

RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD OF DIRECTORS MEETING
WEDNESDAY, JULY 20, 2022 (12:00 PM)
MOUNTAIN VALLEY BANK COMMUNITY ROOM
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO
ONLINE MEETING:

<HTTPS://US06WEB.ZOOM.US/J/84584409032?PWD=BXU3UJRSAZHDXDNORU1ZWKzJBVzVJQT09>

MINUTES

Chairman Doug Monger called the meeting to order and declared a quorum present. In addition to Chairman Monger, the Board Members present were Ken Brenner, Jim Haskins, John Redmond, Ron Murphy, Lyn Halliday, Tom Sharp, Webster Jones and Nicole Seltzer. General Manager Andy Rossi, District Engineer Emily Lowell, Public Information and External Affairs Manager Holly Kirkpatrick, Business Manager Deb Bastian, Chief Accountant Karina Craig and General Counsel Bob Weiss were also present. Special Counsel Scott Grosscup was present over Zoom for a portion of the meeting. Members of the public present for some portion of the meeting included Kristen Jespersen & Sheryl Horton, Yampatika; Nora Flynn, Colorado Water Conservation Board; Kristen Rockford, Routt County Conservation District; Erin Light, Division of Water Resources; Jerry Smith and Bill Gay.

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

The following agenda was proposed:

AGENDA

- (1) **12:00 PM** Establishment of Quorum and Call to Order
- (2) **12:00 PM** Approval of Agenda for Meeting **Action Item**
- (3) **12:05 PM** Public Input and Comment
The Board will make no decision nor take action, except to direct the General Manager. Those addressing the Board are requested to identify themselves by name, organization, if any, and address. Comments shall not exceed three (3) minutes.
- (4) **12:10 PM** Consent Agenda **Action Item**
 - a. Approval of the Minutes May 18, 2022, Board of Directors Meeting Minutes
 - b. Financials
 - i. Approval of Disbursements
 - ii. Budget Comparison
 - iii. UYWCD Local Deposits Activity Update
- (5) **12:25 PM** Report of General Manager
 - a. Yampatika Programs Update
 - b. CWCB Update on Colorado Water Plan
 - c. UYWCD Water Contracts
 - i. Augmentation Plan Contract and Document Updates **Action Item**

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- ii. Bill Gay Augmentation Contract Proposal **Action Item**
- d. 6-month Review of 2022 Strategic Plan
- (6) **1:45 PM** District Engineer Report
 - a. Update on Reservoir Water Status
 - b. Capital Projects Report
- (7) **2:00 PM** Public Information Updates
 - a. Upcoming Events
 - b. Grants **Action Item**
- (8) **2:15 PM** Board Member Reports
- (9) **2:30 PM** Report of General Counsel and Update from Erin Light
- (10) **2:45 PM** Pending Water Cases
 - a. Water Resumes
 - b. Status of Other Water Cases
- (11) **3:00 PM** New Business (Limited to emergency matters that came up **Action Item**
During the course of the meeting)
- (12) **3:05 PM** Executive Sessions:
 - a. Executive session under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, Contract Negotiations and _____ (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.
- (13) **3:45 PM** Board Actions in Regard to Executive Session
- (14) **3:50 PM** Determination of Next Meeting(s) Agenda(s)
- (15) **4:00 PM** Adjournment.

Chairman Jones established a quorum and called the meeting to order at 12:06 PM.

Meeting Agenda. Director Redmond moved to approve the agenda. Director Murphy seconded the motion which was unanimously approved.

Public Input and Comment. Chairman Jones invited members of the public to comment on items not otherwise scheduled on the agenda. There was no comment.

Consent Agenda. Director Haskins moved to approve the consent agenda as presented. Director Halliday seconded the motion which was unanimously approved.

Report of General Manager.

Yampatika Programs Update. Sheryl Horton, School's Program Manager, of Yampatika provided the Board with an update on the school-based programs offered through Yampatika.

CWCB Update on Colorado Water Plan. Nora Flynn, Agricultural Water Planning Specialist, of the Colorado Water Conservancy Board provided a presentation on the draft 2023 Colorado State Water Plan. The deadline to submit public comment on the draft plan is September 30, 2022. General Manager Rossi will present the Board comments, prepared from an organizational viewpoint, at the September 22, 2022, Board meeting for

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consideration to be filed on behalf of the District. Additionally, the Board was asked to submit comments to Andy for inclusion by August 31st.

UYWCD Water Contracts - Augmentation Plan Contract and Document Updates. The Board reviewed the current augmentation contract summary.

General Counsel Weiss and Business Manager Deb Bastian presented procedural and administrative changes, in accordance with the Yampa Basin and Elk River decrees, to the Yampa Basin and Elk River Augmentation Plan Water Marketing Policies and Yampa River and Elk River Contract templates and a revised Stagecoach Reservoir Water Contract Pricing matrix to include augmentation plan application and assignment fees. The Board discussed. Director Sharp requested that Section 2.c. of the Water Marketing Policies language be revised from “non-substantive changes” to “non-substantive interpretations” and to add “,where reasonably necessary to accomplish the objectives of the policy” after “case-by-case basis”.

Director Brenner moved to accept staff recommendations with the amendment provided from Director Sharp. Director Seltzer seconded the motion. Director Monger recused himself from the vote as he was not present during the discussion. The motion passed.

UYWCD Water Contracts - Bill Gay Augmentation Contract Proposal. Director Monger stated that he may have a conflict of interest as he leases the property on which the Sickles Spring #2 is located. He asked that Director Jones continue to run the meeting for this topic.

General Manager Andy Rossi presented an overview of Bill Gay’s proposal for a waiver of fees associated with an augmentation contract with the District in exchange for the transfer of ownership for the water right for Sickles Spring #2. Bill Gay provided the Board with an overview of his property and his planned restoration project and requested the Board consider a 15-year waiver of annual augmentation fees in exchange for the transfer of ownership in Sickles Spring #2 in perpetuity. The Board discussed. Director Sharp moved that the Board respectfully declines the proposal from Bill Gay and recognizes that the General Manager may act on the augmentation contract request based upon filing as made, and that the Board directs the General Manager and General Counsel to negotiate with Bill Gay regarding an acquisition by the District of his life estate in Sickles Spring #2 and report back to the board at the next board meeting. Director Brenner seconded the motion which was unanimously approved.

6-month Review of 2022 Strategic Plan. General Manager Rossi reviewed the 2022 Strategic Plan. He noted that the biggest deficit in the plan, to date, are in Section 6.4 and 8.4 which indicate a desire, on the part of the Board, to do some community/water user surveys. The last survey was completed in 2017. General Manager Rossi reviewed the results of the 2017 survey and informed the Board that a topic at the October Board retreat will be what was learned in 2017 and where to focus our attention for surveys going forward. He will work with Public Information and External Affairs Manager Holly Kirkpatrick to determine the best way to direct this process going forward to get a survey that is meaningful to the Board and the constituents and be sure to ask the right questions. The Governance Committee will meet to review the Strategic Plan, prior to the September 22, 2022, Board meeting to provide recommendations for the 2023 Strategic Plan. Staff will send a Doodle Poll to determine the date of the Governance Committee.

District Engineer Report.

Update on Reservoir Water Status. District Engineer Emily Lowell provided an update on the reservoir water status. She noted that the Colorado Water Trust (CWT) has requested the District to maintain an outflow from Stagecoach at 40cfs. She will be working with CWT to coordinate their request.

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Capital Projects Report. District Engineer Emily Lowell updated the Board on current capital projects and highlighted the emergency repairs performed on the Stillwater Ditch in June and the needed repairs to the Union Ditch headgate.

Public Information Updates.

Upcoming Events. Public Information and External Affairs Manager Holly Kirkpatrick provided an overview of the upcoming Children's Water Festival to be hosted by the District at the Routt County Fair Grounds on September 21, 2022. The festival will be for 5th graders in Routt and Moffat counties. Additionally, the Board reviewed a schedule of other upcoming events.

Grants. Public Information and External Affairs Manager Holly Kirkpatrick reviewed the grant disbursements for the Diversion Infrastructure Improvement Project and the Community Grant Funding.

In addition, Holly informed the Board that the Routt County Conservation District (RCCD) has applied for funding through the Community Grant Funding program. Director Halliday disclosed that she is the Board President for RCCD and will recuse herself from voting on any motion but is available for questions. Kristen Rockford, Acting District Manager, of Routt County Conservation District (RCCD), provided the Board with an overview of the Conservation District operations and purpose and provided a summary of their request for funding. Director Brenner moved to fund RCCD \$25,000 for the development and distribution of the *Routt County Landowner Toolkit for Drought, Wildfire, and Soil Health Resiliency* project. Director Sharp seconded the motion. Director Halliday recused herself due to her position as Board President of RCCD, Director Jones was no longer in attendance and Director Murphy voted against the motion. The motion passed 6-1.

Board Member Reports. Director Sharp asked about the status of a report he requested at the May 18, 2022, Board meeting regarding the legislation that allows for the transfer of water between reservoirs on the same system. General Manager Rossi stated he has information regarding this request and will forward to the Board.

Director Halliday provided an update on the July 6, 2022, Upper Yampa River Watershed Group meeting. General Manager Rossi also noted that the Water Quality Control Division is in the process of rulemaking for all lakes and reservoirs for nutrient standards. The first lakes and reservoirs that will be considered on the 303E list will be all lakes and reservoirs with either a swim beach or direct source of drinking water. At this time Stagecoach will not meet the standards and expecting Stagecoach to be listed. Staff is increasing sampling to stay ahead of the state.

Director Redmond gave an update on the feasibility grant at Stillwater Reservoir. He noted that they are seeking funding from other sources and will most likely be submitting a request to the District for grant funds.

Director Seltzer provided an update on the Community Ag Alliance, River Network and Conservation District of Southwest Colorado received a Colorado Water Conservation Board (CWCB) grant last year to pilot new staff position in the organization to go out and work with water users to do infrastructure upgrades. This staff working with the Ag Alliance is working to identify projects and is currently looking at 17 diversion projects. They are looking at funding opportunities and may be requesting grant funds from the District.

Director Brenner updated the Board on the recent Water Education Colorado water tour and provide information on the new liaison positions being created with the Colorado Water Conservation Board.

Director Monger provided an update of the recent River District meeting.

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Report of General Counsel and Update from Erin Light. General Counsel Weiss did not have any report. Erin Light, Division Engineer, Division of Natural Resources provide an update on the status of the measurement rules and noted that the new Water Commissioner will begin on July 25, 2022.

Pending Water Cases.

Water Resumes. Special Counsel Grosscup commented that the June water resumes report came out after his posted memorandum. He noted that in the June report there is a protest filed by Tri-State for approximately 200 cfs absolute water rights that are on the abandonment list for the Craig Station. The District has the opportunity to enter in as an intervenor if it so chooses. The Board requested General Counsel Weiss and Special Counsel Grosscup to provide more information so the Board can make an informed decision. The Board will then determine if an Executive Committee meeting will be held with the Governance Committee meeting to discuss the next steps.

Status of Other Water Cases. Special Counsel Grosscup provided a recap of the current water cases being monitored by the District.

New Business. There was no new business.

Executive Session. There was no executive Session.

Determination of Next Meeting Agenda. The agenda for the September 22, 2022, Board Meeting was reviewed. The Board requested a briefing on Morrison Creek, a General Manager report and a time slot for the IWMP presentation.

The meeting adjourned at 4:42 PM.

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



Andy Rossi, District Secretary/Manager

Date: _____

9/23/22