.42	
3.8%	3.30%	13.43	
3.9%	3.40%	13.44	
4.0%	3.50%	13.46	
(c)	4.1%	4.05%	13.53
	4.2%	4.10%	13.53
	4.3%	4.15%	13.54
	4.4%	4.20%	13.55
	4.5%	4.25%	13.55
	4.6%	4.30%	13.56
	4.7%	4.35%	13.57
	4.8%	4.40%	13.57
	4.9%	4.45%	13.58
	5.0%	4.50%	13.59
	5.1%	4.55%	13.59
	5.2%	4.60%	13.60
	5.3%	4.65%	13.60
	5.4%	4.70%	13.61
	5.5%	4.75%	13.62
	5.6%	4.80%	13.62
	5.7%	4.85%	13.63
	5.8%	4.90%	13.64
	5.9%	4.95%	13.64
	6.0%	5.00%	13.65
6.1%	5.05%	13.66	
6.2%	5.10%	13.66	
6.3%	5.15%	13.67	
6.4%	5.20%	13.68	
6.5%	5.25%	13.68	
6.6%	5.30%	13.69	
6.7%	5.35%	13.70	
6.8%	5.40%	13.70	
6.9%	5.45%	13.71	
7.0%	5.50%	13.72	
7.1%	5.55%	13.72	
7.2%	5.60%	13.73	
7.3%	5.65%	13.73	
7.4%	5.70%	13.74	
7.5%	5.75%	13.75	
7.6%	5.80%	13.75	
7.7%	5.85%	13.76	
7.8%	5.90%	13.77	
7.9%	5.95%	13.77	
8.0%	6.00%	13.78	
(d)	8.1%	6.05%	13.78

Exhibit B

Yamcolo Pools Examples

Example 1.a

Full Reservoir Storage

Pool #	Stored Pool Volume (AF)	Total Contracted Volume (AF)	Description	Cumulative Storage (AF)
	1,000	0	Dead Storage/Conservation Pool	1,000
1	1,500	1,500	Original Municipal	2,500
2	0	0	Enlarged Municipal	2,500
3	3,000	3,000	YIA	5,500
4	3,500	3,500	Individual Contract	9,000
5	525	525	Junior Priority (A.K.A "Raise Water")	9,525

Example 2.a

Full Reservoir Storage

Pool #	Stored Pool Volume (AF)	Total Contracted Volume (AF)	Description	Cumulative Storage (AF)
	1,000	0	Dead Storage/Conservation Pool	1,000
1	1,500	1,500	Original Municipal	2,500
2	500	500	Enlarged Municipal	3,000
3	3,000	3,000	YIA	6,000
4	3,000	3,000	Individual Contract	9,000
5	525	525	Junior Priority (A.K.A "Raise Water")	9,525

Example 1.b

Reservoir Storage = 7,000

Pool #	Stored Pool Volume (AF)	Total Contracted Volume (AF)	Description	Cumulative Storage (AF)	Section 1.3c Abatement Criteria Applied
	1,000	0	Dead Storage/Conservation Pool	1,000	NA
1	1,500	1,500	Original Municipal	2,500	ii
2	0	0	Enlarged Municipal	2,500	NA
3	2,250	3,000	YIA	4,750	ii
4	2,250	3,500	Individual Contract	7,000	ii, iv
5	0	525	Junior Priority (A.K.A "Raise Water")	7,000	i

Example 2.b

Reservoir Storage = 7,000

Pool #	Stored Pool Volume (AF)	Total Contracted Volume (AF)	Description	Cumulative Storage (AF)	Section 1.3c Abatement Criteria Applied
	1,000	0	Dead Storage/Conservation Pool	1,000	NA
1	1,500	1,500	Original Municipal	2,500	ii
2	500	500	Enlarged Municipal	3,000	ii
3	2,250	3,000	YIA	5,250	ii
4	1,750	3,000	Individual Contract	7,000	ii, iv
5	0	525	Junior Priority (A.K.A "Raise Water")	7,000	i

YIA/Stillwater Ditch Allocation Agreement

THIS AGREEMENT is made by and among LVJ PROPERTIES, LLC, a Utah limited liability company whose address is P.O. Box 33, Green River, Utah, 84525 (“Hatt”), FIVE PINE, LLC, a Colorado limited liability company whose address is P.O. Box 121, Yampa, Colorado 80483 (“Five Pine”), LAWRENCE RICCA & SONS, a California entity whose address is 898 San Juan Grade Road, Salinas, California, 93907 (“Ricca”), and John & Sara Redmond, whose address is P.O. Box 5, Yampa, Colorado, 80483 (Redmond). Hatt, Five Pine, Ricca and Redmond may each be referred to herein as a “YIA Stillwater User,” and are collectively referred to herein as the “YIA Stillwater Users.”

RECITALS

- A. Each of the YIA Stillwater Users is a member of the Yamcolo Irrigators Association (“YIA”) or has historically used YIA water in the Stillwater Ditch.
- B. YIA entered into an Agreement with the Upper Yampa Water Conservancy District (the “District”) dated January 9, 1981 (the “Original Agreement”) which provides for the storage by the District of 3,000 acre feet of water annually in Yamcolo Reservoir for release to YIA and its members (the “YIA Water”).
- C. Historically, 445 acre feet of YIA Water has been delivered through the Stillwater Ditch to the YIA Stillwater Ditch Users, 350 acre feet of which has been exported into the Colorado River basin for agricultural use on lands owned by Hatt and Ricca and their predecessors.
- D. YIA and the District have also entered into an Amendment Agreement dated _____, 2020, which amends the Original Agreement. The Amendment Agreement addresses, among other things, the delivery of 445 acre feet of YIA Water through the Stillwater Ditch utilizing a maximum of 4.5 c.f.s of the capacity of the Stillwater Ditch (referred to herein and in the Amendment Agreement as the “YIA Stillwater Allocation”). The YIA Stillwater Allocation includes 350 acre feet of water annually for use in the Colorado River basin for agricultural purposes (referred to herein and in the Amendment Agreement as the “Export Right”). The Amendment Agreement confirms that the YIA Stillwater Allocation is transferrable and contemplates that the owners of the YIA Stillwater Allocation will maintain accurate records of ownership of the YIA Stillwater Allocation and the Export Right and will notify the District of any transfers of the Export Right.
- E. By this Agreement, the YIA Stillwater Users desire to set forth the terms of their agreement regarding the maintenance of such records.

NOW THEREFORE, for and in consideration of the mutual promises contained herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the undersigned parties agree as follows:

AGREEMENTS

1. The foregoing recitals are true and correct.
2. As of the Effective Date of this Agreement, Table 1 below accurately identifies the portion of the YIA Stillwater Allocation owned by each of the YIA Stillwater Users, the portion of the YIA Stillwater Allocation that is part of the Export Right, and the lands upon which said portions are used:

**Table 1
 YIA Stillwater Allocation**

Original Owner	Current Owner	YIA Stillwater Allocation (c.f.s.)	Export Right (A.F.)	Associated Lands Routt Co Tax ID
Vail Hatt	Hatt	3.0	300	969222001
Richard & Katherine Palmer	Five Pine, LLC	1.0	0	968021001 968024001
Frank Mestecky	L. Ricca & Sons	0.5	50	969152004
Snowden & Sons	Redmond	0.0	0	965363001
Totals		4.5	350	

3. Each YIA Stillwater User may use its portion of the capacity of the Stillwater Ditch, as identified in Table 1 above, to transport its YIA Water or such other water as it may desire, so long as the use of said capacity is not inconsistent with the Amendment Agreement or any applicable carriage contract between the YIA Stillwater User and the District.
4. Each YIA Stillwater User may, in the manner set forth in this paragraph, transfer all or any portion of its YIA Stillwater Allocation to (a) another YIA Stillwater User, or (b) a new owner of the land or portion thereof upon which that portion of the YIA Stillwater Allocation has been used, as indicated in Table 1 above.
 - a. The YIA Stillwater Users shall identify one individual YIA Stillwater User to be the “YIA Stillwater Representative,” who shall be responsible for maintaining accurate and up-to-date records of the owners of the YIA Stillwater Allocation, the quantity of each YIA Stillwater User’s portion thereof, and the lands upon which each portion is used, which records may be summarized in the same manner as Table 1 above.

- b. Any such transfer shall be made in writing signed by both the transferor and transferee and shall identify the portion (stated in c.f.s.) to be transferred and the lands upon which the transferred portion will be used.
- c. Copies of the complete, fully-executed document described in the preceding Paragraph 4.b. shall be provided promptly to the YIA Stillwater Representative, who shall provide a copy of the same and a copy of the revised Table 1 to the District. The transferee shall not be entitled to use of the transferred portion of the YIA Stillwater Allocation until a copy of the fully-signed document and updated Table 1 has been provided to the District.
- d. The name and address of the initial YIA Stillwater Representative shall be:

Andrea Schaffner
Five Pine, LLC
P.O. Box 121
Yampa, Colorado 80483
hayschaffner@gmail.com

The individual serving as YIA Stillwater Representative may be changed upon written notice to all YIA Stillwater Users and the District.

- e. Communications to the District made pursuant to this Agreement shall be addressed to:

Upper Yampa Water Conservancy District
Attn: District Manager
2220 Curve Plaza, Suite 201
Steamboat Springs, Colorado 80477

The contact information for the District may be changed upon written notice to the YIA Stillwater Representative.

- 5. This Agreement shall become effective upon the date that it has been executed by all of the YIA Stillwater Users, as indicated below (the "Effective Date").
- 6. The term of this Agreement shall be perpetual, unless terminated in accordance with its terms; except that this Agreement shall be automatically terminated if the Original Agreement and Amendment Agreement are terminated, and the term of this Agreement shall be shortened to match any subsequent shortened term of the Original Agreement and Amendment Agreement.
- 7. This Agreement may be amended from time to time only in writing signed by all then-existing YIA Stillwater Users, provided, however, that such amendments shall not be inconsistent with

the relevant provisions of the Amendment Agreement and any applicable carriage contract with the District.

8. This Agreement may be terminated only in writing signed by all then-existing YIA Stillwater Users.
9. Each of the signatories below represents and warrants that he/she is duly authorized to sign this Agreement on behalf of the party it represents and to bind that party to the terms hereof.
10. This Agreement shall inure to the benefit of and be binding upon the YIA Stillwater Users and all persons and entities to whom any portion of the YIA Stillwater Allocation set forth in Table 1 is transferred.

Executed on the dates indicated below.

LVJ PROPERTIES, LLC

Lana Coomer, Authorized Representative

DATED: _____

FIVE PINE, LLC

Five Pine LLC by Andrea Schaffner

Andrea Schaffner, Authorized Representative

DATED: 4/8/2020

LAWRENCE RICCA & SONS

Randy Ricca, Authorized Representative

DATED: _____

JOHN REDMOND

DATED: _____

SARA REDMOND

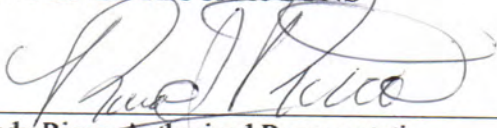
DATED: _____

Approved for Assessor Parcel No. 968024001 by Andrea W. Schaffner and Frank L. Schaffner

ANDREA W. SCHAFFNER  Date 4/8/2020

FRANK L. SCHAFFNER  Date 4/8/2020

LAWRENCE RICCA & SONS



Randy Ricca, Authorized Representative

DATED: 4-2-2020

JOHN REDMOND

DATED: _____

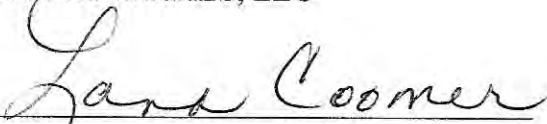
SARA REDMOND

DATED: _____

7. This Agreement may be amended from time to time only in writing signed by all then-existing YIA Stillwater Users, provided, however, that such amendments shall not be inconsistent with the relevant provisions of the Amendment Agreement and any applicable carriage contract with the District.
8. This Agreement may be terminated only in writing signed by all then-existing YIA Stillwater Users.
9. Each of the signatories below represents and warrants that he/she is duly authorized to sign this Agreement on behalf of the party it represents and to bind that party to the terms hereof.
10. This Agreement shall inure to the benefit of and be binding upon the YIA Stillwater Users and all persons and entities to whom any portion of the YIA Stillwater Allocation set forth in Table 1 is transferred.

Executed on the dates indicated below.

LVI PROPERTIES, LLC



Lana Coomer, Authorized Representative

DATED: 4/2/20

FIVE PINE, LLC

Andrea Schaffner, Authorized Representative

DATED: _____

LAWRENCE RICCA & SONS

Randy Ricca, Authorized Representative

DATED: _____

JOHN REDMOND

DATED: _____

SARA REDMOND

DATED: _____

- 7. This Agreement may be amended from time to time only in writing signed by all then-existing YIA Stillwater Users, provided, however, that such amendments shall not be inconsistent with the relevant provisions of the Amendment Agreement and any applicable carriage contract with the District.
- 8. This Agreement may be terminated only in writing signed by all then-existing YIA Stillwater Users.
- 9. Each of the signatories below represents and warrants that he/she is duly authorized to sign this Agreement on behalf of the party it represents and to bind that party to the terms hereof.
- 10. This Agreement shall inure to the benefit of and be binding upon the YIA Stillwater Users and all persons and entities to whom any portion of the YIA Stillwater Allocation set forth in Table 1 is transferred.

Executed on the dates indicated below.

LVJ PROPERTIES, LLC

FIVE PINE, LLC

Lana Coomer, Authorized Representative

Andrea Schaffner, Authorized Representative

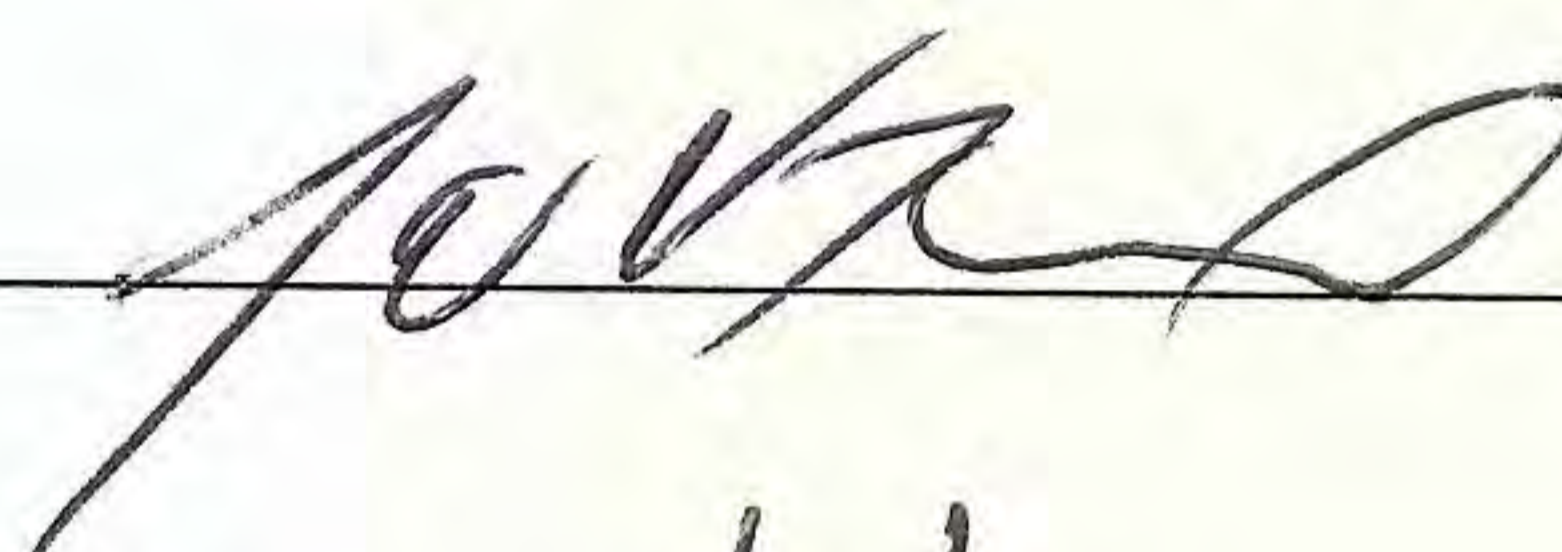
DATED: _____

DATED: _____

LAWRENCE RICCA & SONS

JOHN REDMOND

Randy Ricca, Authorized Representative



DATED: _____

DATED: 4/7/20

SARA REDMOND



DATED: 4-7-20

CARRIAGE CONTRACT

THIS CARRIAGE CONTRACT (the "Contract") is made and entered into between the UPPER YAMPA WATER CONSERVANCY DISTRICT, a Colorado water conservation district ("District") and the STILLWATER DITCH AND RESERVOIRS COMPANY ("Company"), on the one hand, and FIVE PINE LLC, a Colorado limited liability company (the "Irrigator") on the other hand.

RECITALS:

A. The District is a Colorado water conservancy district duly organized and existing pursuant to the Water Conservancy Act, Colorado Revised Statutes §§37-45-101, et seq.

B. The Company is a mutual ditch and reservoir company organized and existing under Colorado law. The Company was originally organized to own and manage certain water rights and infrastructure through which those water rights are exercised. Those water rights are described as follows and are referred to collectively herein as the "Original Water Rights":

(1) Absolute direct flow water right decreed to the Stillwater Ditch for the diversion of 30.830 cubic feet per second (c.f.s.) from the Yampa (Bear) River with an adjudication date of June 8, 1910 and an appropriation date of September 23, 1903; and

(2) Absolute water storage right decreed to Gardner Park Reservoir for the storage of 1,155.6 acre feet from Gardner Creek and other tributaries of the Yampa (Bear) River with an adjudication date of June 8, 1910 and an appropriation date of October 7, 1902.

The infrastructure through which the Original Water Rights described in subparagraphs B(1) and B(2) above are exercised and delivered is the Stillwater Ditch as it physically existed prior to the enlargement of such Ditch by the District in 1989 (the "Original Stillwater Ditch"). The District enlarged such Ditch in 1989 to accommodate up to 62.5 c.f.s., and such Ditch and its ditch improvements, existing and future diversion and measuring facilities, easements, existing and future US Forest Service Special Use Permits, existing and future prescriptive and statutory right-of-way claims, and vested rights of way, but not including individual irrigator's turn-out structures, turn-out water flow measuring devices, or laterals on the Ditch, are herein collectively referred to as the "Stillwater Ditch" or "Ditch."

C. In 2005, the Company conveyed title to the Original Water Rights and Gardner Park Reservoir to its individual shareholders and retained title to the Stillwater Ditch and, thereafter, by the Assignment of Stock and Water Delivery Agreement recorded in the records of the Clerk and Recorder of Routt County, Colorado on July 14, 2005 at Reception No. 621890 and the records of the Clerk and Recorder of Garfield County, Colorado on July 25, 2005 at Book 1709 Page 444 ("2005 Stock Assignment Agreement"), all stock in the Company was transferred by its shareholders to the District. At the time of execution of this Contract, the District remains the sole owner of all stock in the Company and owns and controls the

Company. For purposes of this Contract, the persons or entities who now or hereafter own the residual rights of the Company's former shareholders under the 2005 Stock Assignment Agreement shall be referred to as the "Shareholders."

D. In addition to the Original Water Rights, the Stillwater Ditch has been used to convey water diverted pursuant to the following other water storage rights:

(1) Those used for storage of water in Stillwater Reservoir No. 1 and Ramshorn Reservoir and available for release and usage by some of the Shareholders (the "Shareholder Other Reservoir Water Rights"), and

(2) Those water rights owned by the District for storage of water by the District in Yamcolo Reservoir (the "District Yamcolo Water Rights"), which include up to 445 AF of storage water from Yamcolo Reservoir allocated by the District to the Yamcolo Irrigators Association ("YIA") pursuant to Agreement dated January 9, 1981, as amended effective March 30, 2020 (collectively, the "YIA-District Allotment Contract") and currently allocated by the YIA to several of its members (the "YIA Stillwater Ditch Allocation").

E. Among other things, the 2005 Stock Assignment Agreement committed the District to operate the Stillwater Ditch in a manner to permit the Shareholders to use up to 36.3 cfs of the capacity of the Stillwater Ditch (the "First Priority Capacity") for delivery of the Original Water Rights and Shareholder Other Reservoir Water Rights.

F. The District has constructed certain improvements to the Stillwater Ditch, including but not limited to enlargement of the carrying capacity of the Stillwater Ditch designed to permit, in addition to the carriage of water diverted and delivered pursuant to the Original Water Rights and Shareholder Other Reservoir Water Rights, the carriage of water stored by the District in Yamcolo Reservoir and delivered through the Stillwater Ditch for

(1) up to 4,000 AF to the District's contractees pursuant to individual water allotment contracts (the "District's Yamcolo Water"), plus

(2) up to 445 AF of storage water from Yamcolo Reservoir allocated by the District to the YIA pursuant to the YIA Stillwater Ditch Allocation. At the time of execution of this Contract, the carrying capacity of the Stillwater Ditch is approximately 62.5 c.f.s.

G. Irrigator has EITHER (a) simultaneously with the execution of this Contract entered into an allotment contract ("Allotment Contract") with the District in which the District has agreed, subject to certain conditions, to store in Yamcolo Reservoir prior to July 15th of each calendar year _____ acre-feet of water for release for Irrigator's irrigation and stock water use on Irrigator's lands described in Exhibit A, upon request, OR (b) a membership in YIA and is allotted by such YIA 60 acre-feet of water out of the 445 YIA Stillwater Ditch Allocation which is part of the total 3,000 AF allotted to the YIA in the YIA-District Allotment Contract, the allotment of such portion of the YIA Stillwater Ditch Allocation being also herein referred to as the "Allotment Contract." The Allotment Contract provides that the stored water from Yamcolo Reservoir allotted to the Irrigator shall be delivered to

Irrigator at the discharge of the outlet works of the Yamcolo Reservoir. The quantity of water described in such applicable Allotment Contract to Irrigator is usable only for irrigation and stock water purposes and is hereinafter referred to as the "Allotment Water."

H. Irrigator desires to enter in this Contract with the District and the Company to provide for the carriage of the Allotment Water within the Ditch from the discharge of the headgate of the Ditch to the headgate or turn-out of Irrigator on the Ditch shown and described on Exhibit B attached hereto (the "Irrigator Turn-Out") for use for irrigation and stock water purposes on the lands of Irrigator described on Exhibit A.

NOW, THEREFORE, IN CONSIDERATION OF THE PAYMENTS TO BE MADE BY IRRIGATOR as hereinafter provided, and in consideration of the mutual covenants herein contained, the sufficiency of which consideration is hereby expressly acknowledged, the District and Irrigator hereby agree as follows:

I. CARRIAGE AND DELIVERY OF WATER:

1.1 The District agrees, subject to the terms of this Contract, to accept at the Stillwater Ditch headgate, convey in the Ditch and deliver to Irrigator at the Irrigator Turn-Out the Allotment Water properly released from Yamcolo Reservoir to Irrigator under the Allotment Contract. Other than if Irrigator is an allottee out of the YIA Stillwater Ditch Allocation, the obligations of the District under the preceding sentence are also subject to the terms and provisions of the Allotment Contract, all of which are incorporated herein by reference, including without limitation, paragraph 2.2 regarding advance notice to the District of dates, time and rate of flow of water requested to be released, paragraph 2.3 regarding maximum allowable combined instantaneous release rate through the Yamcolo Reservoir outlet works and the allocation of water released among the various parties entitled to such releases pursuant to agreements with the District, paragraph 2.4 regarding risk of seepage, evaporation, and other delivery losses of the Allotment Water within the Yampa (Bear) River and the Ditch, paragraph 2.5 regarding the time period the Allotment Water will be released, and paragraph 2.7 regarding the place and manner of use of the Allotment Water. If Irrigator is an allottee out of the YIA Stillwater Ditch Allocation, the obligations of the District under the first sentence of this paragraph 1.1 above are subject to the terms and provisions of the YIA-District Allotment Contract, all of which are incorporated herein by reference.

1.2 The Company and the District shall not be obligated to carry or deliver water in the Stillwater Ditch before May 1 or the date in the springtime that the headgate, diversion structure and Ditch are free of ice and snow and capable of transporting water, whichever occurs later, or after October 1 of any year.

1.3 Except as set forth in this Contract, Irrigator agrees that, by virtue of this Contract Irrigator has no right, privilege, or entitlement to approve future Stillwater Ditch policies or bylaws as may be adopted by the District or the Company, including bylaw revisions or pricing or assessment rules, or other rules and regulations (in all, the "Stillwater Ditch Terms"), including (but not limited to) pricing, assessments, management, repairs or maintenance, as may be adopted by the District or the Company or changed from time to time

in the sole discretion of the District or Company, including separate operations, maintenance and repair cost share by direct flow/Gardner Park/Ramshorn/Stillwater Reservoir users, even though a portion of the Allotment Water is or may then be delivered using the Stillwater Ditch into the Yampa River drainage or Colorado River drainage. The District shall give notice to Irrigator prior to the adoption of any changes, amendments, terminations, or revocations of any such Stillwater Ditch Terms. Irrigator is not by virtue of this Contract a third party beneficiary of the Stillwater Ditch or the Stillwater Ditch Terms or the 2005 Stock Assignment Agreement or any amendments thereto. However, if Irrigator is also a Shareholder under the 2005 Stock Assignment Agreement or a shareholder in a successor Ditch owner, nothing in this paragraph 1.3 is intended to prevent Irrigator from exercising its rights with respect to the Stillwater Ditch or the Stillwater Ditch Terms or the 2005 Stock Assignment Agreement, or any amendments thereto, by virtue of such status.

1.4 Irrigator acknowledges that the existing carriage capacity of the Stillwater Ditch has been allocated by the District as set forth below and that such allocation will remain in effect and be binding on Irrigator and the District during the Term (as defined below) subject to the terms and provisions hereof:

(a) The first 36.3 c.f.s. of the capacity of the Stillwater Ditch (“Shareholder Capacity”) is reserved under the 2005 Stock Assignment Agreement for use by the Shareholders to convey water lawfully diverted under the Original Water Rights, and/or the Shareholder Other Reservoir Water Rights. In addition, to the extent capacity is physically available, the Shareholder Capacity may also be used by Shareholders, including Irrigator, if Irrigator is a Shareholder, to deliver the District’s Yamcolo Water, including the Allotment Water, and the YIA Stillwater Ditch Allocation to which a Shareholder may be entitled. The Shareholder Capacity shall be allocated among the Shareholders on a pro rata basis, according to the number of shares owned by the predecessors in interest of the Shareholders as specified in the 2005 Stock Assignment Agreement. Water lawfully diverted by or under contract for delivery to Irrigator under any other water right than the Original Water Rights, the District’s Yamcolo Water, the YIA Stillwater Ditch Allocation or the Shareholder Other Reservoir Water Rights shall not be conveyed within or under the Shareholder Capacity. Irrigator is not entitled to use the Shareholder Capacity to convey or deliver unadjudicated water from the Yampa or Bear River into the Stillwater Ditch. In the event that the capacity of the Stillwater Ditch suffers a reduction for any reason, the Shareholder Capacity shall remain intact, and, in such event, deliveries of water pursuant to carriage contracts in the Carriage Contract Capacity (defined below), including this Contract, shall be reduced as necessary and as further described in paragraph 1.4 (d) below to preserve the Shareholder Capacity to the greatest extent possible.

(b) Use of the remaining 26.2 c.f.s. of the capacity of the Stillwater Ditch (“Carriage Contract Capacity”) shall be reserved for use pursuant to carriage contracts between the District and Company and the individuals and/or entities utilizing or entitled to utilize such remaining capacity, as follows:

(i) 4.5 cfs of the remaining 26.2 c.f.s Carriage Contract Capacity shall be reserved by the District and Company for the delivery of the YIA Stillwater Ditch

Allocation. Irrigator acknowledges that the YIA Stillwater Ditch Allocation is subject to the YIA-District Allotment Contract as it now exists and as it may hereafter be amended.

(ii) 2.5 c.f.s. of the remaining 26.2 c.f.s Carriage Contract Capacity (the "District Non-Ag Water Capacity") may be reserved to and for the District, at the option of the District, for the delivery of up to 500 acre feet annually that may be stored by the District in Yamcolo Reservoir and allocated by the District to its Original Municipal Pool for municipal, industrial, augmentation or other non-agricultural uses (the "District's 500 AF Non-Ag Water") and further allocated pursuant to individual contracts between the District and the users of such 500 AF of stored water; provided, however, that such reservation of capacity shall only be reserved to and for the District commencing March 1 of the calendar year after the calendar year in which the Board adopts a Resolution authorizing such use (the "Non-Ag District Capacity Commencement"). Until the date of the Non-Ag District Capacity Commencement for the District, such 2.5 c.f.s District Non-Ag Water Capacity shall be added to the capacity reserved to and for the District under subparagraph 1.4 (b) (iii) below.

(iii) 19.2 cfs of the remaining 26.2 c.f.s. Carriage Contract Capacity (plus the 2.5 cfs District Non-Ag Water Capacity prior to the Non-Ag District Capacity Commencement) is reserved to and for the District for the delivery of the District's Yamcolo Water for irrigation and/or stock water first uses (including subsequent storage for such first irrigation uses) within the Yampa River basin and/or the Colorado River basin pursuant to allotment contracts entered into by the District, including the Irrigator Allotment Contract, and subject to the obligations of the District under subparagraphs (i) and (ii) above, the District may, when the Yampa (Bear) River is not under administration, utilize excess capacity in the Stillwater Ditch for diversion and carriage of water under any other decrees whether now existing or hereafter obtained or unadjudicated water from the Yampa River.

(c) Irrigator further agrees that the quantity of water carried by the Stillwater Ditch in such 26.2 c.f.s. of capacity for delivery into the Colorado River Basin in any water year shall never exceed the lesser of 4,000 AF or the sum of (a) the quantity of the District's Yamcolo Water delivered or expected to be delivered into the Colorado River Basin that water year, plus (b) the YIA Stillwater Ditch Allocation delivered or expected to be delivered into the Colorado River Basin (not to exceed in any event 350 AF). If the District concludes in the exercise of its reasonable discretion that the limitation set forth in the preceding sentence will be exceeded the District may take such action as it deems appropriate to limit the application of irrigation water to lands of Irrigator located in the Colorado River Basin, except such actions shall not include curtailment of delivery in the Ditch of up to 350 AF out of the 445 AF YIA Stillwater Ditch Allocation historically exported into the Colorado River Basin (the "Export Right"). If the District concludes in the exercise of its reasonable discretion that there exists excess capacity in the Stillwater Ditch when the Yampa (Bear) River is not under administration, such capacity may be used or contracted by the District for diversion and carriage of water under any other decrees whether now existing or hereafter obtained or unadjudicated water from the Yampa River.

(d) If the Carriage Contract Capacity is reduced or otherwise insufficient to accommodate the delivery of the District's Yamcolo Water and the YIA Stillwater Ditch Allocation at the rate demanded, the YIA Stillwater Ditch Allocation capacity and the Carriage Contract Capacity (other than the YIA Stillwater Ditch Allocation capacity) shall each be reduced proportionally and pro rata, without discrimination. After the pro rata reduction described in the preceding sentence, the remaining YIA Stillwater Ditch Allocation capacity shall be allocated among the YIA Stillwater Ditch Allocation allottees as determined by them and the remaining Carriage Contract Capacity (other than the remaining YIA Stillwater Ditch Allocation capacity) shall be allocated among the holders of contracts for the District's Yamcolo Water pro rata.

(e) For purposes of illustration, the allocation of capacity within the Ditch is graphically depicted on Exhibit C attached hereto. In the event of a conflict between Exhibit C and the provisions of this paragraph 1.4, this paragraph 1.4 shall be controlling.

1.5 Except as otherwise approved by the District in writing, such approval to be given, conditioned or withheld by the District in its sole discretion, none of the Allotment Water shall be diverted from the Stillwater Ditch other than at the location of the Irrigator Turn-Out described in Exhibit B, and none of the Allotment Water shall be carried in the Stillwater Ditch into the Colorado River Basin for purposes other than irrigation and/or stock water uses on the property of Irrigator described in Exhibit A.

II. CARRIAGE FEES, PAYMENT, AND CREDITS AGAINST FEE:

2.1 The fee for the carriage and delivery of any of the Allotment Water ("Carriage Fee") within the Ditch from the discharge of the outlet works of Yamcolo Reservoir to Irrigator's Turn-Out for Water Year 2020 under this Contract (the "First Water Year") shall be one dollar and eighty-four cents (\$1.84) per acre foot of the maximum Allotment Water as described in paragraph G of the Recitals above, whether Irrigator diverts and applies to Irrigator's land all, any, or none of such Allotment Water in any year, but subject to the Credit described in paragraph 2.3 below. This Carriage Contract is a "take or pay" contract, but subject to the Credit described in paragraph 2.3 below. However, if in any year Irrigator's payment obligation is reduced under the abatement provisions in Irrigator's Allotment Contract for Yamcolo water, either directly or as a member of YIA, the annual Carriage Fee payable by Irrigator for such year shall be reduced in the same proportion. The annual Carriage Fee the next Water Year after the First Water Year, and in each Water Year thereafter during the Term of this Contract, shall be an amount equal to the greater of (i) the Carriage Fee for the prior Water Year, or (ii) the product obtained by multiplying the Carriage Fee for the prior Water Year by a fraction, the denominator of which is the CPI for the semi-annual period ending December 31 in the Water Year prior to the prior Water Year and the numerator of which is the CPI for the semi-annual period ending December 31 of the prior Water Year. However, notwithstanding the foregoing, the following rules shall apply and supersede the Carriage Fee as determined above for any calendar year from 2021 through to November 1, 2041:

(i) If the CPI-U increase for the preceding calendar year was 1.5% or less, then apply a 1.5% increase; but

(ii) If the CPI-U increase for the preceding calendar year was more than 1.5% but not more than 4%, then decrease such actual CPI-U increase by 0.5% and apply such adjusted increase; but

(iii) If the CPI-U increase for the preceding calendar year was more than 4%, then divide the amount by which such increase exceeds 4% by 2, and add the result to 4% and apply such adjusted increase, but

(iv) In no event shall the adjusted percentage increase be less than 1.5% nor more than six percent (6%).

The CPI as herein described is the Urban Consumers, "all items," as set forth in the Denver-Aurora-Lakewood Federal Bureau of Labor Statistics index. In the event the Bureau of Labor Statistics discontinues publication of the CPI in the format existing as of the Effective Date then the District shall select a reasonably comparable price index, which index shall be substituted for the CPI in this paragraph. If the base year used in computing the CPI is changed, the adjustment to the purchase price shall be changed accordingly, so that all increases in the CPI are taken into account, notwithstanding any such change in the base year.

A chart demonstrating the operation of this paragraph 2.1 is attached as Exhibit D to this Contract for illustrative purposes. If there is any inconsistency between the chart and the text of this Contract the text of this Contract shall be controlling.

2.2 The annual Carriage Fee shall be paid by Irrigator to the District within 30 days following the date the District provides an invoice to the Irrigator requesting payment for the prior irrigation season most recently concluded specifying the amount of the Carriage Fee payable, which shall include a description of any credit to which Irrigator is entitled as calculated pursuant to paragraph 2.3 below. Any annual payment not made within fourteen (14) days after the due date shall bear interest at the rate of twelve percent (12%) per annum until paid. Except as set forth below, payments due are based on the amount of Allotment Water and shall be made regardless of the amount of Allotment Water carried within the Ditch and delivered to Irrigator at the Take-Out and there shall be no abatement or setoff against any such payment, nor shall Irrigator be permitted to withhold any payment required for any reason whatsoever.

2.3 Credits Against Fee: If Irrigator is a Shareholder, and, while a Shareholder, is not during a water year using all of such Shareholder's Shareholder capacity allocation described in subparagraph 1.4(a) above to divert Shareholder's ownership interest in the Original Water Rights or Shareholder Other Reservoir Water Rights owned by such Shareholder, but instead is using some of such owned Shareholder capacity to divert, carry and receive at Irrigator's Take-Out part or all of the Allotment Water under the Allotment Contract described in Recital G above, and if the quantity of such use is calculated and agreed

to by the General Manager of the District for the current water year, then the quantity of such use as so agreed, times the then applicable Carriage Fee for that year, shall be credited against the total annual Carriage Fee for which Irrigator would otherwise be liable under paragraphs 2.1 and 2.2 above (the "Credit"). For purposes only as an example, if Irrigator is a Shareholder and holds an Allotment Contract for 200 AF and also is an owner of a percentage interest in the Shareholder Capacity under the 2005 Stock Assignment Agreement, and for a period of time in a water year Irrigator does not utilize all or some portion of his Shareholder Capacity for the Original Water Rights or the Shareholder Other Reservoir Water Rights and pursuant to the terms of this Carriage Agreement diverts a cumulative total of 90 AF of his Allotment Contract allocation under such unused Shareholder Capacity, then the Irrigator would, after application of the Credit only be required to pay the Carriage Fee for 110 AF of his Allotment Water. In such example, the Irrigator-Shareholder would nevertheless still be required to pay for all of the Carriage Fees applicable to the percentage Shareholder Capacity under paragraph 7 of the 2005 Stock Assignment Agreement, whether used by Irrigator or not, but subject to the Credit.

III. TERM OF AGREEMENT:

Except in the event of an early termination as provided in Article VII below, the term of this Contract shall commence effective May 1, 2020 and shall end on November 1, 2041 (the "Term"). This Contract is not renewable, although the Parties may at any time prior to the expiration of the Term enter into a new carriage contract.

IV. OPERATION AND MAINTENANCE OF STILLWATER DITCH:

Except for the Irrigator Turn-Out structures, turn-out water flow measuring devices and equipment, and laterals which shall be maintained, repaired, and replaced by the Irrigator at its cost in accordance with the requirements of the District and the Company, it is expressly acknowledged that the District and the Company shall be solely responsible for operating, repairing, maintaining, enlarging, permitting, changing, renovating, or modifying the Stillwater Ditch, and that the District and Company shall be the sole owners of the Stillwater Ditch. Nothing herein contained shall be deemed to create a partnership, a joint venture, or joint ownership or joint responsibility in any way between the parties hereto.

V CONTRACT TERMINATION:

5.1. Termination by the District or Company.

(a) The District or Company may terminate this Contract for a material breach of the terms of this Contract by Irrigator, including Irrigator's failure to pay timely any amount due under this Contract, provided that the District or Company has first given at least 60 days' prior written notice specifying in detail such material breach and giving Irrigator the right within such 60-day period to cure and remedy such material breach.

(b) The District and/or Company may terminate this Contract if its legal ability to carry and deliver Allotment Water within the Ditch is materially impaired or is

eliminated because of the termination or adverse modification of permits, decrees or other authorizations which are needed to store and deliver the Allotment Water.

(c) The District and/or Company may terminate this Contract if the Allotment Contract is terminated.

5.2. Termination by Irrigator.

(a) Irrigator may terminate this Contract only in whole and not in part, for any material breach of the terms of this Contract by the District or Company, including the failure or inability the District or Company to convey the Allotment Water properly released to Irrigator under the Allotment Contract for an extended period of time, provided that Irrigator has first given at least 60 days' prior written notice from Irrigator to the District specifying in detail such material breach and giving the District the right within such 60-day period to cure and remedy such material breach.

(b) Except as provided in the preceding paragraphs, Irrigator has no right to terminate or reform or rescind this Contract.

5.3. Notice of Termination to Affected Officials. Either Party may notify the Division Engineer and any other appropriate governmental officials of any termination of this Contract.

VI. FORCE MAJEURE:

The District and the Company shall not be responsible for any losses or damages incurred as a result of their inability to perform pursuant to this Contract due to the following causes if beyond their control and when occurring through no direct or indirect fault of the District or the Company, including without limitation: acts of God; natural disasters; actions or directives or failure to act by governmental authorities; unavailability of supplies or equipment critical to their ability to perform; major equipment or facility breakdown or damage; and changes in Colorado or federal law including, without limitation, changes in any permit requirements.

VII. INSPECTIONS:

The District and the Company grant to the managerial staff of Irrigator and any of its professional consultants access to the Ditch for inspection purposes subject to this Contract at reasonable times and under reasonable protective terms and conditions. Irrigator and Irrigator's consultants have no right to make physical changes to or maintenance of the Stillwater Ditch except with the prior written consent and approval of the District.

VIII. LIMITED REPRESENTATION BY THE PARTIES:

The District and the Company represent and warrant that they have full power and authority to execute this Contract, carry and deliver the Allotment Water within the Ditch, and perform their obligations hereunder during the Term. Irrigator represents and warrants that

Irrigator has full power and authority to execute this Contract, receive Allotment Water at the delivery point and cause it to be delivered to Irrigator's Take-Out point and locations of use, and pay for and perform its obligations hereunder during the Term.

IX. ENFORCEMENT OF THIS CONTRACT; REMEDIES ON DEFAULT:

9.1. Before commencing any action for enforcement of this Contract, the Party alleging a material breach of this Contract shall first give at least 60 days' prior written notice to the other Party specifying in detail such material breach and giving the other Party the right within such 60-day period to cure and remedy such material breach. Notwithstanding the foregoing, if Irrigator is in default in the timely payment of the Carriage Fees billed to such Irrigator by the District, the District may withhold delivery of water from the Ditch to the Irrigator's Take-Out until such Carriage Fees and any interest accrued thereon have been paid in full.

9.2. Specific performance and/or restraining orders and/or injunctive relief and/or the last sentence of paragraph 9.1 above shall be the exclusive remedies for the violation or default by a Party in any provision of this Contract, except that the District shall have all remedies at law for collection of sums required to be paid by Irrigator hereunder which are not paid when due, including interest and attorneys' fees.

9.3. In the event of litigation between the Parties with respect to this Contract or any alleged material breach of the terms of this Contract, the Party substantially prevailing in such litigation shall recover from the other Party all reasonable attorneys' fees and costs of discovery and suit incurred by the substantially prevailing Party.

X. MISCELLANEOUS PROVISIONS:

10.1. The District and/or Company may assign this Contract without necessity of Irrigator's consent or approval to one or more individuals or entities which succeed the District in the ownership of the Company and/or the Stillwater Ditch, and the District and Company or their successors may collaterally assign the proceeds of this Contract to any entity providing financing to the District or Company or their successors. Irrigator may assign this Contract without the necessity of the prior consent or approval of the District or Company to any individual or entity which acquires the entire interest of Irrigator in the Allotment Contract and which succeeds Irrigator in the ownership of the entirety of the property described in Exhibit A, such assignment to be effective on the effective date of written notice given from Irrigator to the District of such assignment setting forth the name and contact information for the assignee and certifying that the Contract is assigned in its entirety and that assignee is acquiring ownership of all of the property described in Exhibit A and the entirety of Irrigator's interest in the Allotment Contract. No other assignment of this Contract, including without limitation, any assignment of less than the entirety of Irrigator's interest in this Contract or the Allotment Contract or any assignment in connection with the sale of less than the entirety of the property described in Exhibit A, or any temporary assignment to any Shareholder or other holder of an Allotment Contract with the District or any other person, or any temporary assignment to any person of any use of capacity in the Stillwater Ditch, shall be

effective unless approved in advance in writing by the General Manager or the Board, such approval to be given, conditioned or withheld by the District or the General Manager in its or his sole discretion.

10.2. This Contract does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties.

10.3. The Parties agree to communicate, coordinate and cooperate, if needed, on any required or desired water use accounting.

10.4. No amendment, modification, or novation of this contract or its provisions and implementation shall be effective unless documented in writing which is approved and executed by both parties with the same formality as they have approved and executed this Contract.

10.5. Any notice required or permitted to be given by a party under or in connection with this Contract shall be in writing and shall be deemed duly given when personally delivered or sent by (i) registered or certified mail, return receipt requested, postage prepaid, (ii) expedited courier service, or (iii) email with confirmation of receipt, to the following addresses:

If to Irrigator:

Five Pine LLC
Attn: Andrea W. Schaffner
11295 RCR 3
P.O. Box 121
Yampa, CO 80483
Email: _____

If to the District
or the Company:

Upper Yampa Water Conservancy District
Attention: General Manager
P.O. Box 883990
Steamboat Springs, CO 80488
Email: kmcbride@upperyampawater.com

Each party may change its address or contact information for notices under this Contract upon written notice to the other party in accordance with this paragraph.

XI. EFFECTIVE DATE:

The Effective Date of this Contract shall be March 30, 2020.

UPPER YAMPA WATER CONSERVANCY
DISTRICT

By: _____
(Title)

STILLWATER DITCH AND RESERVOIRS
COMPANY

By: _____
(Title)

IRRIGATOR:

FIVE PINE LLC, a Colorado limited
liability company

By: Andrea Schaffner member
Andrea Schaffner (Title)

Date: 5/8/2020

Mailing Address:
Attn: Andrea W. Schaffner
11295 RCR 3
P.O. Box 121
Yampa, CO 80483
Email: hayschaffner@gmail.com
Telephone: 970 638-4470

APPROVAL OF LANDOWNER
(Attached to Five Pine LLC Carriage Contract)

Andrea W. Schaffner 5/8/2020
Andrea W. Schaffner

Frank Schaffner 5/8/2020
Frank Schaffner

**EXHIBIT A
TO
CARRIAGE CONTRACT**

DESCRIPTION OF IRRIGATOR PROPERTY

Assessor Parcel No: 968021001 and 968024001

Yamcolo Irrigators Association allocation: 60 AF
Export Right: 0

**EXHIBIT B
TO
CARRIAGE CONTRACT**

DESCRIPTION OF IRRIGATOR TURN-OUT

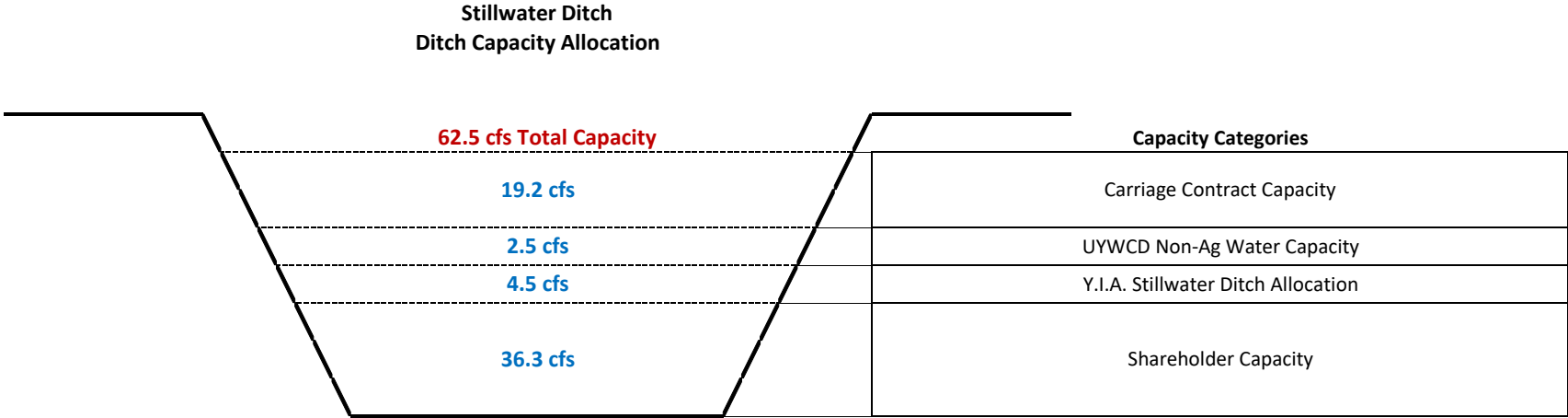
Schaffner Box and Palmer Box

**EXHIBIT C
TO
CARRIAGE CONTRACT**

CHART SHOWING CAPACITY ALLOCATIONS IN DITCH

**EXHIBIT C
TO
CARRIAGE CONTRACT**

STILLWATER DITCH CAPACITY ALLOCATIONS



**EXHIBIT D
TO
CARRIAGE CONTRACT
CPI ADJUSTMENT EXHIBIT**

EXHIBIT D TO CARRIAGE CONTRACT

Pricing Calculation Example

Example 2021 Price Calculation:

2020 Price per AF = \$1.84	or	2020 Price per Share = \$1.84	x	$\frac{\text{Example 2020 CPI}}{\text{Example 2019 CPI}}$		Whichever is Greater:	
CPI Decrease	1.84	1.84	x	$\frac{226.280}{230.338}$	=	1.81	Resulting 2021 Price (\$) per AF 1.84
CPI Increase	1.84	1.84	x	$\frac{230.338}{226.280}$	=	1.87	1.87

However, notwithstanding the foregoing, the following rules shall apply and supersede the price above for any calendar year from 2021 through 2041:

1.84							
If 2020 CPI increase =	Price Increase	Resulting 2021 Price (\$) per AF		If 2020 CPI increase =	Price Increase	Resulting 2021 Price (\$) per AF	
(a)	0.0%	1.50%	1.87	(c)	4.1%	4.05%	1.91
	0.1%	1.50%	1.87		4.2%	4.10%	1.92
	0.2%	1.50%	1.87		4.3%	4.15%	1.92
	0.3%	1.50%	1.87		4.4%	4.20%	1.92
	0.4%	1.50%	1.87		4.5%	4.25%	1.92
	0.5%	1.50%	1.87		4.6%	4.30%	1.92
	0.6%	1.50%	1.87		4.7%	4.35%	1.92
	0.7%	1.50%	1.87		4.8%	4.40%	1.92
	0.8%	1.50%	1.87		4.9%	4.45%	1.92
	0.9%	1.50%	1.87		5.0%	4.50%	1.92
	1.0%	1.50%	1.87		5.1%	4.55%	1.92
	1.1%	1.50%	1.87		5.2%	4.60%	1.92
	1.2%	1.50%	1.87		5.3%	4.65%	1.93
	1.3%	1.50%	1.87		5.4%	4.70%	1.93
	1.4%	1.50%	1.87		5.5%	4.75%	1.93
	1.5%	1.50%	1.87		5.6%	4.80%	1.93
	(b), (d)	1.6%	1.10% if default to 1.5% floor		1.87	5.7%	4.85%
1.7%		1.20% if default to 1.5% floor	1.87	5.8%	4.90%	1.93	
1.8%		1.30% if default to 1.5% floor	1.87	5.9%	4.95%	1.93	
1.9%		1.40% if default to 1.5% floor	1.87	6.0%	5.00%	1.93	
2.0%		1.50%	1.87	6.1%	5.05%	1.93	
2.1%		1.60%	1.87	6.2%	5.10%	1.93	
2.2%		1.70%	1.87	6.3%	5.15%	1.93	
2.3%		1.80%	1.87	6.4%	5.20%	1.94	
2.4%		1.90%	1.87	6.5%	5.25%	1.94	
2.5%		2.00%	1.88	6.6%	5.30%	1.94	
2.6%		2.10%	1.88	6.7%	5.35%	1.94	
2.7%		2.20%	1.88	6.8%	5.40%	1.94	
2.8%		2.30%	1.88	6.9%	5.45%	1.94	
2.9%		2.40%	1.88	7.0%	5.50%	1.94	
3.0%		2.50%	1.89	7.1%	5.55%	1.94	
3.1%		2.60%	1.89	7.2%	5.60%	1.94	
3.2%	2.70%	1.89	7.3%	5.65%	1.94		
3.3%	2.80%	1.89	7.4%	5.70%	1.94		
3.4%	2.90%	1.89	7.5%	5.75%	1.95		
3.5%	3.00%	1.90	7.6%	5.80%	1.95		
3.6%	3.10%	1.90	7.7%	5.85%	1.95		
3.7%	3.20%	1.90	7.8%	5.90%	1.95		
3.8%	3.30%	1.90	7.9%	5.95%	1.95		
3.9%	3.40%	1.90	8.0%	6.00%	1.95		
4.0%	3.50%	1.90	(d)	8.10%	6.05%	1.95	

AMENDMENT TO
ASSIGNMENT OF STOCK AND WATER DELIVERY AGREEMENT

This **AMENDMENT TO ASSIGNMENT OF STOCK AND WATER DELIVERY AGREEMENT** (this “Amendment”) is entered into by and among the UPPER YAMPA WATER CONSERVANCY DISTRICT, a Colorado water conservancy district (referred to herein as the “District”), the STILLWATER DITCH AND RESERVOIRS COMPANY, a Colorado nonprofit corporation (the “Company”), and the following individuals and entities: FIVE PINE LLC, a Colorado limited liability company, LONE CREEK LAND COMPANY, LLC, a Nebraska limited liability company, BAR A RANCH (a/k/a SLEEPING LION RANCH), TIMOTHY KIRKPATRICK, ANNE COLLINS, LAWRENCE RICCA & SONS, CLYNKE’S BEAR RIVER RANCH, TOWN OF YAMPA, KEVIN KRAUSGRILL, JOHN REDMOND and SARA B. REDMOND (referred to collectively herein as the “Shareholders”), and is effective as of the date of the complete execution by all of the foregoing parties as indicated below (the “Effective Date”). The District, the Company, and the Shareholders may be referred to below individually as a “Party,” and all are collectively known as the “Parties.”

RECITALS

- A. The District is a Colorado water conservancy district duly organized and existing pursuant to the Water Conservancy Act, Colorado Revised Statutes §§37-45-101, *et seq.*
- B. The Company is a mutual ditch and reservoir company organized and existing under Colorado law.
- C. In 2005, by the Assignment of Stock and Water Delivery Agreement recorded in the records of the Clerk and Recorder of Routt County, Colorado, on July 14, 2005, at Reception No. 621890, and the records of the Clerk and Recorder of Garfield County, Colorado, on July 25, 2005, at Book 1709, Page 444 (the “Stock Assignment Agreement”), all stock in the Company was transferred from the Shareholders or their predecessors to the District. At the time of execution of this Amendment, the District remains the sole owner of all stock in the Company and owns and controls the Company.
- D. At the time of execution of this Agreement, the Shareholders, collectively, are the current owners of 100% of the residual rights of the Shareholders under the Stock Assignment Agreement.
- E. Pursuant to the terms of the Stock Assignment Agreement, the District has been responsible for the operation and maintenance of the Stillwater Ditch and the delivery of water diverted through the ditch to the Shareholders and others, and the Shareholders have paid an annual per share delivery payment to the District as set forth in paragraph 7 of the Stock Assignment Agreement (the “Delivery Payment”).

- F. Pursuant to paragraph 7 of the Stock Assignment Agreement, commencing May 1, 2020, the Delivery Payment was to be calculated so the Shareholders collectively paid a percentage of the expected annual cost of the operation, repair, renovation and maintenance of the Stillwater Ditch (including reasonable reserves for replacement and major repairs based upon the anticipated cost of such repair and replacement over time).
- G. The District, Company, and the Shareholders desire to amend paragraph 7 of the Stock Assignment Agreement so that the Delivery Payment for the period commencing May 1, 2020, and running through November 1, 2041, will be based on a fixed per share amount adjusted by changes in the Consumer Price Index as hereinafter set forth.

AMENDMENT

NOW THEREFORE, for and in consideration of the understandings of the Parties set forth in the Recitals and mutual promises set forth herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree to the following amendments to the Stock Assignment Agreement:

1. **INTERIM DELIVERY PAYMENT.** The Parties acknowledge and agree that the current capacity of the Stillwater Ditch is 62.5 cfs, and that the 36.3 cfs of capacity reserved to the Shareholders under the Stock Assignment Agreement represents 58% (36.3/62.5) of the overall ditch capacity. Notwithstanding any provision of paragraph 7 of the Stock Assignment Agreement to the contrary, it is agreed that the Delivery Payment for 2020 shall be \$ 0.74 per share. Each Shareholder shall be required to pay a Delivery Payment per share for the total number of shares that the Shareholder or the Shareholder's predecessor transferred to the District under the Stock Assignment Agreement, as set forth on Exhibit A. In total, the overall Delivery Payment for all of the Shareholders in 2020 shall be \$8,186.25 ($\$0.74 \times 11,062.5$ outstanding shares). Commencing in calendar year 2021 and continuing through calendar year 2041 until November 1, 2041, the amount of such Delivery Payment shall be adjusted upwards annually to be an amount equal to the greater of (i) the Delivery Payment paid for the prior calendar year, or (ii) the product obtained by multiplying the per share Delivery Payment charged to the Shareholders for the prior calendar year by a fraction the denominator of which is the Consumer Price Index for All Urban Consumers ("CPI-U"), Denver-Aurora-Lakewood Metropolitan Area, "All Items" (1982 – 84 = 100), published by the Bureau of Labor Statistics of the United States Department of Labor (the "CPI") for the semi-annual period ending December 31 of the year prior to the prior year and the numerator of which is the CPI for the semi-annual period ending December 31 of the prior year. However, notwithstanding the foregoing, the following rules shall apply and supersede the methodology of the CPI adjustment to the Delivery Payment as determined above for any calendar year from 2021 through 2041:

(a) If the CPI-U increase for the preceding calendar year was 1.5% or less, then apply a 1.5% increase; but

(b) If the CPI-U increase for the preceding calendar year was more than 1.5% but not more than 4%, then decrease such actual CPI-U increase by 0.5% and apply such adjusted increase; but

(c) If the CPI-U increase for the preceding calendar year was more than 4%, then divide the amount by which such increase exceeds 4% by 2, and add the result to 4% and apply such adjusted increase; but

(d) In no event shall the adjusted percentage increase be less than 1.5% nor more than six percent (6%).

In the event the Bureau of Labor Statistics discontinues publication of the CPI in the format existing as of January 1, 2020, then the District shall select a reasonably comparable price index, which index shall be substituted for the CPI in this paragraph. If the base year used in computing the CPI is changed, the adjustment to the purchase price shall be changed accordingly, so that all increases in the CPI are taken into account, notwithstanding any such change in the base year. A chart demonstrating the operation of this paragraph 1 is attached as Exhibit B to this Agreement for illustrative purposes. If there is any inconsistency between the chart and the text of this Amendment the text of the Amendment shall be controlling.

2. The parties agree that paragraph 1 of this Amendment is for the purpose of resolving the per share Delivery Payment for years 2020 through 2041 only under the Stock Assignment Agreement, as amended hereby, and shall not apply to determination of the per share Delivery Payment in 2042 and subsequent years, nor in any way prejudice the rights of either Party under the Stock Assignment Agreement as amended hereby, including the rights of the Parties to determine the Delivery Payment for 2042 and all years thereafter in accordance with the provisions of paragraph 7 of the Stock Assignment Agreement, as amended hereby.

3. **WARRANTIES OF THE PARTIES.** The District and Company warrant to the Shareholders that on the Effective Date, the District is the sole and exclusive owner of 100% of the shares in the Company, that the District and Company are authorized to execute and agree to the terms of this Amendment, and that the consent to this Amendment of any third party claiming by or through the District or Company has been obtained or is not required. The Shareholders, and each of them, warrant to the District and Company that, as of the Effective Date, the respective percentage interests of each Shareholder in the residual rights of the Shareholders under the Stock Assignment Agreement District and the number of shares allocated to each Shareholder for the purpose of calculating the Delivery Fee is accurately set forth in Exhibit A attached hereto, that the Shareholders collectively are the sole and exclusive owners of 100% of residual rights of the Shareholders under the Stock Assignment Agreement, that the Shareholders are authorized to execute and agree to the terms of this Amendment, and that the consent to this Amendment of any third party claiming by or through the Shareholders has been obtained or is not required.

4. **ASSIGNMENT OF RIGHTS OF SHAREHOLDERS.** No assignment of the residual rights of any Shareholder under the Stock Assignment Agreement, in whole or in part, shall be effective until written notice is given to the District of such assignment, signed by the assignor and assignee, containing the address and other contact information of assignee for billing purposes and setting forth in percentage terms and by shares transferred for purposes of calculation of the Delivery Fee the interest in the Stock Assignment Agreement assigned, and the interest retained, if any, by assignor. Nothing in this paragraph 4 shall be construed to require the consent or approval of the District in order for any such assignment to be effective.

EXCEPT AS HEREIN AMENDED, the Stock Assignment Agreement is ratified and confirmed as set forth herein.

Executed on the dates indicated below.

UPPER YAMPA WATER CONSERVANCY
DISTRICT

By: _____
Kevin McBride, Manager

STATE OF COLORADO)
) ss.
COUNTY OF ROUTT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by Kevin McBride, as Manager of Upper Yampa Water Conservancy District.

Witness my hand and official seal.
My commission expires: _____

{ S E A L } _____
Notary Public

STILLWATER DITCH AND RESERVOIRS
COMPANY

By: _____
(Title)

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by _____ as _____ of Stillwater Ditch and Reservoirs Company.

Witness my hand and official seal.
My commission expires: _____

{ S E A L } _____
Notary Public

[SIGNATURES OF SHAREHOLDERS ON FOLLOWING PAGES]

FIVE PINE LLC, a
Colorado Limited liability company

By: _____
(Title)

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____,
2020, by _____ as _____ of Five Pine LLC, a
Colorado limited liability company.

Witness my hand and official seal.

My commission expires: _____

{ S E A L }

Notary Public

ADDRESS OF SHAREHOLDER FOR NOTICE PURPOSES:

c/o Frank and Andrea Schaffner
PO Box 121
Yampa, CO 80483
hayschaffner@gmail.com

LONE CREEK LAND COMPANY, LLC, a
Nebraska limited liability company

By: _____
(Title)

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____,
2020, by _____ as _____ of Lone Creek Land
Company, LLC, a Nebraska limited liability company.

Witness my hand and official seal.

My commission expires: _____

{ S E A L }

Notary Public

ADDRESS OF SHAREHOLDER FOR NOTICE PURPOSES:

c/o Shane Peed
PO Box 82545
Lincoln, NE 68501
Shane-Peed@piedmontese.com

BAR A RANCH, a/k/a SLEEPING LION RANCH

By: _____
(Title)

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by _____ as _____ of Bar A Ranch, a/k/a Sleeping Lion Ranch.

Witness my hand and official seal.

My commission expires: _____

{ S E A L }

Notary Public

ADDRESS OF SHAREHOLDER FOR NOTICE PURPOSES:

c/o Alfred Fisher III
273 Ridge Rd.
Grosse Pointe, MI 48236
Afisher3@fisherco.com

TIMOTHY KIRKPATRICK

STATE OF COLORADO)
) ss.
COUNTY OF ROUTT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by Timothy Kirkpatrick.

Witness my hand and official seal.

My commission expires: _____

{S E A L}

Notary Public

ADDRESS OF SHAREHOLDER FOR NOTICE PURPOSES:

Tim Kirkpatrick
35 5th Street, #103
Steamboat Springs, CO 80487
tbkirk@yahoo.com

ANNE COLLINS

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____,
2020, by Anne Collins.

Witness my hand and official seal.

My commission expires: _____

{ S E A L }

Notary Public

ADDRESS OF SHAREHOLDER FOR NOTICE PURPOSES:

Anne Collins
1345 Mayflower Court
Aspen, CO 81611
Annecoll63@icloud.com

LAWRENCE RICCA & SONS

By: _____
Randy Ricca, _____

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by Randy Ricca as _____ of Lawrence Ricca & Sons.

Witness my hand and official seal.

My commission expires: _____

{S E A L}

Notary Public

ADDRESS OF SHAREHOLDER FOR NOTICE PURPOSES:

Randy and Francine Ricca

dairyherdca@yahoo.com

CLYNKE'S BEAR RIVER RANCH

By: _____
(Title)

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by _____ as _____ of Clynke's Bear River Ranch.

Witness my hand and official seal.

My commission expires: _____

{ S E A L }

Notary Public

ADDRESS OF SHAREHOLDER FOR NOTICE PURPOSES:

c/o Delores Phillips
3047 Bookcliff Avenue
Grand Junction, CO 81504-4139
clynckesbearriverranch@hotmail.com

TOWN OF YAMPA

By: _____
(Title)

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____,
2020, by _____ as _____ of the Town of Yampa.

Witness my hand and official seal.

My commission expires: _____

{S E A L}

Notary Public

ADDRESS OF SHAREHOLDER FOR NOTICE PURPOSES:

c/o Janet Ray
PO Box 224
Yampa, CO 80483
jray@townofyampa.com

KEVIN KRAUSGRILL

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by Kevin Krausgrill.

Witness my hand and official seal.

My commission expires: _____

{S E A L}

Notary Public

ADDRESS OF SHAREHOLDER FOR NOTICE PURPOSES:

c/o Anne Clyncke
PO Box 346
Yampa, CO 80483
Anne.clyncke@gmail.com

JOHN REDMOND

SARA B. REDMOND

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by John Redmond and Sara B. Redmond.

Witness my hand and official seal.

My commission expires: _____

{ S E A L }

Notary Public

ADDRESS OF SHAREHOLDER FOR NOTICE PURPOSES:

John and Sara Redmond
PO Box 5
Yampa, CO 80483
redmondjv@gmail.com

Amendment to Assignment of Stock and Water Delivery Agreement

Exhibit "A" Shareholder List

Business Name	Amount of Shares	% of Total Shares	Mailing Address
Elizabeth Kirkpatrick dba Humingbird Acres dba Flattops ETK Ranch	1114.25	10.07%	Elizabeth Kirkpatrick dba Humingbird Acres dba Flattops ETK Ranch 35 5th St. #103 Steamboat Springs, CO 80487
Anne Collins	180.00	1.63%	Anne Collins P.O. Box 6728 Avon, CO 81620
Sleeping Lion Ranch dba Bar A Ranch	2420.00	21.88%	Sleeping Lion Ranch LLC DBA Bar A Ranch c/o Wayne Shoemaker 8190 RCR 3 Toponas, CO 80479
Kevin Krausgrill	1.00	less than 0.5%	Kevin Krausgrill 807 Chert Pl. Clayton, CA 94517
John Redmond	735.00	6.64%	John & Sarah Redmond PO Box 5 Yampa, CO 80483
Clynckes Bear River Ranch Corp	7.00	less than 0.5%	Clynckes Bear River Ranch Corp 3047 Bookcliff Ave. Grand Junction, CO 81504
Town of Yampa	2.00	less than 0.5%	Town of Yampa PO Box 224 Yampa, CO 80483
Lawrence Ricca & Sons	75.00	0.68%	898 San Juan Grade Road Salinas, CA. 93907
Frank & Andrea Schaffner dba Five Pine LLC	357.00	3.23%	Frank & Andrea Schaffner dba Five Pine LLC PO Box 121 Yampa, CO 80483
Frank & Andrea Schaffner dba Five Pine LLC	669.50	6.05%	Frank & Andrea Schaffner dba Five Pine LLC PO Box 121 Yampa, CO 80483
Lone Creek Land Company	5501.75	49.73%	Lone Creek Land Company P.O. Box 82545 Lincoln, Nebraska 68501
Total Amount of Shares:	11062.50	100.00%	

**EXHIBIT B
TO
AMENDMENT TO ASSIGNMENT OF STOCK
AND WATER DELIVERY AGREEMENT**

**Amendment to Assignment of Stock and Delivery Agreement
Pricing Calculation Example**

Amendment to Assignment of Stock and Delivery Agreement

Exhibit B

Pricing Calculation Example

Example 2021 Price Calculation:

	2020 Price per Share = \$0.74	or	2020 Price per Share = \$0.74	x	$\frac{\text{Example 2020 CPI}}{\text{Example 2019 CPI}}$		Whichever is Greater:	
CPI Decrease	0.74		0.74	x	$\frac{226.280}{230.338}$	=	0.73	Resulting 2021 Price (\$) per Share
CPI Increase	0.74		0.74	x	$\frac{230.338}{226.280}$	=	0.75	Resulting 2021 Price (\$) per Share

However, notwithstanding the foregoing, the following rules shall apply and supersede the price above for any calendar year from 2021 through 2041:

	if 2020 CPI increase =		Price Increase		Resulting 2021 Price (\$) per Share
0.74	0.0%		1.50%		0.75
	0.1%		1.50%		0.75
	0.2%		1.50%		0.75
	0.3%		1.50%		0.75
	0.4%		1.50%		0.75
	0.5%		1.50%		0.75
	0.6%		1.50%		0.75
	0.7%	(a)	1.50%		0.75
	0.8%		1.50%		0.75
	0.9%		1.50%		0.75
	1.0%		1.50%		0.75
	1.1%		1.50%		0.75
	1.2%		1.50%		0.75
	1.3%		1.50%		0.75
	1.4%		1.50%		0.75
	1.5%		1.50%		0.75
	1.6%		1.10%	default to 1.5% floor	0.75
	1.7%		1.20%	default to 1.5% floor	0.75
	1.8%		1.30%	default to 1.5% floor	0.75
	1.9%		1.40%	default to 1.5% floor	0.75
	2.0%		1.50%		0.75
	2.1%		1.60%		0.75
	2.2%		1.70%		0.75
	2.3%		1.80%		0.75
	2.4%		1.90%		0.75
	2.5%		2.00%		0.75
	2.6%		2.10%		0.76
	2.7%		2.20%		0.76
	2.8%	(b), (d)	2.30%		0.76
	2.9%		2.40%		0.76
	3.0%		2.50%		0.76
	3.1%		2.60%		0.76
	3.2%		2.70%		0.76
	3.3%		2.80%		0.76
	3.4%		2.90%		0.76
	3.5%		3.00%		0.76
	3.6%		3.10%		0.76
	3.7%		3.20%		0.76
	3.8%		3.30%		0.76
	3.9%		3.40%		0.77
	4.0%		3.50%		0.77
	4.1%		4.05%		0.77
	4.2%		4.10%		0.77
	4.3%		4.15%		0.77
	4.4%		4.20%		0.77
	4.5%		4.25%		0.77
	4.6%		4.30%		0.77
	4.7%		4.35%		0.77
	4.8%		4.40%		0.77
	4.9%		4.45%		0.77
	5.0%		4.50%		0.77
	5.1%		4.55%		0.77
	5.2%		4.60%		0.77
	5.3%		4.65%		0.77
	5.4%		4.70%		0.77
	5.5%		4.75%		0.78
	5.6%		4.80%		0.78
	5.7%		4.85%		0.78
	5.8%		4.90%		0.78
	5.9%		4.95%		0.78
	6.0%	(c)	5.00%		0.78
	6.1%		5.05%		0.78
	6.2%		5.10%		0.78
	6.3%		5.15%		0.78
	6.4%		5.20%		0.78
	6.5%		5.25%		0.78
	6.6%		5.30%		0.78
	6.7%		5.35%		0.78
	6.8%		5.40%		0.78
	6.9%		5.45%		0.78
	7.0%		5.50%		0.78
	7.1%		5.55%		0.78
	7.2%		5.60%		0.78
	7.3%		5.65%		0.78
	7.4%		5.70%		0.78
	7.5%		5.75%		0.78
	7.6%		5.80%		0.78
	7.7%		5.85%		0.78
	7.8%		5.90%		0.78
	7.9%		5.95%		0.78
	8.0%		6.00%		0.78
	8.1%	(d)	6.05%	default to 6% ceiling	0.78



BOARD COMMUNICATION FORM

May 21, 2020 Board Meeting

From: Bob Weiss, Legal Counsel

Date: May 13, 2020

Item: Bylaw Amendments

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information: The work of the Governance Committee and further review of the District Bylaws has identified several areas where amendments should be considered. I have prepared a bullet point outline below of potential amendments for the Board to consider. Based on Board direction I will prepare Bylaw amendments for the June meeting.

II. Summary and Alternatives: These are the potential Bylaw amendments:

- (a) New Business. The question of the agenda topic "New Business" was discussed when the Board manual was reviewed. Section 7 of Article III allows New Business as an agenda item. It was proposed that New Business be limited to items that require emergency action that have come up during the meeting but after approval of the Agenda.
- (b) Order of Business at Board meetings. The existing Bylaws contain Section 8 of Article III which lists in specific terms the "order of business" at Board meetings. This has proven to be problematic since all meetings are unique and there are often good reasons to change the order of agenda items. The Board manual addresses this in general terms and allows flexibility. There is nothing requiring that this be in the Bylaws and it has been proposed that it be eliminated. .
- (c) Minutes. Article III, Section 7 seems to require that minutes be kept of executive sessions. This is not a legal requirement. Executive sessions are recorded except for executive sessions on legal matters. This complies with the law and the Bylaws should be amended to address this.
- (d) Term of Board President. At the January meeting it was proposed that the maximum period of consecutive service of the Board president be reviewed. Currently it is 6 years. After a 2 year break, the six year period could start again.
- (e) Auditor. The Board expressed the desire to approve the firm hired for the District's annual audit. This should be clarified in the Bylaws.

(f) Investments. At each regular meeting, the General Manager is required to deliver in writing to the Directors a Treasurer's Report including a list of investments held by the District and the yield being earned on such investments and a list of significant contracts not yet approved by the Board of Directors and executed by the District since the General Manager's last report. This is not current practice.

III. Staff Recommendation: Staff recommends that the Board consider the proposed Bylaw amendments and adopt them as the Board deems appropriate.

IV. Legal Issues: Legal issues are identified in Section II above.

V. Consistency with Board Goals and Policies: The Board should consider whether the proposed Bylaw amendments are consistent with Board Goals and Policies.

VI. Fiscal Impact: None of the proposed Bylaw amendments appear to have a significant direct financial impact.



BOARD COMMUNICATION FORM

May 21, 2020 Board Meeting

(Not Privileged and confidential attorney-client communication)

From: Robert G. Weiss, Legal Counsel

Date: May 13, 2020

Item: City CORA request

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information: The District received the attached CORA (open records request) from the City of Steamboat Springs dated April 23, 2020. The inquiry pertains to the District's pricing documents for Yamcolo and Stagecoach and the District's property tax mill levy. District staff believes that this inquiry is prompted by the District's on-going negotiations with the City over existing and future water contracts. The District responded by email on 4/28/2019. The City narrowed its request by letter dated May 7, 2020. The District responded to narrowed request and provided all documents requested except for the item referred to as the Tom Sharp matrix and a confidential memo prepared and distributed to the Board by General Manager McBride, which the District believes are not subject to disclosure for the reasons stated. The City has asked that this matter be taken before the Board. Copies of the materials disclosed to the City are not attached.

II. Summary and Alternatives:

Direct staff and counsel to continue to withhold Tom Sharp matrix and McBride memo as pre-decisional work product communicated to the Board and staff of the District for purposes of giving instructions to negotiators OR direct staff to waive privilege and release one or both to City.

III. Staff Recommendation: No recommendation

IV. Legal Issues: Legal issues will be discussed in separate confidential memo from counsel.

V. Consistency with Board Goals and Policies: N/A

VI. Fiscal Impact: Cost incurred by District to respond through 4-28-2020 attached. City has requested these costs be waived.

Upper Yampa Water Conservancy District



Request for Records

Pursuant to the Colorado Open Records Act

Date of Request 4/23/20 Time: 11:46 AM

Name: Jennifer Bock

Mailing address: PO Box 775088

Steamboat Springs, CO 80477

Telephone Number (daytime): _____

Specific description of the record desired:

See attached letter

*Lynn Donaldson, Assistant to
Jennifer Bock
(Signature)*

Please note the Upper Yampa Water Conservancy District has an Administrative Regulation relative to Open Record Requests. The first 10 pages and first one hour of staff time are free, per requester, annually. Any requests beyond these amounts will be charged per the schedule detailed further below.

(Do not write below this line -- this section to be completed by UYWCD)

Response date: _____ Response Time: _____

Method of delivery: _____

Number of pages: _____ Amount paid: _____

By: _____

Denial of request and basis for denial:

Pursuant to Colorado Open Records Act, UYWCD has 72 hours in which to respond to this request. If the request is large, and extension of seven (7) working days is permitted

April 23, 2020

Upper Yampa Water Conservancy District

2220 Curve Plaza Ste. 201

PO Box 775529

Steamboat Springs, CO

80477-5529

Dear Custodian of Public Records,

The City of Steamboat Springs is submitting a public records request pursuant to the Colorado Open Records Act, (CORA) C.R.S. § 24-72-201 to 206 to the Upper Yampa Water Conservancy District for any and all of the following records:

- 1) Rate or cost studies associated with stored water in Stagecoach or Yamcolo Reservoirs.
- 2) The Capital Improvements Plan for Stagecoach Reservoir.
- 3) The Repair & Maintenance Plan for Stagecoach Reservoir.
- 4) Water rates for all municipal or domestic contracts for Stagecoach or Yamcolo Reservoirs, including but not limited to Morrisson Creek Water & Sanitation District, Town of Yampa, Town of Hayden, Tree Haus Metro District, and Mount Werner Water & Sanitation District.
- 5) District Board Meeting minutes pertaining to changes made to the District's mill levy over time.
- 6) The "pricing matrix" referenced by Board Member Tom Sharp in the March 11th, 2020 Board Meeting minutes.
- 7) Any other documents that provide the basis for municipal or industrial rates set or proposed for Stagecoach Reservoir and Yamcolo Reservoir.

Please notify me of an estimate of any costs that may be associated with this request prior to fulfilling the request.

If this request was misrouted, please forward to the correct contact person and reply to this communication with the appropriate contact information.

If you have any questions, please feel free to respond to this email.

Regards,

/s/ Jennifer Bock

Jennifer Bock
Assistant City Attorney

Upper Yampa Water Conservancy District



Bob Weiss

To: Jennifer Bock

Cc: 'Kevin McBride (kmcbride@upperyampawater.com)'; 'arossi@upperyampawater.com'; Deb Bastian

Reply

Reply All

Forward



Tue 4/28/2020 12:01 PM

Jennifer:

I am responding to your CORA request to the Upper Yampa Water Conservancy District e-mailed to Holly Kirkpatrick of the District just before noon last Thursday. I will respond by referencing the numbered paragraph in your letter. As a result of the covid-19 pandemic, the District offices are currently closed to the public and District staff is working from home without normal access to paper records. In addition, some of the requests made require the review of voluminous material. Accordingly, the District has determined that extenuating circumstances exist which authorize the time to respond to be extended to 7 working days.

1) **Yamcolo and Stagecoach Cost Studies.** Stagecoach pricing documents were e-mailed to Jon Snyder (and copied to you) by the District's General Manager on Friday, April 24, 2020 ("Snyder e-mail"). Documents related to Yamcolo pricing are voluminous because the District has been negotiating with Yamcolo irrigators over pricing for almost 10 years. The District will assemble and produce Yamcolo "cost studies" which have been given to persons outside of the District staff, Board and consultants or which have been publically distributed. Pre-decisional drafts of Yamcolo and Stagecoach cost and pricing documents prepared for internal use and provided to the Board of the District constitute work product and will not be produced. If the City desires that a log be produced identifying the documents withheld please so advise. We estimate the cost to produce this log will not exceed \$1000 under the District's copying and retrieval fee schedule posted on its website.

2) **Capital Plan.** See Snyder e-mail.

3) **Repair and Maintenance Plan.** See Snyder e-mail.

4) **Water rates.** See Snyder e-mail.

5) **Minutes.** These will be produced.

6) **Pricing Matrix.** This document is being withheld as pre-decisional work product communicated from the District's negotiating committee to the Board and staff of the District for the purpose of giving instructions to negotiators.

7) **Any other documents.** This request is overbroad and would require the District to produce years of records, including without limitation every pay record, consulting contact and invoice connected with the operation, maintenance, and repair or the capital improvement, repair or replacement of Yamcolo or Stagecoach Reservoirs or the administration of the District. If the City desires the District to undertake this work, the District will hire a firm experienced with this type of research and document retrieval at the City's cost, such work to begin as soon as possible after the District's office reopens to the public and such work can be conducted in accordance with applicable health directives. The District has not yet determined the estimated cost of such work but if the City desires the District to do so the District will ask for an estimate from a firm capable of doing such work and notify you of the required deposit amount.

Robert G. Weiss

Weiss and Van Scoyk, LLP

1625 Mid Valley Drive, Suite 1, PMB 82

Steamboat Springs, CO 80487

(970) 846-8637 cell



Bob Weiss
Weiss and Van Scoyk, LLP.
600 S. Lincoln Avenue, Suite 202
Steamboat Springs, CO 80487
BWeiss@wvsc.com

May 7, 2020

Dear Mr. Weiss,

I am writing to narrow the City's recent Colorado Open Records Act (CORA) request dated April 23, 2020 and to explain the reasons we believe that the "pricing matrix" is a public record that must be released by the Upper Yampa Water Conservancy District (District).

Regarding item #1, the City wishes to receive the "cost studies" associated with the most recent contracts entered into between the District and the Towns of Hayden and Yampa, Mount Werner Water District, and the Morrison Creek Water and Sanitation District. On April 30, you informed me that these contracts were executed circa 2011. Please forward to the City any cost studies or municipal pricing calculations/justifications that the District provided to these municipal customers in the negotiations leading up to the execution of the contracts.

Regarding items #2-4, you indicated in your email of April 28, 2020 that these items have been provided to Mr. Jon Snyder, the City's Public Works Director. The City interprets this response to indicate that the District does not have a Capital Improvements Plan or a Repair and Maintenance Plan for Stagecoach Reservoir—aside from the fourteen page 2019 memo from Mr. Rossi regarding "Stagecoach Dam and Hydro-Electric Facility, Yamcolo Dam, and Stillwater Ditch Equipment Replacement Costs, Long-Term Maintenance Costs, Recommended Reserves." Thank you for providing the water rate schedule for current Yamcolo and Stagecoach contracts.

Regarding item #5, and per our conversation, the City requests the minutes from meetings at which the District Board approved changes to the District's mill levy in the following years: 1995 (mill levy decreased), 1993 (mill levy decreased), 1992 (mill levy decreased), 1991 (mill levy increased), 1986 (mill levy increased). The City based this request upon a document entitled "UYWCD Mill Levy History: 1966 to 2020," previously provided by District Staff.

Regarding item #6, the City requested the “pricing matrix” referenced by Board Member Tom Sharp in the March 11, 2020 Board Meeting minutes. The matrix was also referenced by Board Member Murphy at the same meeting. In your email, you stated that the District would not provide this document based on your evaluation that it is “pre-decisional work product.” The pricing matrix does not fall under the “work product” exception to CORA.

Section 24-72-202(6)(b)(II) of CORA states that public records do not include “Work product prepared for elected officials. However, elected officials may release, or authorize the release of, all or any part of work product prepared for them.” (Emphasis added). Likewise, part (6.5)(a) of the same section defines work product as the following:

“Work product” means and includes all intra- or inter-agency advisory or deliberative materials assembled for the benefit of elected officials, which materials express an opinion or are deliberative in nature and are communicated for the purpose of assisting such elected officials in reaching a decision within the scope of their authority. (Emphasis added).

CORA is a detailed legislative enactment which specifically refers to “elected officials” when defining the work product exemption in multiple parts of the statute. Indeed, the statute makes an exception to enable the Colorado reapportionment commission to be afforded the exemptions of elected officials: “For purposes of subsections (6) and (6.5) of this section and sections 24-72-203(2)(b) and 24-6-402(2)(d)(III), the members of the Colorado reapportionment commission shall be considered elected officials.” C.R.S. § 24-72-202(8). The legislature’s inclusion of the commission and *not* water districts or other unelected public officials evinces the legislature’s intent that the term “elected officials” be strictly applied.

The Board Members of the District are *not* elected officials and are instead appointed by the District Court per the Water Conservancy Act (C.R.S. § 37-45-101, *et. seq.*). On this basis alone, the work product exemption does not apply to the “pricing matrix” drafted by Board Member Sharp, because it was not prepared or assembled for the benefit of elected officials. (*See Bjornsen v. Board of County Commissioners of Boulder County*, 2019 COA 59 at p. 8, WL 1830203, (Colo. App. 2019) (drafts prepared for unelected appointee and not an elected official constituted public records).)

In addition, the work product exemption does not apply to the pricing matrix because it was distributed to members of the Board and discussed and considered in the District’s public meeting on March 11, 2020 (see Director Sharp and Director Murphy’s comments, March 11 Board Meeting at pp. 3-4). CORA’s work product exemption is limited by the following:

“Work product” does not include:

...

(IV) Any materials that would otherwise constitute work product if such materials are produced and distributed to the members of a public body for their use or consideration in a public meeting or cited and identified in the text of the final version of a document that

expresses a decision by an elected official. (C.R.S. § Section 24-72-202(6)(c)) (emphasis added).

The District's minutes clearly indicate that the District Board considered the pricing matrix at the Board's March 11, 2020 meeting. The minutes also indicate that Board Member Sharp produced the document and that it was distributed amongst the Board, since more than one Board Member discussed it at the meeting:

The pricing matrix requested by the City does not fall under CORA's work product exemption because it was not prepared for elected officials, and even assuming *arguendo*, that it could qualify despite the Board's appointed status and contrary to recent case law, the materials were distributed and considered at a public meeting and therefore any privilege waived.

Regarding item #7, "Any other documents that provide the basis for municipal or industrial rates set or proposed for Stagecoach Reservoir and Yamcolo Reservoir," it is the City's understanding that all relevant documents have been provided by the District—in particular, items Nos. 2-4 discussed above. The City is not interested in obtaining invoices and detailed maintenance records, but rather any documents that support municipal water rate setting. These documents might include, for example: water rate studies, public hearings regarding rates, or documents comparing the rates of other providers similar to the District. If the District does not possess these types of documents, then it is unnecessary for the District to attempt to respond to this portion of the request.

In our April 23, 2020 original request letter, the City asked for an estimate of costs. You stated in our conversation on April 30 that the District had already spent several hours working on the City's request. Please provide an estimate of the costs necessary to fulfill this request. The City further requests a fee waiver under the provisions of C.R.S. § 24-72-205(4), since the City is a municipal government and will use the materials for a public purpose—provision of water to the residents and visitors of Steamboat Springs.

Please do not hesitate to contact me with any questions regarding this request.

Regards,

/s/ Jennifer S. Bock

Jennifer Bock
Assistant City Attorney
City of Steamboat Springs

WEISS AND VAN SCOYK, LLP
ATTORNEYS AT LAW
1625 MID VALLEY DRIVE, SUITE 1-PMB 82
STEAMBOAT SPRINGS, COLORADO 80487

ROBERT G. WEISS
WARD L. VAN SCOYK

TELEPHONE: (970) 846-8637
bweiss@wvsc.com

May 9, 2020

Jennifer Bock, Esq.
Assistant City Attorney
City of Steamboat Springs
P.O. Box 775088
Steamboat Springs, CO 80477

Via jbock@steamboatsprings.net

Re: *City of Steamboat – CORA Request*

Dear Jennifer:

I am responding to your CORA request dated April 23, 2020, as modified by your May 7, 2020 letter narrowing the parameters of your request. This response is supplemental to my email response to you on April 28, 2020, your email to me dated April 28, 2020 and my response to you dated April 30, 2020, in which you agreed that the Upper Yampa Water Conservancy District (the "District") would have five (5) business days to respond to your narrowed request.

I am attaching the Upper Yampa Board minutes that you requested which are the following:

September 11, 1985
November 9, 1990
November 17, 1991
November 9, 1992
December 2, 1994

In respect to your request for information regarding 2011 Yamcolo municipal pricing, I am attaching a table showing Yamcolo pricing in 2011 when the Yamcolo municipal contracts were renegotiated. At the present time, we have not located any other Yamcolo pricing information for this period. If we find additional documents for Yamcolo pricing in the 2011 time period that are not protected from disclosure we will provide them to you.

As discussed, I have held the Tom Sharp matrix referenced at the March 11, 2020 Board meeting as a pre-decisional work product communicated from the District's negotiating committee to the Board and staff of the District for purposes of giving instructions to negotiators.

I also have another confidential Stagecoach pricing document which was prepared by the General Manager and reviewed by the Board which I am also withholding as pre-decisional work product communicated to the Board and staff of the District for purposes of giving instructions to

Page 2

negotiators.

As discussed, I will present your May 7, 2020 letter and these two documents at the next Board meeting of the District on May 21, 2020 to see if the Board wishes me to continue to assert the position that these can be withheld or whether the Board desires to release these documents.

Finally, as you have requested, please find invoice for costs incurred by the District in responding to the City's CORA request through April 28, 2020. I do not yet have an invoice or estimate for costs incurred since April 28, 2020. No payment is requested at this time. The costs incurred and the City's fee waiver request will be discussed at the May 21, 2020 Board meeting.

If you have any questions about this response, please let me know.

Very truly yours,

WEISS AND VAN SCOYK, LLP

Robert G. Weiss

Robert G. Weiss

RGW/cm

w/ attachments listed

Bcc: Upper Yampa Board (for May 21, 2020 meeting)

Kevin McBride

Andy Rossi

Deb Bastian

Holly Kirkpatrick

Upper Yampa Water Conservancy District

P.O. Box 775529

Steamboat Springs, CO 80477-5529



BILL TO

City of Steamboat Springs
 Attn: Kelly Romero - Heaney
 PO Box 775088
 137 10th Street
 Steamboat Springs, CO 80477-5088

INVOICE

DATE	4/29/2020
INVOICE #	CSS 200429
DUE DATE	5/29/2020

DESCRIPTION	Qty	Rate	AMOUNT
Fees. Administrative work.	1	30.00	30.00
Fees. Administrative work.	1.5	30.00	45.00
Fees. Administrative work.	7	30.00	210.00
Fees. Administrative work.	2.5	30.00	75.00
Fees. Administrative work.	2.5	30.00	75.00
Legal fees incurred in response to CORA request through 4-28-2020	1	1,311.00	1,311.00

Phone #	970-871-1035	Fax #	888-519-3464	TOTAL	\$1,746.00
E-mail				Payments/Credits	\$0.00
				Balance Due	\$1,746.00

REPORT FROM GENERAL COUNSEL

**ELECTION OF DIRECTOR & SOLE OFFICER OF THE
STILLWATER DITCH COMPANY**



BOARD COMMUNICATION FORM

May 21, 2020 Board Meeting

From: Bob Weiss, Legal Counsel

Date: May 13, 2020

Item: Stillwater Ditch Director

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information: Kevin Mc Bride is the sole director of the Stillwater Ditch and Reservoir Company. Andy Rossi should replace Kevin effective June 1, 2020.

II. Summary and Alternatives: Appoint Andy Rossi effective June 1, 2020.

III. Staff Recommendation: Kevin McBride has retired effective June 1, 2020. A sole director needs to be appointed to replace him.

IV. Legal Issues: None

V. Consistency with Board Goals and Policies: N/A.

VI. Fiscal Impact: No fiscal impact.

THE STILLWATER DITCH AND RESERVOIRS COMPANY
ACTION BY SOLE SHAREHOLDER WITHOUT MEETING

Upper Yampa Water Conservancy District, a quasi-municipal corporation and political subdivision of the State of Colorado, sole shareholder of The Stillwater Ditch and Reservoirs Company, a corporation organized under the laws of the State of Colorado (the "Corporation"), hereby waives notice of and the holding of a special meeting of the shareholders of the Corporation and consents to the following actions, which shall have the same force and effect as actions taken at a meeting of the shareholders of the Corporation.

RESOLVED, that Andy Rossi is hereby appointed as the sole director of the Corporation, to serve in such capacity until his successor is elected or appointed and qualified.

The undersigned, being the sole shareholder of The Stillwater Ditch and Reservoirs Company, hereby approves and adopts the foregoing actions effective June 1, 2020, notwithstanding the actual date of signing.

UPPER YAMPA WATER CONSERVANCY
DISTRICT, Sole Shareholder of The Stillwater
Ditch and Reservoirs Company

By _____
(Title)



BOARD COMMUNICATION FORM

From: Scott Grosscup, legal counsel

Date: May 13, 2020

Item: Water Resume Review

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information: I reviewed the Water Resumes for Water Divisions 5 and 6 for water court filings in the month of March and did not identify any water applications that would impair or injure the District's water rights. The Division 6 Water Resume for April also did not contain any application affecting the District's water rights

The April Resume for Water Division 5 is not yet available.



BOARD COMMUNICATION FORM

From: Scott Grosscup, legal counsel

Date: May 13, 2020

Item: Water Court Cases Update

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

Following is an update of the status of water court cases in which the Upper Yampa Water Conservancy District is an Applicant or Opposer and matters pending before the Utah Division of Water Resources.

Case No. 17CW3043 – This is the application by the City of Steamboat Springs for an augmentation plan for Casey’s Pond. The District has entered a stipulation consenting to the form of ruling in 2019. The ruling uses the District’s water rights from Stagecoach reservoir in its augmentation plan for Casey’s Pond. The Applicant and Mt. Werner Water & Sanitation District are soon to settle and present a final proposed Ruling to the Water Referee. We will continue to monitor the case to ensure that no concerns are raised in the use of the District’s water rights.

Case No. 18CW3020 – This is the application by the Mt. Werner Water & Sanitation District for new junior water rights at the Yampa Meadows Infiltration Gallery and plan for augmentation using water from Stagecoach and Yamcolo Reservoirs pursuant to two contracts with the UYWCD. The District entered into a stipulation with the Applicant, which was approved by the Referee, consenting to the relief requested and properly identifying water rights that may be used from Yamcolo Reservoir for augmentation purposes. The City of Steamboat Springs is the only remaining oppose and they have indicated a settlement should be forthcoming.

Case No. 19CW3005 – This is an application for finding of reasonable diligence filed by Tri-State Generation and Transmission Association related to conditional water rights it owns in the Four Counties Ditch No. 3, Headgate 8 and in the Wessels Canal. No other statements of opposition were filed. The Division Engineer is recommending that the Court deny the application and cancel the conditional water rights. TriState has requested additional time to respond to the consultation report, now delayed to early June, citing “a significant shift in generation strategy over the next decade”.

Water Horse Resources – The Utah Division of Water Rights has not issued an Order on Aaron Million’s project to divert water from Utah to Colorado’s eastern slope. There is no estimated time for resolution.

BOARD MEMBER REPORTS

**UPDATE ON GM SEARCH / MEMO FROM GC ON
GM SEARCH PROCESS / ACCEPTANCE OF MINUTES**





BOARD COMMUNICATION FORM

From: Ken Brenner, Director

Date: May 14, 2020

Item: General Manager Search Committee Update

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information:

The General Manager Search Committee (GMSC), Doug Monger/Bob Woodmansee/Ken Brenner, have been meeting with Carolyn McCormick regularly since our last Board meeting. Deb Bastian provides staff support. We have developed and you have approved a Job Description and Candidate Profile that announced our General Manager (GM) search process on May 1st. We have also been developing a timeline for the search, an advertising plan and a scoring template for the applications. We have also consulted with Bob Weiss regarding the legal structure that must guide the search process and some cautionary advice for Directors during the search. This agenda item is to both update you on progress to date and receive both approval and guidance on several matters.

II. Summary and Alternatives:

There are several matters to discuss and decide.

1. Approval of the timeline for the search process.

a) Discussion, then Motion to approve the attached timeline

b) Director's involvement in the first round interview process. The GMSC will all participate in the first round interviews of GM candidates. We will be narrowing the field of 5-8 candidates down to ~3 finalists.

If one or more of the other Directors wants to participate, is that OK with the Board?

(It is mandatory that any Director participating in the interviews commits to attending ALL of the interviews, this could be over ten hours for the first round.)

2. Review and discussion of scoring template for GM candidate applications. Is the Board comfortable with the structure and assessment categories presented in the attached template.



3. **Review of the legal issues memo from General Counsel.**
4. **Discuss whether the Directors would be willing to offer an employment contract for the new GM. We have not used an employment contract in the past, the GM position was an At Will employee.**
5. **Directors should feel free to share the job description and candidate profile to anyone you feel might be interested. After any initial contact with a potential candidate, please pass them off to Carolyn asap. This keeps the Directors at an “arm’s length” away from the process and ensures that we treat every candidate equally.**

While it is natural for us to have preferences for certain candidates or types of candidates, it is important to keep those preferences to yourself until we are down to our final decision on a new GM. If we are openly endorsing a candidate before then, we compromise the integrity of the process and no longer appear impartial and unbiased. Collectively the nine of us will choose the best candidate!

III. Staff Recommendation:

N/A

IV. Legal Issues:

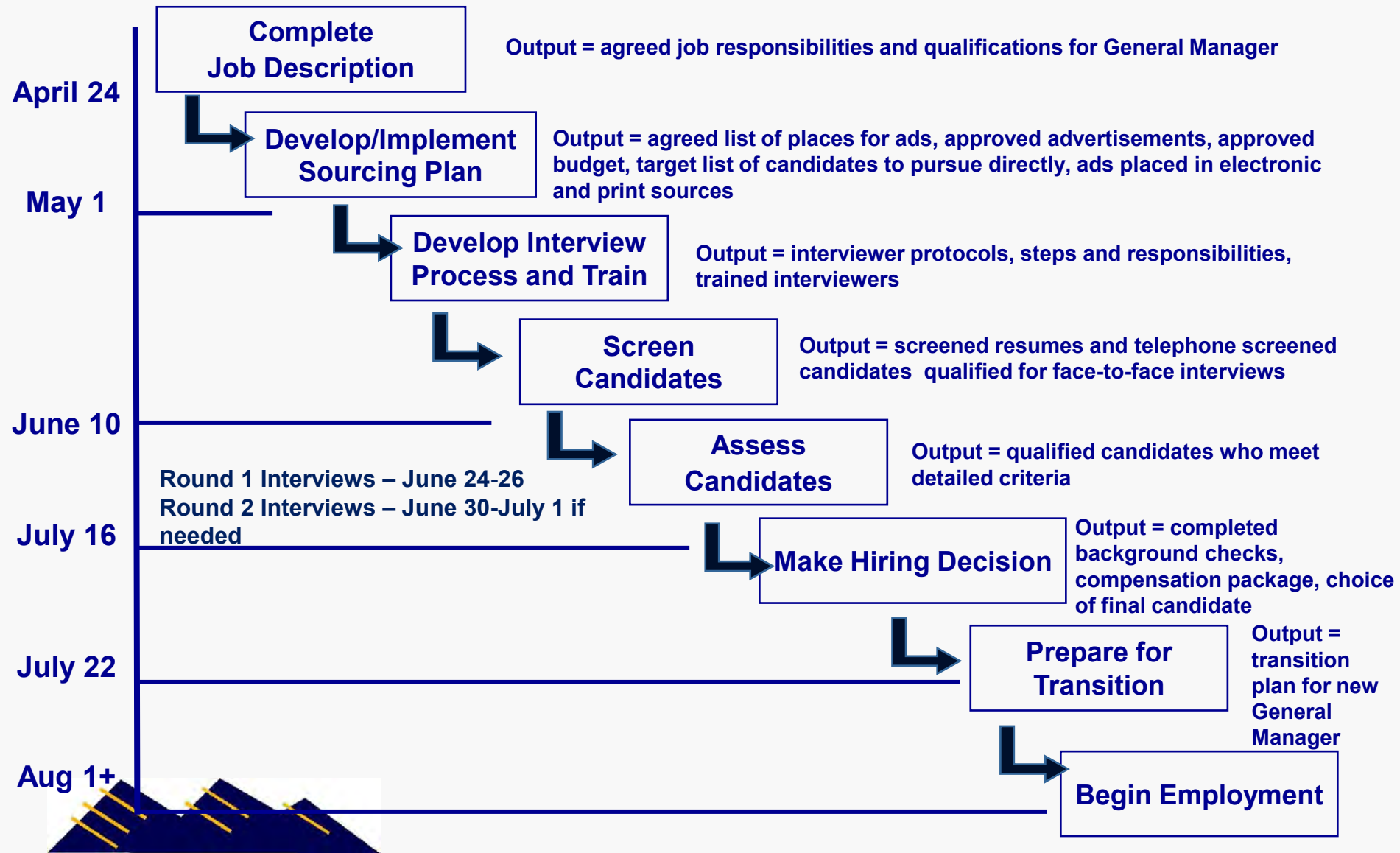
General Counsel has provided us a memo explaining his assessment of the legal requirements for the GM search process and some cautions for Directors to guard the integrity of the search process.

V. Consistency with Board Goals and Policies:

Attachments:

1. **Search timeline**
2. **Scoring template**
3. **Bob Weiss memo**
4. **Minutes of GMSC meetings**

General Manager Search Steps & Timetable



				Leadership	Operations	Mgt	Water	Knowledge	Organization	Development	Community	Partnering	Government	Affairs	Staff Mgt/	Development	Work with	Boards	Education/	Licenses	Current Role	Location	Comments		
Candidates to be Interviewed																									
Candidates to be Screened																									
Candidates to be Considered																									
Candidates No Longer to be Considered																									
Candidates Who Have Withdrawn from Further Consideration																									

BOARD COMMUNICATION FORM

May 21, 2020 Board Meeting

(Not Privileged)

From: Robert G. Weiss, Legal Counsel

Date: May13, 2020

Item: General Manager Search Process

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information: The Board President asked me to provide this short memo on the general manager search process.

The Water Conservancy Act authorizes the District to "appoint and employ such officers, attorneys, agents, and employees therefor as found by the board to be necessary and convenient." The Act does not spell out the process for hiring a new general manager or impose any specific occupational qualifications.

The Bylaws of the District define the responsibilities of the general manager and the District's Bylaws and Personnel Guidelines state that he or she is employed at-will.

The Board has formed a 3 member search committee to conduct the general manger search and to make a recommendation to the full Board. The Directors on the Search Committee are Ken Brenner, Doug Monger and Bob Woodmansee. The District has retained Carolyn McCormick of Peak HR Consulting, LLC to assist in the search and selection process.

All meetings of the Search Committee are subject to the Open Meetings law including the requirement that the Agenda for meetings of the Committee be posted at least 24 hours before the meeting and that minutes be kept.

The Committee is required to adopt at a public meeting properly noticed:

- GM job description
- Application deadline
- Requirements for applications
- Selection procedures
- Time frame for employing the new General Manager

Meetings of the search committee are open to the public except for authorized executive sessions. The initial review of applicants and the selection of the finalists will be conducted in executive session and the identity of applicants and application documents will be kept confidential. Executive sessions shall be electronically recorded and the recordings kept at least 90 days.

The Search Committee will select the finalists to be considered by the full Board. The names of the finalists will be made public by posting on the District's website not less than 14 days prior to the date the board votes to select the successful candidate and make an offer of employment. Reference and background checks will be completed on all finalists.

Board members and District staff shall keep the identity of applicants confidential until the finalists are announced. All application materials shall be kept confidential.

In connection with the search and selection process Board members are urged to adhere to the following recommended best practices:

- Maintain the confidentiality of information to be kept confidential.
- Comply with the selection procedures and other application processes established by the Search Committee.
- If a Director is aware of a potential candidate for the General Manager petition the Director should communicate the name and contact information for such person to Carolyn McCormick.
- Avoid discussion of or expression of opinion about or preference for any applicant outside scheduled meetings of the Search Committee or Board
- Endeavor to fairly consider the qualifications of the applicants and to maintain an open mind during the selection process before finally deciding which applicant the Board member wishes to support to the end that the selection process is seen as fair and impartial by all involved and that the choice was made on the basis of merit and the best interest of the District and its constituents.

II. Summary and Alternatives: N/A.

III. Staff Recommendation: As described above.

IV. Legal Issues: As described above.

V. Consistency with Board Goals and Policies: N/A

VI. Fiscal Impact: N/A.

RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT
SEARCH COMMITTEE MEETING
APRIL 15, 2020 2:00 PM
ONLINE MEETING: [HTTPS://BLUEJEANS.COM/885335152](https://bluejeans.com/885335152)

MINUTES

Search Committee members present were Directors Ken Brenner, Doug Monger and Bob Woodmansee. Business Manager Deb Bastian and Carolyn McCormick, Principal, Peak HR Consulting, LLC were also present. This meeting was held entirely by videoconference utilizing the BlueJeans platform. Instructions to the public describing the process to participate in the videoconference meeting and the meeting agenda were posted on the District website at least 24 hours in advance of the meeting.

The following agenda was proposed:

AGENDA

- Introductions
- Review/confirm overall timeline & outline committee meeting dates
- Review/confirm project roles
- Discuss strategic plan and other upcoming objectives for incoming General Manager
- Review and discuss job description, leadership profile
- Identify other stakeholders to provide input before launching search
- Discuss compensation plans/ranges
- Other items

Introductions. Carolyn McCormick reviewed the purpose of the meeting and the agenda. Director Brenner provided a current overview of the District.

Overall Timeline & Meeting Dates. The prepared timeline and schedule were reviewed. Carolyn asked all to review and let her know of any conflicts so that dates and times could be adjusted. Director Monger asked that all meetings schedule for Monday or Tuesday be moved to Wednesday, Thursday or Friday and that the time for the meetings be moved to 2:00 PM instead of 11:00 AM. Carolyn will make the adjustments and send a revised schedule to the committee for review.

Confirm Project Roles. Project roles were reviewed and agreed to.

RECORD OF PROCEEDINGS

Strategic Plan / Objectives for new GM. Other than the responsibilities/duties noted in the job description, the committee stated that the new GM needs to work with the Board to organize and work on processes to develop policies and to be able to clearly state the policy of the District and Board. The position requires a strong leader to work with a diverse board and external entities. Looking for a holistic and not linear thinker.

Review Job Description / Leadership Profile. Director Brenner commented that the Board recently approved a new General Manager job description; this has been provided to Carolyn McCormick. Carolyn informed the committee that the profile will also include information that will showcase the District, provides background, strategic priorities and data regarding the Steamboat Springs and Routt County area. Director Monger will forward materials about the region to Business Manager Deb Bastian for distribution. Carolyn noted that she will require photos and final formatting assistance from staff. Director Brenner stated he will reach out to local outdoor advocate Kent Vertrees for photos to include in the profile.

Identify Stakeholders. The committee identified the following internal and external stakeholders to be interviewed by Carolyn McCormick to assist in developing the candidate profile:

Internal: Board of Directors, District's attorney and staff

External: Andi Schaffner, Al Snyder, Erin Light, Jay Gallagher, Jeff Blakeslee, Frank Alfone, Andy Mueller, Nicole Seltzer, Ryan Golten, Doug Kemper, Jay Fetcher, Jackie Brown, Kelly Romero-Heaney, Tom Gray, Kent Vertrees

Discuss Compensation. The committee discussed the top of the hiring range should be the current GM's annual salary with a target to hire around \$140,000. The position will be advertised stating that relocation expenses may be available. There are no other hiring incentives offered by the District.

Other. Carolyn commented that she will have a draft profile for the committee to review early next week. This will allow the committee time to review and markup the profile before the next meeting.

Determination of future meetings. The next meeting will be on Wednesday, April 22, 2020 at 2:00 PM via BlueJeans online meeting.

The meeting was adjourned at 3.37 PM.

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

Ken Brenner
Ken Brenner (May 15, 2020)

Ken Brenner, Chairman

May 15, 2020

Date: _____






2020 04 15 Search Committee Meeting Minutes-final

Final Audit Report

2020-05-15

Created:	2020-05-14
By:	Deb Bastian (dbastian@upperyampawater.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAHhYkF8_ZLU5kC8MlqhJHiGfk5hr5_3fC

"2020 04 15 Search Committee Meeting Minutes-final" History

-  Document created by Deb Bastian (dbastian@upperyampawater.com)
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2020-05-14 - 6:46:00 PM GMT
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2020-05-15 - 1:15:49 PM GMT- IP address: 74.125.212.45
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2020-05-15 - 1:16:29 PM GMT

RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT
SEARCH COMMITTEE MEETING
APRIL 22, 2020 2:00 PM
ONLINE MEETING: [HTTPS://BLUEJEANS.COM/911122415](https://bluejeans.com/911122415)

MINUTES

Search Committee members present were Directors Ken Brenner, Doug Monger and Bob Woodmansee. Business Manager Deb Bastian and Carolyn McCormick, Principal, Peak HR Consulting, LLC were also present. This meeting was held entirely by videoconference utilizing the BlueJeans platform. Instructions to the public describing the process to participate in the videoconference meeting and the meeting agenda were posted on the District website at least 24 hours in advance of the meeting.

The following agenda was proposed:

AGENDA

- Review data gathered from external stakeholders
- Review text for job documents
- Approve advertising plan
- Review initial candidate outreach plan
- Other items

Review data gathered from external stakeholders. The committee reviewed the preliminary data gathered by Carolyn McCormick during interviews with some of the external stakeholders. She is continuing to schedule and conduct interviews with external stakeholder, board members and District staff.

Review text for job documents. The committee reviewed and provided comments on the draft document. Based on the discussion and data gathered during the interview process, Carolyn will make edits and provide an updated version by the end of this week.

Advertising Plan. The list of recommended and suggested advertising platforms was reviewed. The committee provided some additional sources for Carolyn to pursue.

Review initial candidate outreach plan. Carolyn presented an outreach list of individuals to contact for candidate suggestions and a potential candidate list. The committee reviewed.

RECORD OF PROCEEDINGS

Determination of future meetings. The next meeting will be on Wednesday, April 29, 2020 at 2:00 PM via BlueJeans online meeting.

The meeting was adjourned at 3.30 PM.

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

Ken Brenner

Ken Brenner (May 15, 2020)

Ken Brenner, Chairman

Date: May 15, 2020






2020 04 22 Search Committee Meeting Minutes-Final

Final Audit Report

2020-05-15

Created:	2020-05-14
By:	Deb Bastian (dbastian@upperyampawater.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAPq_SkN_eAxnKKM0FjDn4MwlvVBgieE2

"2020 04 22 Search Committee Meeting Minutes-Final" History

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2020-05-15 - 1:17:17 PM GMT

RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT
SEARCH COMMITTEE MEETING
APRIL 29, 2020 2:00 PM
ONLINE MEETING: [HTTPS://BLUEJEANS.COM/504979676](https://bluejeans.com/504979676)

MINUTES

Search Committee members present were Directors Ken Brenner, Doug Monger and Bob Woodmansee. Director Halliday, Business Manager Deb Bastian and Carolyn McCormick, Principal, Peak HR Consulting, LLC were also present. This meeting was held entirely by videoconference utilizing the BlueJeans platform. Instructions to the public describing the process to participate in the videoconference meeting and the meeting agenda were posted on the District website at least 24 hours in advance of the meeting.

The following agenda was proposed:

AGENDA

- Finalize leadership profile
- Review additional stakeholder input gathered
- Review updated advertising plan
- Review updated candidate outreach plan
- Other items

Finalize leadership profile. The committee reviewed the profile and provide a couple of amendments to the draft. Carolyn commented that she will be working with Holly Kirkpatrick to properly format and add photos to the profile. A finalized version will be sent to the committee by Friday.

Review additional stakeholder input gathered. The committee reviewed the input gathered to date. Carolyn continues to have conversations and reach out to the others on the list.

Review updated advertising plan. The committee agreed with the recommended advertising plan with addition of the City & County Mangers Association and city attorney listserv and the removal of the Daily Sentential. Posting of the position with these sources is scheduled to begin on May 1, 2020.

Review updated candidate outreach plan. The committee reviewed the candidate outreach plan,

RECORD OF PROCEEDINGS

Other items. The committee discussed that any discussion on possible candidates or personnel matters will be held in Executive Session.

Determination of future meetings. The next meeting will be on Wednesday, May 13, 2020 at 2:00 PM via BlueJeans online meeting.

The meeting was adjourned at 2:59 PM.

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

Ken Brenner

[Ken Brenner \(May 15, 2020\)](#)

Ken Brenner, Chairman

Date: May 15, 2020






2020 04 29 Search Committee Meeting Minutes-final

Final Audit Report

2020-05-15

Created:	2020-05-14
By:	Deb Bastian (dbastian@upperyampawater.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAU0SDfwoaH3rJA4OSFx3w0n4LSXtDTPW

"2020 04 29 Search Committee Meeting Minutes-final" History

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2020-05-15 - 1:17:27 PM GMT- IP address: 74.125.212.43
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Signature Date: 2020-05-15 - 1:19:13 PM GMT - Time Source: server- IP address: 67.164.186.155
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RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT
SEARCH COMMITTEE MEETING
MAY 1, 2020 4:30 PM
ONLINE MEETING: [HTTPS://BLUEJEANS.COM/242843206](https://bluejeans.com/242843206)

MINUTES

Search Committee members present were Directors Ken Brenner, Doug Monger and Bob Woodmansee. Business Manager Deb Bastian and Carolyn McCormick, Principal, Peak HR Consulting, LLC were also present. This meeting was held entirely by videoconference utilizing the BlueJeans platform. Instructions to the public describing the process to participate in the videoconference meeting and the meeting agenda were posted on the District website at least 24 hours in advance of the meeting.

The following agenda was proposed:

AGENDA

- Approve leadership profile Action Item
- Other items

Approve leadership profile. Director Brenner asked the committee if they had any questions or changes to the proposed Leadership Profile. With none, Director Monger moved to approve the Leadership Profile as presented by Carolyn McCormick and to authorize the search process and to reach out to the key stakeholder for recommendations on possible candidates for the General Manager position. Director Woodmansee seconded; there was unanimous approval.

Other items. There were no other items.

The meeting was adjourned at 4:39 PM.

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

Ken Brenner
Ken Brenner (May 15, 2020)

Ken Brenner, Chairman

Date: May 15, 2020






2020 05 01 Search Committee Meeting Minutes-final

Final Audit Report

2020-05-15

Created:	2020-05-14
By:	Deb Bastian (dbastian@upperyampawater.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA9fEplPrbcn12h7THZE0_9YlpqqUOrTD

"2020 05 01 Search Committee Meeting Minutes-final" History

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BOARD MEMBER REPORTS

**REQUEST FOR APPOINTMENT TO GM SEARCH
COMMITTEE**





BOARD COMMUNICATION FORM

From: Lyn Halliday, Director

Date: May 15, 2020

Item: Request for appointment to the General Manager Search Committee

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

- I. Request/Issue and Background Information:**
I have been attending the Search Sub-Committee meetings and would like to fully participate in the process which would require approval from the Board.
- II. Summary and Alternatives:**
N/A
- III. Staff Recommendation:**
N/A
- IV. Legal Issues:**
N/A
- V. Consistency with Board Goals and Policies:**
N/A

Attachments:
None

NEXT MEETING AGENDA



AGENDA


**UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD OF DIRECTORS MEETING
THURSDAY, JUNE 18, 2020 (12:00 PM)
MOUNTAIN VALLEY BANK COMMUNITY ROOM
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO**

INSTRUCTIONS ON HOW TO JOIN A BLUEJEANS MEETING FOLLOW THE AGENDA

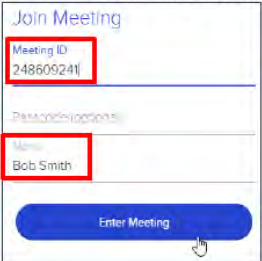
- (1) Establishment of Quorum and Call to Order;
- (2) Approval of Agenda for Meeting **Action item**
- (3) Public Input and Comment;
- (4) Consent Agenda; **Action item**
 - a) Approval of the minutes of the May 21, 2020;
 - b)
- (5) Audit **Action item**
- (6) Report of General Manager;
 - a) Stagecoach Contract Water Pricing
 - b) Fill and Release Policy
- (7) Committee Reports; **Action item**
 - a) Update on GM search and acceptance of minutes of the May 13, 2020, May 20, 2020, May 27, 2020 and June 6, 2020 Search Committee Meetings
- (8) Report of General Counsel
 - a) Water Resumes;
 - b) Status of other Water Cases, if any;
 - c) Bylaws
- (9) District Engineer Report
- (10) Consideration/Action on District Projects
- (11) Board Member Reports
- (12) Discussion of Pending Legislation
- (13) New Business
- (14) Executive Sessions;
 - a) Executive session under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, Contract Negotiations and _____ (insert description) . 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) Executive session under CRS § 24-6-402(4)(e)(I) for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators with respect to _____ (insert brief description). This session will be recorded, and a copy of the recording maintained for not less than 90 days.
- (15) Determination of Next Meeting Agenda;

(16) Adjournment.


How to join a BlueJeans meeting

Go to: [BlueJeans.com](https://bluejeans.com) and click on "Join Meeting"  located in the upper right hand corner.


In the "Join Meeting" dialogue box, enter the "Meeting ID" (the ID number is provided in the meeting agenda) and your "Name" and then click "Enter Meeting."



You will now be launched into the BlueJeans meeting. The "Use Phone Audio" dialogue box will appear. Follow the steps to connect via phone audio. Once you are connected, or if you were already connected, click on the "X" in the upper right hand corner to close the box.



When you enter the meeting, place your phone on Mute. If have used your computer for audio, click on the "Mute Audio" button. If you are using your own phone, press the mute button. Unmute to join the conversation.



Contact Deb Bastian for any questions

- Email: dbastian@upperyampawater.com
- Phone: 970-819-0189