

# AGENDA

## UPPER YAMPA WATER CONSERVANCY DISTRICT BOARD OF DIRECTORS MEETING

WEDNESDAY, SEPTEMBER 15, 2021 (12:00 PM)

MOUNTAIN VALLEY BANK COMMUNITY ROOM  
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO

### ONLINE MEETING:

[HTTPS://US06WEB.ZOOM.US/J/84022244345?pwd=CUL4Wm5KbFdYMkU5dCt6UVL  
HWLJ4UT09](https://us06web.zoom.us/j/84022244345?pwd=CUL4Wm5KbFdYMkU5dCt6UVLHWLJ4UT09)

AS RECOMMENDED BY THE STATE PUBLIC HEALTH ORDER AND THE CDC, THE UPPER YAMPA WATER CONSERVANCY DISTRICT REQUESTS THAT UNVACCINATED PEOPLE ATTENDING THE BOARD OF DIRECTORS MEETING AT THE MOUNTAIN VALLEY BANK COMMUNITY ROOM WEAR A MASK.

### INSTRUCTIONS ON HOW TO JOIN A ZOOM MEETING FOLLOW THE AGENDA

A Board of Directors meeting packet is available for public review on our website at <http://www.upperyampawater.com/board-of-directors/agendas/> by the Friday before the meeting. Amendments to the Agenda and new documents that are generated or submitted after the original posting of the meeting materials will be posted under "Additional Documents" on the website for the relevant meeting.

**QUESTIONS ON AGENDA AND/OR BOARD MATERIALS:** Members of the public or Board of Directors with questions on the agenda or meeting materials, including the consent agenda, are welcome to contact the General Manager at the District offices prior to the meeting. You may reach the General Manager at: [arossi@upperyampawater.com](mailto:arossi@upperyampawater.com) or (970) 871-1035 Ext. 2.

**MEETING PROCEDURE:** Comments from the Public are welcome at two different times during the course of the meeting: 1) Comments no longer than three (3) minutes on items **not** scheduled on the Agenda will be heard under Public Input and Comment; and 2) Comments no longer than three (3) minutes on all scheduled public hearing items will be heard following the presentation. Please wait until you are recognized by the President. With the exception of subjects brought up during Public Input and Comment, on which no action will be taken or a decision made, the Board may take action on, and may make a decision regarding, ANY item referred to in this agenda, including, without limitation, any item referenced for "review", "update", "report", or "discussion" whether or not listed as an "Action Item."

- (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 for July 16, 2021, Executive Committee meeting, July 21, 2021, Board meeting, August 17, 2021, Board Governance/Strategic

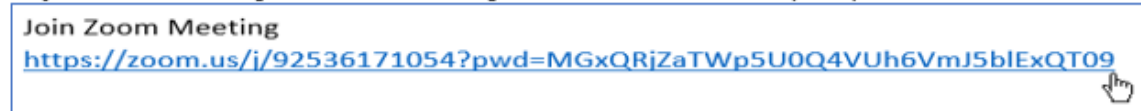
Plan Committee meeting and August 18, 2021, Executive Committee meeting

- b. Financials
  - i. Approval of Disbursements
  - ii. Budget Comparison
- (5) **12:30 PM** Report of General Manager
  - a. Stagecoach Reservoir Mixing Zone Study
  - b. UYWCD Employee Handbook Update
  - c. UYWCD BOD Governance Manual **Action Item**
  - d. Mount Werner Water Storage Contract Relocation Request **Action Item**
  - e. Existing Stagecoach Reservoir Municipal Water Storage Contracts
  - f. UYWCD Strategic Plan
  - g. Presentation of First Draft of 2022 Upper Yampa Water Conservancy District Budget
  - h. Upper Yampa Water Conservancy District 10/20/21 Board Retreat Draft Agenda
  - i. Board Resolution for Sickles West Acquisition **Action Item**
- (6) **2:45 PM** District Engineer Report
  - a. Update on Reservoir Water Status
  - b. New Water Contracts
- (7) **3:15 PM** Public Information Updates
  - a. Grants
- (8) **3:45 PM** Pending Water Cases
  - a. Water Resumes
  - b. Status of Other Water Cases
- (9) **4:00 PM** New Business (Limited to emergency matters that came up **Action item**  
During the course of the meeting)
- (10) **4:05 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.
- (11) **4:35 PM** Board Actions in Regard to Executive Session
- (12) **4:45 PM** Determination of Next Meeting(s) Agenda(s)
  - a. UYWCD Regular BOD Meeting 11/17/21
- (13) **5:00 PM** Adjournment.

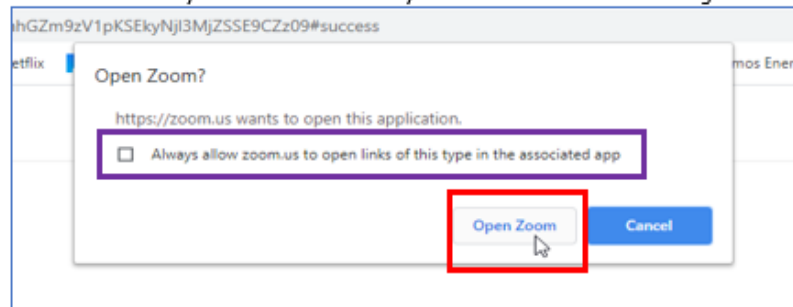
## How to join a Zoom meeting

### Join via "Join Zoom Meeting" link:

To join a Zoom meeting, click on the meeting link that has been sent to you by the host:

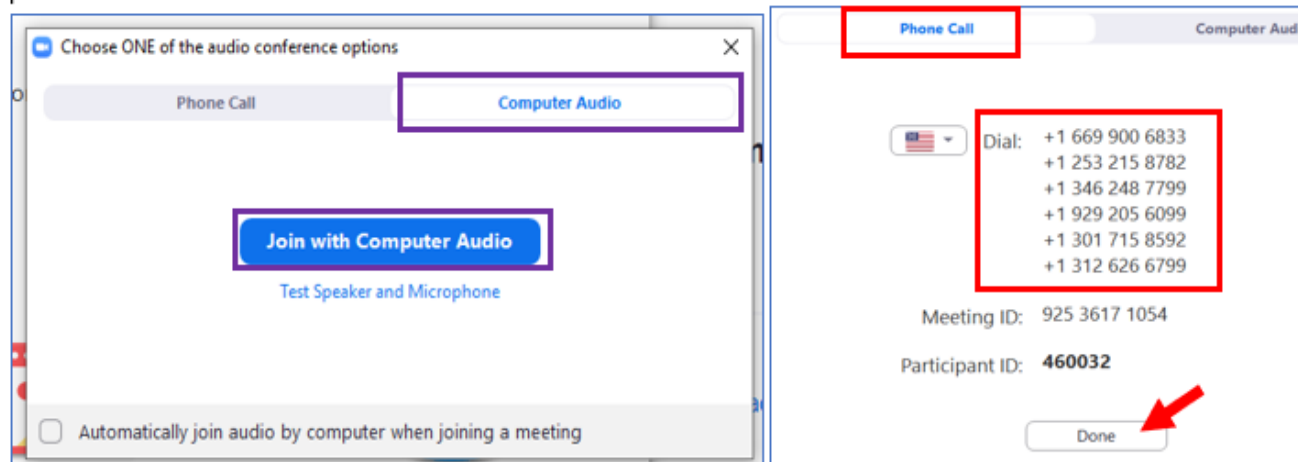


If you have not used Zoom before, you may receive this dialogue box to open Zoom. First, click on **"always allow zoom.us..."** so you will automatically connect for future meetings. Then, click on **"Open Zoom"** and follow the prompts.



Once you are connected to Zoom, you will need to choose your audio conference option. To join via your computer, click on **"Computer Audio"** and then **"Join with Computer Audio"**.

To use your cell phone or landline, click on **"Phone Call"** and then choose a number from the list. Once you dial the number, you will be asked for the Meeting ID and Participant ID to enter the meeting. Click on **"Done"** once you are connected to the Zoom meeting. Or, you can use the **"One tap mobile"** option, see below, to connect via your cell phone.



**Join via cell phone with "One tap mobile":**

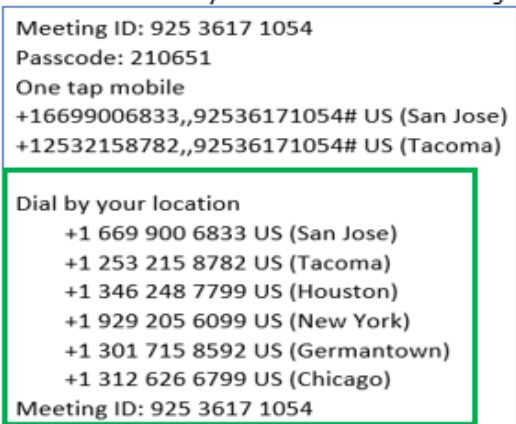
If you will be joining a Zoom meeting via your cell phone, click one of the "One tap mobile" links. Then click on "Call +1...". You will hear a request to "enter your Meeting ID followed by pound (#)". You **do not** need to enter the ID as the link will do this automatically for you.

You will be asked if you are a participant and to "Please press pound (#) to continue". You **must** press the pound key (#). Then you will be asked to "Enter your Participant ID followed by pound (#) or just press pound (#) to continue". If you **do not** enter anything, you will be automatically connected to the meeting.



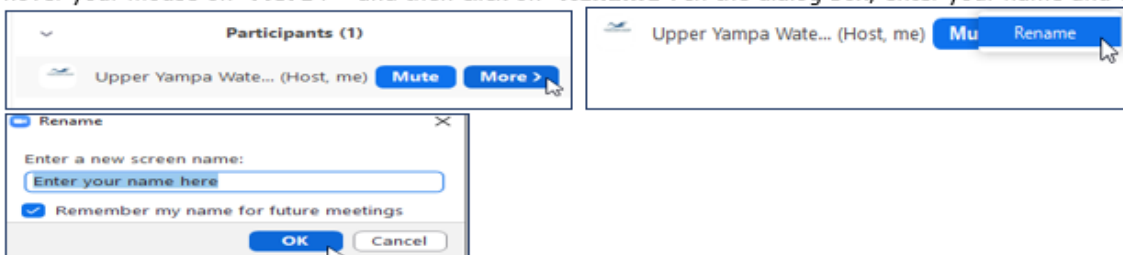
**Join via "Dial by your location":**

If you will be joining a Zoom meeting via your cell phone or landline, you can choose any of the numbers below to access the meeting. Once you dial the number you will be asked to "Enter your Meeting ID followed by pound (#)". Then, you will be asked to "press pound (#) if you are a participant". Finally, you will be asked to "Enter your Participant ID followed by pound (#) or just press pound (#) to continue". If you **do not** enter anything, you will be automatically connected to the meeting.



**Be sure you are identified properly:**

Once in Zoom, be sure that you are identified properly. If you need to change, in "Participants" click on your ID and hover your mouse on "More >" and then click on "Rename". In the dialog box, enter your name and click "OK".



Contact Deb Bastian for any questions  
- Email: [dbastian@upperyampawater.com](mailto:dbastian@upperyampawater.com)  
- Phone: 970-819-0189

## **PUBLIC INPUT AND COMMENT**

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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.



# RECORD OF PROCEEDINGS

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**UPPER YAMPA WATER CONSERVANCY DISTRICT  
EXECUTIVE COMMITTEE MEETING  
FRIDAY, JULY 16, 2021 (2:00 PM)  
MOUNTAIN VALLEY BANK COMMUNITY ROOM  
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO  
ONLINE MEETING:**

**[HTTPS://US06WEB.ZOOM.US/J/82602601189?PWD=VMQvDEdKOEHlK0lJUnh2YThMOEtIZz09](https://us06web.zoom.us/j/82602601189?pwd=VMQvDEdKOEHlK0lJUnh2YThMOEtIZz09)**

## MINUTES

Chairman Ken Brenner called the meeting to order and declared a quorum present. In addition to Chairman Brenner, the Committee Members present were Doug Monger, John Redmond, Tom Sharp and Webster Jones. Board Members present Director Lyn Halliday. General Manager Andy Rossi, Business Manager Deb Bastian, General Counsel Bob Weiss. Special Counsel Graham Gilbert and Doug Farr representing the District in the Water Horse Resources case were also present.

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) **2:00 PM** Establishment of Quorum and Call to Order
- (2) **2:00 PM** Approval of Agenda for Meeting **Action item**
- (3) **2:05 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) **2:10 PM** Water Horse State of Utah Court Case
- (5) **2:30 PM** Executive Session
  - a. Executive session under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, Contract Negotiations and Water Horse State of Utah Court Case. 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.
- (6) **2:55 PM** Committee actions in regard to Executive Session
- (7) **3:00 PM** Adjournment.

## RECORD OF PROCEEDINGS

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Chairman Brenner established a quorum and called the meeting to order at 2:05 PM.

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

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

**Water Horse State of Utah Court Case.** General Counsel Weiss informed the committee that Water Horse has filed a Summary Judgement motion in Utah asking the District Court to reverse the administration action denying its application and awarding the water right. He further noted that this could happen without a trial and would be based on motions and briefs filed with the court and that there is a short timeframe of 14 days from July 13<sup>th</sup> to respond to the Summary Judgement motion. Special Counsel Gilbert stated that Water Horses' arguments are that the Upper Basin compact implements the Colorado River compact which then requires Utah to approve their application regardless of the various grounds of denial of their application by the Utah State Engineer in November of 2020. Water Horse wants the court to order the State Engineer to approve the application. Since the District was only a protestor in the administrative proceeding this does not make the District a party in the litigation. Therefore, the District would need to get involved in litigation as a party by intervening and then reply to the Summary Judgement; and this cannot be done in 14 days. The District would need to ask to intervene and ask for an extension simultaneously so there would be time for the court to allow the District to be a party and then reply. Special Counsel Gilbert noted areas of interest to the District would be that Water Horse argues that Colorado has no discretion whether its application gets accounted for under Colorado's compact entitlement. So, this would take an additional 55,000 af from Colorado's compact entitlement. And that Water Horse states Colorado has ample compact entitlement available. General Manager Rossi asked Special Counsel Gilbert to confirm that if Water Horse is successful in the filing, they will get a 2018 priority conditional right in the state of Utah and that Water Horse has attempted approval of this project in the states of Wyoming and Colorado previously. Special Counsel Gilbert stated that Water Horse has a pending application in Wyoming now and they had a previous application that failed in Wyoming and in 2010 they started a federal permitting process with the Army Corp. of Engineers that failed due to failure to prosecute. However, he is not aware of any process in Colorado.

**Executive Session.** At 2:27 PM Director Sharp moved, Director Jones seconded, and it was unanimously agreed to go into Executive session under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, Contract Negotiations and the Water Horse State of Utah court case in the 8<sup>th</sup> Judicial District in and for Daggett County, State of Utah, Case No. 210800001. 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.

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

Director Sharp moved that the Executive Committee not make a recommendation on how to proceed on Water Horse but defer to any action that may be taken by the full Board at next week's Board meeting on Wednesday, July 21, 2021, and request the full board and Counsel have an Executive Session to discuss this matter at the Board meeting. Director Jones seconded the motion which was unanimously approved.



# RECORD OF PROCEEDINGS

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The meeting adjourned at 3:00 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: \_\_\_\_\_

## STATEMENT FROM ATTORNEY REGARDING ATTORNEY-CLIENT PRIVILEGE

The undersigned Robert G. Weiss, legal counsel for the District, hereby attests, pursuant to CRS Section 24-6-402(2)(d.5)(II)(B), that the portion of the executive session that was not recorded and which related to the Water Horse Resources case in the State of Utah constituted a privileged attorney-client communication under CRS Section 24-6-402(4)(b).

\_\_\_\_\_  
Robert G. Weiss, Counsel

Date: \_\_\_\_\_

DRAFT

# RECORD OF PROCEEDINGS

**UPPER YAMPA WATER CONSERVANCY DISTRICT  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, JULY 21, 2021 (12:00 PM)  
MOUNTAIN VALLEY BANK COMMUNITY ROOM  
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO  
ONLINE MEETING:**

<https://us06web.zoom.us/j/83870509899?pwd=MXIvL3drVIUvY1Y1MEUxZzVNOFcvZz09>

## MINUTES

Chairman Ken Brenner called the meeting to order and declared a quorum present. In addition to Chairman Brenner, the Board Members present were Doug Monger, 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, General Counsel Bob Weiss and Special Counsel Scott Grosscup and Graham Gilbert were also present. Members of the public present included Jeff Comstock, Moffat County Natural Resources Director, Alyson Gould, Colorado Water Trust; Billy Mitzelfeld, Routt County Planning Commission; Margaret Hagenbuch, Todd Hagenbuch, Kyle Howe and Bob Woodmansee.

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
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- (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 for May 19, 2021, Board Meeting, June 3, 2021, Board Governance Committee Meeting and June 16, 2021, Executive Committee Meeting
  - b. Financials
    - i. Approval of Disbursements
    - ii. Budget Comparison
- (5) **12:20 PM** Report of General Manager **Action item**
  - a. Sickles Parcel **Action item**
  - b. CWT Ten-Year Contract for Stagecoach Reservoir Update
  - c. Augmentation Contracts Update
  - d. New Stagecoach Water Storage Contract **Action Item**
  - e. 6-month Review of 2021 Strategic Plan

## RECORD OF PROCEEDINGS

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- (6) **2:00 PM** District Engineer Report
  - a. Update on Reservoir Water Status
  - b. Update on Capital Projects
- (7) **2:15 PM** Public Information Updates
  - a. UYWCD BOD Field Trip Update
  - b. Grant and Scholarships Update
  - c. Upcoming Events
  - d. New UYWCD Website
- (8) **2:45 PM** Report of General Counsel
  - a. UYWCD – CPW Stagecoach State Park Lease **Action item**
  - b. Augmentation Contract Local Government Addendum **Action item**
- (9) **3:00 PM** Pending Water Cases
  - a. Water Resumes
  - b. Status of Other Water Cases **Action item**
- (10) **3:15 PM** Board Member and Lower Yampa River Basin Entity Reports
  - a. Governance Committee Report
  - b. Moffat County Water Matters Update
  - c. Upper Yampa Watershed Group
- (11) **4:00 PM** New Business (Limited to emergency matters that came up **Action item**  
During the course of the meeting)
- (12) **4:05 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) **4:15 PM** Board Actions in Regard to Executive Session
- (14) **4:20 PM** Determination of Next Meeting Agenda
- (15) **4:30 PM** Adjournment.

Chairman Brenner established a quorum and called the meeting to order at 12:05 PM.

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

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

**Consent Agenda.** Director Brenner requested the budget comparison report and Director Sharp requested the cash disbursement report be pulled from the consent agenda. Director Haskins moved to approve to accept agenda item 4.a. Approval of Minutes of the Consent Agenda. Director Jones seconded the motion which was unanimously approved.

## RECORD OF PROCEEDINGS

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Director Sharp requested more detail on the expenses paid to Gray Matter Systems. District Engineer Emily Lowell explained that the expenses are for an upgrade to the Stagecoach Powerhouse SCADA system. Chief Accountant Karina Craig provide an overview of the budget comparison date through June 31, 2021. Director Jones moved to approve agenda item 4.b. Financials of the Consent Agenda. Director Redmond seconded the motion which was unanimously approved.

***Report of General Manager.*** General Manager Andy Rossi provided an update of the current and ongoing activities at the district.

***Sickles Parcel.*** Director Monger disclosed that he has a lease with an adjoining property to the Sickles parcel. General Manager Rossi then provided an overview and noted that this issue was previously discussed by the Executive Committee. Public Member and neighboring property owner Margaret Hagenbuch commented they have worked with Trout 123 and the District, and she has no issues with the sale at this point. She does have some questions about the springs that may come up but sees no reason why all can't be cooperative and figure out a solution particularly with regard to the grazing issues they have on the parcel. Public Member Todd Hagenbuch commented that he felt this purchase made sense for the District and may help to clear up issues that might relate to grazing trespass in the future. General Manager Rossi clarified that this 40-acre parcel will not be added to the project boundaries of the Stagecoach project as licensed by FERC but will be public land. General Counsel Weiss noted that a contract has been submitted to the property owner and is still under review by their attorney. He requested that the Board allow the General Manager and General Counsel to make changes to the contract of a non-material nature as requested by the seller so the contract would not have to be brought back to the Board. Director Sharp moved that the Upper Yampa Water Conservancy District approve execution and delivery for purchase of Sickles West property and the Sickles Spring # 1 and future acquisition of Sickles Spring #2 subject to any non-material modifications as may be agreed to by the General Manager and General Counsel. Director Haskins seconded. Directors Brenner, Sharp, Haskins, Jones, Redmond, Halliday, Seltzer and Murphy voted in favor. Director Monger abstained. The motion passed with an 8 to 0 vote in favor.

***CWT Ten-Year Contract for Stagecoach Reservoir Update.*** General Manager Rossi provided an update. The District will continue to work with the Colorado Water Trust (CWT) on moving the contract forward to be included as part of a formal application with the Colorado Water Conservation Board (CWCD) In-Stream Flow Voluntary Loan Program. Comments were solicited form the CWCB and Division of Water Resources (DWR) staff. The DWR has provided comments and the District will work with the CWT on responding to the comments received. Alyson Gould of the CWT noted that it is expected that the CWCB staff will have additional comments in the next few days.

***Augmentation Contracts Update.*** General Manager Rossi provided the Board a refresher on the authorities, definitions and details of the Water Marketing Policy that was approved by the Board and gave an update on the current augmentation contract activity.

***New Stagecoach Water Storage Contract.*** General Manager Rossi presented a new Stagecoach Reservoir Water Storage contract with the Steamboat Springs Cemetery The Board reviewed the contract. Director Sharp moved to approve the contract with Steamboat Springs Cemetery as presented. Director Jones seconded the motion which was unanimously approved.

***6-month Review of 2021 Strategic Plan.*** General Manager Rossi provided a 6-month overview of the Strategic Plan and stated that this will show what is going on now and scheduled for development of the 2022 plan.

## RECORD OF PROCEEDINGS

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Director Brenner noted that the Board can contact General Manager Rossi at any time with question or to obtain more information on any of the issues.

### ***District Engineer Report.***

Update on Reservoir Water Status. District Engineer Emily Lowell provided an update on the reservoir water status.

Update on Capital Projects. District Engineer Lowell reviewed the Capital Projects summary and highlighted the work that has been completed and what is scheduled this year.

### ***Public Information Updates.***

UYWCD BOD Field Trip Update. Public Information and External Affairs Manager Holly Kirkpatrick reminded the Board of the upcoming field trip to the district facilities on Wednesday, September 1<sup>st</sup>.

Grant and Scholarships Update. Public Information and External Affairs Manager Holly Kirkpatrick reviewed the list of the grants issued through the Diversion Infrastructure Improvement Project (DIIP) and that there is about \$40,000 of the \$200,000 disbursed to date. It was reported that 42% of the individuals notified of the need to install a measuring device for their diversion still have not completed the installation. The \$160,000 remaining for the DIIP is slated to end in May of 2022. However, there is a Tier 2 project (Gibraltar Ditch) on schedule to be completed this fall which will be a large part of the funding and Clinton Whitten noted that he is working with a couple of other ditches that will have some significant projects. There may be potential to ask for extension of the funding from the Round Table and CWCB so there is available funding for these projects.

It was further reported that the District has disbursed about \$25,000 for our Community Grant Funding program and have \$25,000 remaining for the rest of the year. This is still a loose funding program which the Board has discussed formalizing as we move forward. Additionally, the district issued two \$2,000 scholarships to two local applicants. An overview of the winners is provided in the packet. Director Sharp suggested that during the budget process for 2022 staff consider increasing the funding for the scholarship program from \$4,000 to \$10,000. Also included in the packet are examples of existing community grant funding criteria and framework. This will be discussed further at the Board Retreat in October.

Upcoming Events. Public Information and External Affairs Manager Holly Kirkpatrick reviewed the upcoming events and highlighted that on the evening of August 10<sup>th</sup> the district will be hosting a reception for the Legislative Drought Tour and a Happy Hour event during the Colorado Water Congress's Summer Conference the evening of August 24<sup>th</sup>. She also pointed out the Yampa Basin Rendezvous will be held at Colorado Mountain College Steamboat Campus September 8<sup>th</sup> through 10<sup>th</sup>.

New UYWCD Website. Public Information and External Affairs Manager Holly Kirkpatrick informed and showed the board the new UYWCD website and asked for the Board to look at the website and provide feedback/comments/suggestions.

### ***Report of General Counsel.***

UYWCD – CPW Stagecoach State Park Lease. General Counsel Weiss commented that he has reviewed the Colorado Parks & Wildlife (CPW) lease template and wants to discuss the lease process and how the Board wants to proceed with the negotiations with CPW. The Board discussed. Director Haskins moved to table this meeting to the August 18, 2021, Executive Committee meeting. Director Sharp seconded the motion. Directors Brenner, Sharp, Haskins, Monger, Halliday, Seltzer, Murphy and Redmond voted in favor. Director Jones was no longer present at the meeting. The motion passed.

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Augmentation Contract Local Government Addendum. General Counsel Weiss stated that the City of Steamboat Springs had concerns with the language in the Augmentation Contract. The reason for their concern is that local governmental entities have different limitations. General Counsel Weiss reviewed their concerns and has provided the Board with a proposed addendum. Further, General Counsel Weiss stated that he had an attorney for a private party express some concerns about the Augmentation Contract and he feels that this is a different situation and that the district should not negotiate Augmentation Contracts with private parties on an ad hoc basis but will do a periodic review of the contract to review/address concerns and make changes as needed. Director Sharp moved to approve the Local Government Addendum and to not negotiate with private parties but provide periodic review of the Augmentation Policy. Director Redmond seconded the motion. Directors Brenner, Sharp, Haskins, Monger, Halliday, Seltzer, Murphy and Redmond voted in favor. Director Jones was no longer present at the meeting. The motion passed.

### ***Pending Water Cases.***

Water Resumes. Special Counsel Grosscup stated there were no resumes for Division 5 and 6 for May and June.

Status of Other Water Cases. Special Counsel Grosscup provided an update of the active court cases. He noted that in Case No. 20CW3020 there was a status conference meeting today and he is awaiting comment back from Public Service Company. He is not sure how this will play out with their ongoing activities within the Yampa Basin, but there is no action needed by the Board at this time. An update will be provided at next board meeting. Special Counsel Graham Gilbert provided an overview on the Water Horse Resources case and noted that Water Horse has now moved for Summary Judgement and that motion for Summary Judgement has created some urgency in terms of what the UYWCD wants to do and if they want to get involved by filing a motion to intervene to participate in the case and then a memorandum in opposition to Water Horses' motion for Summary Judgement. The Summary Judgement argues that the Upper Basin Compact which is implementing the Colorado River Compact requires Utah to approve Water Horses' application because it supersedes Utah's water export statute, and that Colorado has to account for this 55,000 af application as part of its compact entitlement and that Colorado has plenty of remaining compact entitlement. The Board needs to determine what, if any, further steps to take on this case.

### ***Board Member Reports and Lower Yampa River Basin Entity Reports.***

Governance Committee Report. The Governance/Strategic Plan Committee will meet on August 17<sup>th</sup> from 11:00 AM to 1:00 PM to review the revisions noted at the last Board Governance meeting and to do a preliminary review of the Strategic Plan to propose any updates to the full Board.

Moffat County Water Matters Update. Jeff Comstock, Moffat County Natural Resources Director, provided the Board with a summary update on current water resources management activities in Moffat County which included lower basin over-appropriation designation, augmentation water supply development and potential flow needs in the Yampa River. Director Brenner commented that while the District is not allowed to expend funds outside of its District boundaries, it does support what they are trying to do, and the Directors and staff are available as a resource to help them in their efforts to move to address their issues/concerns. Director Monger requested more information on the District boundaries and what the district can and cannot do outside of its boundaries. Director Brenner requested General Counsel Weiss to research this topic and prepare a memo for Board review.

Upper Yampa Watershed Group. Public Member Bob Woodmansee presented the Board with information and data regarding proposed work the Upper Yampa Watershed Group may pursue on nutrient and sediment management as it relates to watershed health since 2014. Director Seltzer asked if the Board has had a

## RECORD OF PROCEEDINGS

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presentation by the USGS on the most recent Upper Yampa River Watershed Water Quality study findings. General Manager Rossi stated that he would try to get a summary presentation for the September meeting and then discussion further at the Board Retreat in October.

Public Education Participant Outreach (PEPO) Committee. Director Brenner asked if the Board is okay with his being the PEPO Committee chair for the Yampa-White-Green Basin Round Table. There were no objections.

*New Business.* There was no new business.

*Executive Session.* At 3:58 PM Director Redmond moved, Director Haskins seconded, and it was unanimously agreed to go into Executive session under CRS § 24-6-402(4)(b) to discuss legal issues in the Water Horse Resources case in the State of Utah. 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.

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

*Board Action Regarding Executive Session.* Director Brenner noted that direction was provided to legal counsel and no formal action will be taken at this time.

*Determination of Next Meeting Agenda.* The agenda for the August 18, 2021, Executive Committee and the September 15, 2021, Board meeting was reviewed. The August 18<sup>th</sup> Executive Committee meeting has been split into August 17<sup>th</sup> and August 18<sup>th</sup>. On the 17<sup>th</sup> will be the Board Governance/Strategic Plan Committee meeting. Item 5 – Board Governance Committee and Item 6 – Strategic Plan Committee will be moved to the August 17, 2021, Board Governance/Strategic Plan Committee meeting agenda and an item to discuss the CPW Lease will be added to the Executive Committee agenda. At the September 15<sup>th</sup> Board meeting General Manager Rossi reminded the Board that the first presentation of the 2022 draft budget. Director Brenner requested that the Existing Municipal Water Storage Contracts item noted for the September 15<sup>th</sup> Board meeting be included in the August 18<sup>th</sup> Executive Committee meeting.

Director Sharp moved to adjourn the meeting at 5:16 PM. Director Redmond seconded the motion which was unanimously approved.

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: \_\_\_\_\_

### STATEMENT FROM ATTORNEY REGARDING ATTORNEY-CLIENT PRIVILEGE

The undersigned Robert G. Weiss, legal counsel for the District, hereby attests, pursuant to CRS Section 24-6-402(2)(d.5)(II)(B), that the portion of the executive session that was not recorded and which related to the

## RECORD OF PROCEEDINGS

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Water Horse Resources case in the State of Utah constituted a privileged attorney-client communication under CRS Section 24-6-402(4)(b).

\_\_\_\_\_  
Robert G. Weiss, Legal Counsel

Date: \_\_\_\_\_

DRAFT



## RECORD OF PROCEEDINGS

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**UPPER YAMPA WATER CONSERVANCY DISTRICT  
BOARD GOVERNANCE/STRATEGIC PLAN COMMITTEE MEETING  
TUESDAY, AUGUST 17, 2021 (11:00 AM)  
MOUNTAIN VALLEY BANK COMMUNITY ROOM  
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO  
ONLINE MEETING:**

**[HTTPS://US06WEB.ZOOM.US/J/87991270461?pwd=MXdLTUVXVGLXQW1MNTLV  
M1AVAU9XDZ09](https://us06web.zoom.us/j/87991270461?pwd=MXdLTUVXVGLXQW1MNTLV<br/>M1AVAU9XDZ09)**

### MINUTES

Chairman Ken Brenner called the meeting to order and declared a quorum present. In addition to Chairman Brenner, the Committee Members present were Jim Haskins, Webster Jones and Nicole Seltzer. Board Members present were Lyn Halliday. General Manager Andy Rossi, Public Information and External Affairs Manager Holly Kirkpatrick and Business Manager Deb Bastian were also present. Members of the public present included Bob Woodmansee.

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) **11:00 AM** Establishment of Quorum and Call to Order
- (2) **11:00 AM** Approval of Agenda for Meeting **Action item**
- (3) **11:05 AM** 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) **11:10 AM** Board Governance Manual
- (5) **11:30 AM** Strategic Plan Review
- (6) **1:00 PM** Adjournment.

Chairman Brenner established a quorum and called the meeting to order at 11:10 AM.

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

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

## RECORD OF PROCEEDINGS

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**Board Governance Manual.** The Committee reviewed the manual with the proposed changes/updates from the June 3, 2021, meeting and provided additional input for further revisions to the document that will be presented to the full UYWCD Board for adoption at the September 15, 2021, regular meeting. The Committee noted the following areas for revision:

- **District Background** – The Committee requested staff to review the District Background for possible updates and/or necessary revisions.
- **Role of Board** – Add Strategic Plan update and the role of the Governance Committee in updating and recommending to the Board.
- **Board’s Relationship with the General Manager** – Chairman Brenner stated that he requested General Counsel Weiss to development more prescriptive language for Item #4 regarding the General Manager’s evaluation process. The language will be provided to staff for inclusion in the manual for presentation to the full Board at the September 15, 2021, meeting. For Item #3, the Committee requested that the review and update of the Board Governance Manual along with other District policies be performed on a regular, rotating basis by the full Board at the annual Board Retreat. Staff was requested to develop a policy review calendar/schedule.

Director Seltzer stated that she would like to assist staff develop an annual process to conduct a Board Performance Review as this would allow fellow Board Members and staff to provide feedback. Chairman Brenner will work with General Manager Rossi to develop a survey for use at the Board Retreat.

Chairman Brenner stated he requested General Counsel Weiss to provide language summarizing the different categories of the Delegation of Authority so that it is more clearly stated.

- **Board Meeting Structure** – Add “Strategic Plan Update” to the regular Board meeting agenda items. Additionally, Chairman Brenner requested that the draft agenda be distributed to the Board at least 2 weeks prior to the meeting and provide comments by stated date.
- **Board Interactions with the Public – Engaging the Public in General** – The Committee discussed developing a mechanism to collect public input on a regular basis. The Committee requested staff to recommend a statement on this process and to prepare some ideas on how to implement.

**Strategic Plan Review.** The Committee discussed the purpose of the Strategic Plan (Plan) and stated that they believe the Plan does not need to be reviewed annually. The Plan should be allowed to move forward with the tasks noted and they would recommend a 3-to-5-year review schedule, but items can be added as needed based on current events/needs.

Public member Bob Woodmansee presented a conceptual proposal on water quality in the Upper Yampa River Watershed and Stagecoach Reservoir regarding algal blooms and asked the Committee to consider adding this to the District’s Strategic Plan. The Committee agreed to bring this topic to the full Board for consideration to further investigate and for a presentation at the Board Retreat in October. Additionally, the Committee stated that they will ask the Board to consider forming a more organized effort around out-of-district transfers of water and provide a debrief on the drought for 2020 and 2021 at the Retreat.

## RECORD OF PROCEEDINGS

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Director Haskins moved to adjourn the meeting at 1:18 PM. Director Jones seconded the motion which was unanimously approved.

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: \_\_\_\_\_

DRAFT

# RECORD OF PROCEEDINGS

## UPPER YAMPA WATER CONSERVANCY DISTRICT EXECUTIVE COMMITTEE MEETING WEDNESDAY, AUGUST 18, 2021 (11:00 AM) MOUNTAIN VALLEY BANK COMMUNITY ROOM 2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO ONLINE MEETING:

[HTTPS://US06WEB.ZOOM.US/J/88003962692?PWD=R1kZEMtLbFBxMLd4Y3pZZkRSYlM5dz09](https://us06web.zoom.us/j/88003962692?pwd=R1kZEMtLbFBxMLd4Y3pZZkRSYlM5dz09)

### MINUTES

Chairman Ken Brenner called the meeting to order and declared a quorum present. In addition to Chairman Brenner, the Committee Members present were Doug Monger, John Redmond, Tom Sharp and Webster Jones. Board Members present were Lyn Halliday. General Manager Andy Rossi, Public Information and External Affairs Manager Holly Kirkpatrick, Business Manager Deb Bastian, Chief Accountant Karina Craig, General Counsel Bob Weiss and Special Counsel Graham Gilbert representing the District in the Water Horse case were also present. Members of the public present included Frank Alfone, Mt. Werner Water & Sanitation District and Jeff Houck, Water Counsel for Mt. Werner Water & Sanitation District.

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) **11:00 AM** Establishment of Quorum and Call to Order
- (2) **11:00 AM** Approval of Agenda for Meeting **Action item**
- (3) **11:05 AM** 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) **11:10 AM** Water Horse Case
- (5) **11:30 AM** New Water Contracts **Action item**
  - a. Stagecoach
- (6) **12:15 PM** Executive Session
  - 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.
- (7) **12:50 PM** Committee actions in regard to Executive Session **Action item**
- (8) **1:00 PM** Adjournment.

## RECORD OF PROCEEDINGS

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Chairman Brenner established a quorum and called the meeting to order at 11:09 AM.

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

**Public Input and Comment.** Chairman Brenner invited members of the public to comment on items not otherwise scheduled on the agenda. Frank Alfone provided an update on Mt. Werner Water & Sanitation District's current construction projects.

**Water Horse Case.** General Counsel Weiss and Special Counsel Gilbert provide an overview of current actions regarding the Water Horse case. Director Monger noted that the River District met and has declined to move forward on any action regarding the Water Horse case.

**Executive Session.** At 11:24 AM Director Jones moved, Director Monger seconded, and it was unanimously agreed to go into Executive session under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, Contract Negotiations and the Water Horse case. 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.

At 12:03 PM, the Committee returned from executive session. The Chairman then announced that if any person who participated in the executive session believed that any substantial discussion of any matters not included in the motion to go into executive session occurred in the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, that such person state their concern for the record. No one stated concerns.

**New Water Contracts.** General Manager Rossi provided an overview of the new water storage contract request from Mt. Water & Sanitation District. Director Sharp informed the committee that he is the attorney for the Mt. Werner Water & Sanitation District and due to this conflict of interest he will recuse himself from any discussion on this subject and will leave the committee meeting at this time. Frank Alfone, General Manager of Mt. Werner Water & Sanitation District, presented a history and overview regarding Mt. Werner Water & Sanitation District and the Upper Yampa Water Conservancy District and submitted his proposal to the committee. After discussion, General Counsel Weiss stated he recommended the committee go into Executive Session to further review the proposal and to provide direction to General Manager Rossi and General Counsel Weiss on how to proceed in working with Mt. Werner Water & Sanitation District on this issue.

**Executive Session.** At 12:54 PM Director Jones moved, Director Monger seconded, and it was unanimously agreed to go into 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 the request from Mt. Werner Water & Sanitation District. This session will be recorded, and a copy of the recording maintained for not less than 90 days.

At 1:15 PM, the Committee returned from executive session. The Chairman then announced that if any person who participated in the executive session believed that any substantial discussion of any matters not included in the motion to go into executive session occurred in the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, that such person state their concern for the record. No one stated concerns.

## RECORD OF PROCEEDINGS

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Director Jones moved to adjourn the meeting at 1:16 PM. Director Monger seconded the motion which was unanimously approved.

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: \_\_\_\_\_

### STATEMENT FROM ATTORNEY REGARDING ATTORNEY-CLIENT PRIVILEGE

The undersigned Robert G. Weiss, legal counsel for the District, hereby attests, pursuant to CRS Section 24-6-402(2)(d.5)(II)(B), that the portion of the executive session that was not recorded and which related to the Water Horse case constituted a privileged attorney-client communication under CRS Section 24-6-402(4)(b).

\_\_\_\_\_  
Robert G. Weiss, Counsel

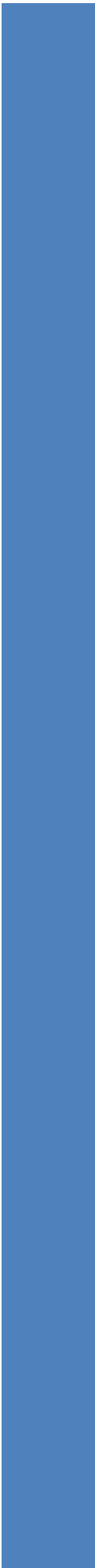
Date: \_\_\_\_\_

DRAFT

**CONSENT AGENDA**

**FINANCIAL REPORTS:  
APPROVAL OF DISBURSEMENTS & BUDGET  
COMPARISON**

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## BOARD COMMUNICATION FORM

**From:** Karina Craig, Chief Accountant.

**Date:** September 3, 2021

**Item: Financial Reports: Cash Disbursement Report, July 31, 2021 Budget Comparison Report.**

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<input type="checkbox"/>	DIRECTION
<input checked="" type="checkbox"/>	INFORMATION
<input type="checkbox"/>	MOTION
<input type="checkbox"/>	RESOLUTION

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### I. Request/Issue and Background Information:

The ***Cash Disbursement Report*** contains disbursements from the Upper Yampa Water Conservancy District (the District) of reconciled monthly statements. These include disbursements incurred with check and electronic payments through August 31, 2021, and credit card payments through August 3, 2021. Disbursements include operating and capital expenditures totaling \$298,080.89.

The ***Budget Comparison Report*** includes transactions accrued up to July 31, 2021. Additional transactions for the reported period are expected as documentation is received and processed.

***Combined Water Sale Revenues*** for Stagecoach and Yamcolo Reservoirs projected for the year 2021 are \$25,596 above budget. Sources of variances include:

- ✓ New contracts
  - Colorado Water Trust, 1,000 AF, \$45,560
  - Stagecoach Agricultural water, 71 AF, \$2,168
  - Yampa River Augmentation Water, 13.7AF, \$3,486
- ✓ Augmentation plan application fees, \$3,600
- ✓ The small price adjustments that follow the publication of the semiannual CPI index, a few months after the annual budget is approved, -\$2,648
- ✓ Abatements of Yamcolo non-municipal water, -\$26,570

***Power Revenues*** and ***Interest Earned*** are projected to be below budget. Power Revenues vary with water storage and release management, powerhouse maintenance needs, and overall water availability conditions. Interest income from Colotrust investments represents most of the District's interest revenues and reflect changing market conditions.





The District generally receives 98% of its *Tax Revenues* by the end of the month of July. Annual budgeted amounts were accrued by June 30, 2021, and thus annual projections are estimated to be slightly above budget (6%).

To date, the District has accrued approximately 44% of budgeted *Expenses and Capital Expenditures*. Both items are projected to remain within budget.

*Pass Through* revenues and accrued expenditures associated with the *Diversion Infrastructure Improvement Project Grants* are shown in the report as well.

## **II. Summary:**

Overall, revenues and expenditures are expected to be 1% above and 2% below budget, respectively. The current year Annual Net income is projected to be \$733,605 (\$70,822 above budget). The projected 2021 Ending Fund Balance is \$18,269,746.

**III. Staff Recommendation:** Accept reports.

**IV. Legal Issues:** None

**V. Consistency with Board Goals and Policies:** UYWCD By-Laws and SP Goal 3.

### **Attachments:**

Attachment 1: Cash Disbursement Report.

Attachment 2: Budget Comparison Report.

**Upper Yampa Water Conservancy District**  
**Cash Disbursement Report**  
**July 31, 2021**

<b>Date</b>	<b>Name</b>	<b>Memo</b>	<b>Amount</b>
06/03/2021	Steamboat Powersports	Four wheeler tires	134.59
06/04/2021	Staples	Office supplies	24.38
06/05/2021	CrashPlan Code42	Monthly subscription, June services	9.99
06/06/2021	Garmin	Monthly subscription, 06-06-2021 to 07-05-2021.	34.95
06/13/2021	Lowes	Materials for flow meter repair	48.39
06/14/2021	ACE Hardware	Stagecoach maintenance	555.01
06/16/2021	Edi's Mobile Tire & Service	Vehicle maintenance	330.61
06/16/2021	Edge Communications	Services from 06-06-2021 to 07-05-2021	118.77
06/17/2021	Amazon	Computer/office	203.80
06/17/2021	Backdoor Sports Ltd	Yamcolo O&M	81.03
06/17/2021	Amazon	Stagecoach maintenance	50.95
06/18/2021	YVEA	Electric at Stagecoach powerhouse and shed, 5-01-21 to 5-31-21	506.76
06/18/2021	CGFOA	Annual membership	50.00
06/18/2021	Restaurant.	Meeting expenses	42.72
06/18/2021	CGFOA	Training, AP processing and fraud.	25.00
06/18/2021	Silverton Capital LLC	Vehicle maintenance	14.00
06/20/2021	CenturyLink	SC Telephone, June 2021.	164.20
06/21/2021	Adobe	Monthly subscription 06-20-2021 to 07-19-2021	118.93
06/23/2021	Steamboat Powersports	Four wheeler maintenance & components	407.16
06/23/2021	Facebook	Muddy Slide Fire information boosts on Facebook	25.00
06/23/2021	Facebook	Muddy Slide Fire information boosts on Facebook	25.00
06/24/2021	Facebook	Muddy Slide Fire information boosts on Facebook	25.00
06/26/2021	Facebook	Muddy Slide Fire information boosts on Facebook	35.00
06/27/2021	SmartVault	Software, interphase with quickbooks.	42.40

**Subtotal**

**3,073.64**

**Upper Yampa Water Conservancy District**  
**Cash Disbursement Report**  
**July 31, 2021**

<b>Date</b>	<b>Name</b>	<b>Memo</b>	<b>Amount</b>
06/28/2021	Rubicon Systems America, Inc.	Stillwater Ditch Slip Meters at dogleg	42,000.00
06/28/2021	AECOM	FERC ODSP Audit - through 05-28-2021 Proj. 2020-1	4,321.25
06/28/2021	Weiss & Van Scoyk	Legal services	2,426.50
06/28/2021	LRE Water	Services through 05-13-2021 - Proj. 16127UYW01 Regulatory Support Services.	1,669.50
06/28/2021	LRE Water	Services through 05-13-2021 - Proj. 21047UYCD05-21 Water accounting.	1,225.00
06/28/2021	Weiss & Van Scoyk	Legal services	1,104.00
06/28/2021	Colorado Cattlemen's Agricultural Land Tr	Colorado Cattlemen's Agricultural Land Trust Sponsorship	1,000.00
06/28/2021	ECS Employers Council Services, Inc.	Membership dues from 07-01-2021 to 06-30-2022	925.00
06/28/2021	NDS Northwest Data Services	Desktop for Marketing Manager	759.00
06/28/2021	LRE Water	Services through 05-20-2021 - Proj. 21047UYCD01-21. Augmentation Plan depletion calculations.	709.75
06/28/2021	NDS Northwest Data Services	IT Services	637.50
06/28/2021	NDS Northwest Data Services	Monitor for computer at Stagecoach powerhouse.	207.50
06/28/2021	Emily Lowell	Reimbursement. Certified Welding & Fabrication. Plates, SWD dog leg sipmeters.	200.00
06/28/2021	ACE Hardware	Facilities maintenance	198.32
06/29/2021	Baxter Ditch Association	Baxter Ditch flume and flow meter installation	5,000.00
06/29/2021	Silverton Capital LLC	Vehicle maintenance	28.00
06/30/2021	CenturyLink	Office Telephone & Internet June 7 to July 6, 2021	239.92
06/30/2021	CNS Colorado Notary Solutions	Notary certification and notary supplies	84.99
06/30/2021	Colorado Secretary of State	Notary registration	10.00
07/01/2021	MVB Mountain Valley Bank	July 2021 office rent	6,471.94
07/01/2021	ICMA-401a	Monthly contributions, July 2021 payroll.	3,717.77
07/01/2021	ICMA-457	Monthly contributions, July 2021 payroll.	2,293.19
07/01/2021	Family Support Registry	Remittance, June 2021.	716.00
07/02/2021	NDS Northwest Data Services	IT Services. Monthly Cloud Services, June.	189.80

**Subtotal**

**76,134.93**

**Upper Yampa Water Conservancy District**  
**Cash Disbursement Report**  
**July 31, 2021**

<b>Date</b>	<b>Name</b>	<b>Memo</b>	<b>Amount</b>
07/02/2021	Verizon Wireless	Stagecoach Cell phones, 06-14-21 to 07-13-21.	84.06
07/05/2021	CrashPlan Code42	Monthly subscription-March services	9.99
07/06/2021	NDS Northwest Data Services	New Routers & Associated Equipment	4,366.66
07/06/2021	Garmin	Monthly subscription, 07-06-2021 to 08-05-2021.	34.95
07/07/2021	Conoco Universal WEX	Gasoline, June 2021.	1,034.46
07/07/2021	The New York Times	Monthly subscription	4.00
07/08/2021	Colorado Water Congress CWC	Colorado Water Stewardship Project Funding	1,000.00
07/08/2021	Colorado Water Congress CWC	State Affairs Committee Administration fee	250.00
07/09/2021	Microsoft	Software	48.00
07/10/2021	Facebook	Advertising expenses	44.27
07/15/2021	CEBT	Medical, dental, vision, life, STD, LTD August 2021 coverage	12,966.23
07/15/2021	Balcomb & Green, P.C.	Miscellaneous Matters, Tri-State, Public Service Co,Catamount, June legal services	1,624.00
07/15/2021	NDS Northwest Data Services	IT Services	644.00
07/15/2021	Rig to Flip Water Education Awareness	Facilities tour and environmental release videos.	608.60
07/15/2021	Jim Haskins	Director fees	300.00
07/15/2021	Hugh Webster Jones	Director fees	300.00
07/15/2021	Tom Sharp	Director fees	300.00
07/15/2021	Douglas Monger	Director fees	300.00
07/15/2021	Flat Tops Ranch Supply	Facilities' maintenance	240.37
07/15/2021	Lyn Halliday	Director fees	200.00
07/15/2021	ECO-Shine Fire Prevention	Stagecoach Reservoir O&M: Fire Extinguisher service	163.00
07/15/2021	NDS Northwest Data Services	Back up drive	122.35
07/15/2021	John Redmond	06-16-2021 Executive Committee Meeting	100.00
07/15/2021	Grainger	Stagecoach maintenance	64.89

**Subtotal**

**24,809.83**

**Upper Yampa Water Conservancy District**  
**Cash Disbursement Report**  
**July 31, 2021**

<b>Date</b>	<b>Name</b>	<b>Memo</b>	<b>Amount</b>
07/15/2021	ACE Hardware	Office supplies	50.05
07/15/2021	ACS Advanced Copier Solutions, Inc.	Savin Printer, June.	7.06
07/15/2021	Moon's Mechanics	Vehicle Maintenance, Dodge.	230.59
07/15/2021	Nicole Seltzer	Director fees	200.00
07/16/2021	Edge Communications	Services from 07-06-2021 to 08-05-2021	117.85
07/19/2021	CenturyLink	SC Telephone, from 07-01-2021 to 07-31-2021	158.36
07/20/2021	Restaurant.	Board meeting expenses	354.00
07/20/2021	Walmart	Meeting supplies	29.24
07/20/2021	Safeway	Meeting supplies	22.70
07/21/2021	YVEA	Electric at Stagecoach powerhouse and shed, 06-01-2021 to 06-30-2021	651.13
07/21/2021	Adobe	Monthly subscription 07-20-2021 to 08-19-2021	118.93
07/22/2021	Colorado Water Congress CWC	2021 Summer Conference Registration, Directors Brenner and Sharp.	775.00
07/23/2021	Colorado Department of Revenue	Federal Tax Withholdings	6,511.00
07/23/2021	ICMA-401a	Monthly contributions, August 2021 payroll.	3,717.77
07/23/2021	ICMA-457	Monthly contributions, August 2021 payroll.	2,293.19
07/24/2021	Colorado Water Congress CWC	2021 Summer Conference Registration, District Manager, Engineer and Public Information Manager.	1,350.00
07/24/2021	USPS	Postage	0.10
07/25/2021	Facebook	Advertising expenses	50.00
07/27/2021	SmartVault	Software, interphase with quickbooks	42.40
07/27/2021	Amazon	IT item for board meetings	27.04
07/28/2021	Weiss & Van Scoyk	Legal services	2,139.00
07/28/2021	Weiss & Van Scoyk	Legal services	1,196.00
07/28/2021	All Natural of Yampa Valley Inc	Office cleaning, July 2021.	300.00
07/28/2021	Deb Bastian	Reimbursement, payment of Assurion deductible, Dam Operator iPhone replacement	99.00

**Subtotal**

**20,440.41**

**Upper Yampa Water Conservancy District**  
**Cash Disbursement Report**  
**July 31, 2021**

<b>Date</b>	<b>Name</b>	<b>Memo</b>	<b>Amount</b>
07/28/2021	NDS Northwest Data Services	IT Services	20.00
07/28/2021	YVSC Yampa Valley Sustainability Council	Yampa River/Walton Creek Restoration Grant Funding	5,000.00
07/28/2021	Yampatika	Annual Grant for Yampatika's water education program 2021	5,000.00
07/28/2021	Mountain Man Welding and Fabrication	Stem guide replacement steel plate.	3,692.00
07/28/2021	ECS Employers Council Services, Inc.	Fees associated with employee handbook review	1,165.00
07/28/2021	Gray Matter Systems, LLC TMMI	SCADA system upgrade. Professional services, June 1 to June 6, 2021.	370.00
07/28/2021	Flat Tops Ranch Supply	Work boots	150.00
07/28/2021	Amazon	Drought Tour Reception, supplies.	395.78
07/28/2021	Steamboat Detailing	Vehicle maintenance	395.00
07/28/2021	CenturyLink	Office Telephone & Internet, July 7 to August 6, 2021.	239.78
07/28/2021	Amazon	Drought Tour Reception, supplies.	41.18
07/29/2021	Quickbooks Payroll Service	Created by Payroll Service on 07-23-2021	43,940.40
07/30/2021	Amazon	New conference room camera & speaker	1,008.09
08/01/2021	MVB Mountain Valley Bank	August 2021 office rent	6,471.94
08/01/2021	Amazon	Supplies for Board meeting meals	27.09
08/01/2021	The New York Times	Monthly subscription	4.00
08/02/2021	Internal Revenue Service	Federal Tax Withholdings & Contributions	15,120.68
08/02/2021	Family Support Registry	Remittance, July 2021.	716.00
08/02/2021	Verizon Wireless	Stagecoach Cell phones 07-14-21 to 08-13-21	84.04
08/02/2021	Amazon	Office supplies	51.75
08/03/2021	Conoco Universal WEX	Gasoline, July 2021.	887.86
08/11/2021	Gray Matter Systems, LLC TMMI	Profesional services and travel expenses through July 31, 2021	5,113.74
08/11/2021	hive 180	Second half payment of website design	2,612.50
08/11/2021	LRE Water	Services through 06-18-2021 - Proj. 21047UYCD06-21 Yamcolo Reservoir Discharge Monitoring.	1,651.18

**Subtotal**

**94,158.01**

**Upper Yampa Water Conservancy District**  
**Cash Disbursement Report**  
**July 31, 2021**

<b>Date</b>	<b>Name</b>	<b>Memo</b>	<b>Amount</b>
08/11/2021	Friends of the Yampa	Basin Rendezvous Community Event	1,000.00
08/11/2021	LRE Water	Services through 06-25-2021 - Proj. 21047UYCD05-21 Stagecoach Water accounting.	612.50
08/11/2021	NDS Northwest Data Services	Computer Monitors	449.45
08/11/2021	NDS Northwest Data Services	IT Services	375.00
08/11/2021	All Natural of Yampa Valley Inc	Office cleaning, June 2021.	300.00
08/11/2021	NDS Northwest Data Services	IT Services	187.50
08/11/2021	Deb Bastian	Reimbursement, supplies for Drought Tour Reception.	91.85
08/11/2021	ACE Hardware	Stillwater Ditch maintenance	45.60
08/11/2021	ACE Hardware	Stillwater Ditch maintenance	40.39
08/11/2021	ACE Hardware	Facilities maintenance	20.19
08/11/2021	ACS Advanced Copier Solutions, Inc.	Savin Printer, July.	12.69
08/11/2021	ACE Hardware	Office Supplies	8.09
08/11/2021	SDA Special District Association of CO	SDA Annual Conference registration	150.00
08/24/2021	CEBT	Medical, dental, vision, life, STD, LTD September 2021 coverage	12,966.23
08/24/2021	AECOM	Stemguide replacement project	2,500.00
08/24/2021	All Natural of Yampa Valley Inc	Office cleaning, August 2021.	300.00
08/30/2021	Quickbooks Payroll Service	Created by Payroll Service on 08-25-2021	44,985.98
08/30/2021	Internal Revenue Service	Federal Tax Withholdings & Contributions	15,418.60

**Subtotal** **79,464.07**

**Total** **298,080.89**

UPPER YAMPA WATER CONSERVANCY DISTRICT - 2021 BUDGET COMPARISON REPORT, AS OF JULY 31, 2021

	2019 ACTUALS	2020 ACTUALS	2021 BUDGET	2021 YTD ACTUALS	2021 YTD PROJECTIONS
	audited	audited	Amended May 19, 2021	31-Jul-21	31-Jul-21
<b>Fund Opening Balance including Encumbered Funds</b>	14,279,527	16,012,911	17,536,141	17,536,141	17,536,141
<b>Encumbered Funds</b>	919,734	6,212,424	5,870,780	5,870,780	5,870,780
Emergency Facilities Reserve		4,485,814	4,606,931	4,606,931	4,606,931
Capital Maintenance Reserve		752,436	772,752	772,752	772,752
Stagecoach Wetlands Mitigation Reserve	419,734	419,734	419,734	419,734	419,734
Routt County Road #14 Contribution	500,000	500,000			
Tabor Reserve		54,440	71,363	71,363	71,363
<b>Capital Projects Development Fund</b>	13,359,793	9,800,487	11,665,361	11,665,361	11,665,361
<b>Revenues</b>					
<b>Facilities</b>					
Stagecoach Reservoir					
Power Sales	234,324	162,432	195,000	28,224	35,000
Water Sales	433,769	162,197	118,288	111,880	172,921
Yamcolo Reservoir					
Water Sales	121,052	167,913	167,937	100,278	139,374
Stillwater Ditch & Reservoir Company	7,965	11,556	8,408	8,518	8,518
Property taxes	2,415,730	2,644,690	2,520,875	2,608,612	2,674,000
Interest earned	327,104	124,735	31,045	8,510	16,374
Other income	4,000	20,835			
Pass through income	23,644	72,761		13,687	13,687
<b>revenues</b>	<b>3,567,587</b>	<b>3,367,118</b>	<b>3,041,552</b>	<b>2,879,709</b>	<b>3,059,874</b>
<b>Expenditures</b>					
<b>Operating</b>					
<b>Facilities</b>					
Stagecoach Reservoir	435,216	409,709	485,415	213,983	485,415
Yamcolo Reservoir	125,183	116,440	150,543	60,600	150,543
Stillwater Ditch & Reservoir Company	34,520	40,707	34,905	22,573	34,905
Administration	184,031	262,197	329,216	172,761	319,083
Board of Directors	71,720	125,671	114,232	30,389	82,753
External Affairs	70,807	106,310	117,278	60,594	116,599
Finance	111,594	103,206	154,304	66,581	131,446
Legal	125,521	157,532	156,623	57,724	156,284
Planning	205,229	53,869	95,053	28,578	94,713
Grants, Scholarships & Public Information	170,299	133,030	288,346	119,192	288,120
Treasurer fees	74,607	80,543	77,854	81,589	80,220
Pass through expenses	11,724	84,681		13,687	13,687
<b>Subtotal Operating</b>	<b>1,620,451</b>	<b>1,673,894</b>	<b>2,003,770</b>	<b>928,251</b>	<b>1,953,770</b>
<b>Capital</b>					
Stagecoach Reservoir - Power Generation	49,747	59,361	177,500	70,199	177,500
Yamcolo Reservoir	57,852	38,276	70,000		70,000
Stillwater Ditch & Reservoir Company	38,426	72,357	125,000	47,178	125,000
Office Space	67,728		2,500		
<b>Subtotal Capital</b>	<b>213,752</b>	<b>169,994</b>	<b>375,000</b>	<b>117,378</b>	<b>372,500</b>
<b>expenditures</b>	<b>1,834,203</b>	<b>1,843,888</b>	<b>2,378,770</b>	<b>1,045,629</b>	<b>2,326,270</b>
<b>net income (loss)</b>	<b>1,733,384</b>	<b>1,523,230</b>	<b>662,782</b>	<b>1,834,080</b>	<b>733,605</b>
<b>Ending Fund Balance</b>	<b>16,012,911</b>	<b>17,536,141</b>	<b>18,198,924</b>	<b>19,370,221</b>	<b>18,269,746</b>







## BOARD COMMUNICATION FORM

**From:** Andy Rossi

**Date:** 09/08/21

**Item: General Manager's Report on UYWCD Water Resources Management Activities:  
July – August 2021**

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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### **I. Request/Issue and Background Information:**

General Manager's report summarizing current and ongoing Upper Yampa Water Conservancy District activities.

### **II. Summary and Alternatives:**

The summer of 2021 continues to be a busy and complex period for the Upper Yampa Water Conservancy District (UYWCD) and the Yampa River Basin as a whole. Accordingly, the UYWCD staff and basin partners remain extremely active as the basin continues to respond to extended drought conditions. These drought conditions are accelerating the Yampa Basin's consideration of new baseline river conditions. Throughout the summer, the UYWCD remained a viable source of stored water supply for water users in the Yampa River Basin.

Presented below is a summary of the water resources management activities the UYWCD has been involved in. Many of the items included in this communication have been discussed during previous meetings or detailed in other communications.

If you have any further questions about any of the items included in this communication please contact Andy Rossi, UYWCD General Manager, for additional details.



## UYWCD Water Resources Management Activities: June – August 2021

### Drought Hydrology

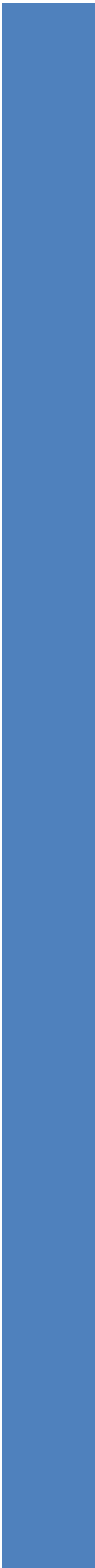
- River Closures
  - Multiple sections of the Yampa River continue to be closed to recreational activities.
  - Re-opening of closed sections of the Yampa River may not begin until October, 2021.
  - The Yampa River is now the only river system in the State of Colorado with closures still in place.
- Stagecoach Reservoir Operations
  - The Colorado Water Trust and the City of Steamboat joined with the UYWCD to release stored water from Stagecoach Reservoir to provide additional flows below Stagecoach Reservoir in the months of July and August. To date, approximately 3,000 AF of water have been released from Stagecoach Reservoir from the UYWCD, CWT, and City of Steamboat Springs. The CWT exercised their option for an additional 500 AF of Stagecoach Water on August 31, 2021 (2021 CWT Total Contracted Storage = 1,500 AF). Stagecoach Reservoir water status is presented as Agenda item 6a.
  - The UYWCD added multiple new, small volume Stagecoach Reservoir water storage contracts for irrigation and stock watering uses in July and August in addition to multiple new augmentation water contracts. A summary of new water contracts is presented in agenda item 6b.
- Yamcolo Reservoir Operations
  - The 2021 Bear River irrigation activities are now at a minimum, as main-stem reservoir agricultural water storage supplies were exhausted in early August. Yamcolo Reservoir water status is presented as Agenda item 6a.
- Other Yampa River Facilities Operations
  - Coordinated releases from Elkhead Reservoir by Tri-State, CWT, and the USFWS Endangered Fish Recovery Program have been on-going throughout most of the summer with varied configurations of water supply releases.
- River Administration
  - The Bear River administration started on May 17, 2021. 46 separate Call/Administration changes to date.
  - Oak (5/28/21) and Elkhead (6/19/21) Creeks were placed under river administration for the 1<sup>st</sup> time.
  - The main stem of the Yampa River was placed under administration from 07/30/21 to 08/02/21. Continued drought conditions coupled with the exhaustion of some Elkhead Reservoir release supply volumes keep the threat of another call on the main stem of the Yampa River alive for 2021.
  - On August 18, 2021, a diverter in the Cross Mountain section of the Yampa River requested a call be placed on the main stem of the Yampa River. The CDWR decided to not place the river under administration after Yampa River flows increased in the days following the call request.



- Wildfire Activity
  - The Muddy Slide Fire is 80 % contained as of 09/08/21.
  - The Morgan Creek Fire is 24% contained as of 09/08/21.

### **Other UYWCD Projects and Water Resources Activities**

- Water Supply Infrastructure
  - The Coal Creek Diversion Project flow analysis and stream gaging phases of the project development started in late July 2021. The UYWCD has been awarded a CRD Community Funding Partnership financial assistance grant for the analysis phase of the Coal Creek Diversion Project. The award was made possible by formal support from both the Routt and Garfield County Board of County Commissioners.
  - Stagecoach Dam stem guide repairs are complete.
  - Maintenance and capital improvements activities will increase as irrigation and water delivery season ends.
- Summer Water Resources Conferences and Events
  - There have been several water resources related conferences and informational events held in the Yampa Valley in recent months. The UYWCD staff will begin disseminating some of the more interesting findings/reports from these events in the coming weeks as we prepare for the upcoming UYWCD Board of Director's Retreat in October of 2021.
- Water Resource Management Efforts
  - Yamcolo Reservoir Water Marketing Policy - early document drafting underway.
  - Yampa River Reservoir Release Study – CRD, Tri-State, UYWCD – Complete.
  - USGS Upper Yampa River Basin Water Quality Report – Final Report Published by USGS.
  - Yampa-White-Green Basin Roundtable BIP update final report – almost done. (really it is close to being done)
  - IWMP activities – still going.....





## BOARD COMMUNICATION FORM

**From:** Andy Rossi, General Manager

**Date:** 08/31/21

**Item:** **Stagecoach Reservoir Mixing Zone Study Results**

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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**I. Request/Issue and Background Information:**

Morrison Creek Water and Sanitation District (MCWSD) completed a mixing-zone analysis in Stagecoach Reservoir in 2021 to support the development and design of MCWSD's water treatment plant renovation/upgrade. The MCWSD staff will present a summary of the results of the mixing-zone analysis. A copy of the final analysis report is included with this communication for reference.

**II. Staff Recommendation:**

NA

**II. Legal Issues:**

NA

**IV. Consistency with Board Goals and Policies:**

UYWCD SP Goal 2.2

**Attachment:** Mixing-Zone Analysis for the Morrison Creek Metropolitan Water and Sanitation District Discharge to Stagecoach Reservoir

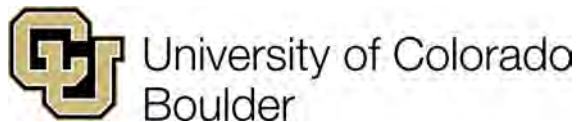
**Mixing-Zone Analysis for the Morrison Creek Metropolitan Water and Sanitation  
District Discharge to Stagecoach Reservoir**

Prepared for:

Geovanny Romero  
Morrison Creek Metropolitan Water and Sanitation District

Prepared by:

James H. McCutchan, Jr.  
Department of Civil, Environmental and Architectural Engineering  
Environmental Engineering Program  
Center for Environmental Systems Analysis



May 7, 2021

## Introduction

The Morrison Creek Metropolitan Water and Sanitation District (MCMWSD) operates a municipal wastewater treatment facility that discharges to Stagecoach Reservoir (Segment COUCYA22; Figure 1). Stagecoach Reservoir is designated as reviewable and has been assigned the following classifications: Agriculture, Aquatic Life Cold 1, Recreation E, and Water Supply. The reservoir also is classified as a direct-use water supply (DUWS). Discharge of effluent to Stagecoach Reservoir is subject to limitations determined by these designations and classifications. Development of preliminary effluent limits for a new, upgraded facility will require information about dilution of effluent at the margins of the regulatory mixing zones for acute and chronic exposure.

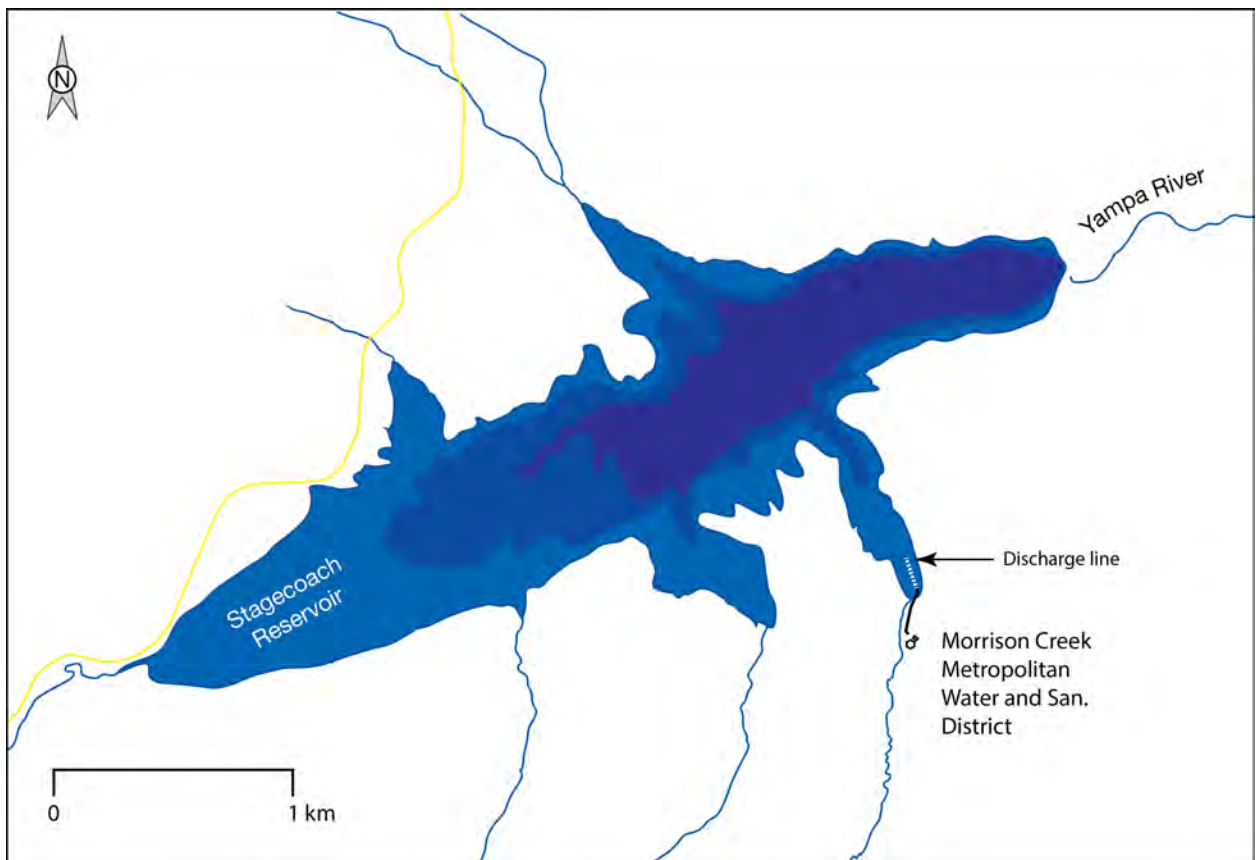


Figure 1. Map of Stagecoach Reservoir, showing the location of the MCMWSD treatment facility and the line that leads to the point of discharge in the reservoir.



Regulatory mixing zones are defined in terms of area, as specified by the Water Quality Control Division of the Colorado Department of Public Health and Environment. For chronic exposure, the regulatory mixing zone for an individual discharge cannot exceed 3% of lake area, and the combined area of chronic mixing zones for all discharges to a lake cannot exceed 10% of lake area. For lakes that are designated as reviewable, the area of the regulatory mixing zone for acute exposure normally is set to 10% of the area for chronic exposure; for use-protected lakes, the area of the regulatory mixing zone for acute exposure normally is set to 25% of the area for chronic exposure. The WQCD can, however, set the areas of the regulatory mixing zones below these default values in order to allow for passage of fish or for other reasons. For example, for discharges to some large lakes in Colorado, the WQCD has set the sizes of the regulatory mixing zones in proportion to the surface area of individual arms receiving effluent discharge. For many reservoirs in Colorado, surface area fluctuates seasonally and from year to year in response to changes in water level. Therefore, in some cases, it may be beneficial to compute the sizes of regulatory mixing zones separately for different seasons instead of computing a single set of areas that could be applicable to the entire year.

At maximum surface elevation, the area of Stagecoach Reservoir is about 780 acres (~3157000 m<sup>2</sup>). Although the water level is more constant for Stagecoach Reservoir than for many other Colorado reservoirs, surface area of the reservoir varies slightly in response to changes in water level. Satellite imagery shows that the surface area of Stagecoach Reservoir can be as low as about 3067000 m<sup>2</sup>. The surface area of the Little Morrison Creek arm is about 137000 m<sup>2</sup> at times of high water level and about 121100 m<sup>2</sup> at times of low water level. If the receiving water for MCMWSD is assumed to be the entire reservoir at low

water (3067000 m<sup>2</sup>), the default value for the area of the chronic regulatory mixing zone is 92000 m<sup>2</sup> (3% of reservoir area) and the default area for the acute regulatory mixing zone is 9200 m<sup>2</sup> (0.3% of reservoir area). If the area of the chronic regulatory mixing zone were set to 3% of the area of the Little Morrison Creek, the area would be 3630 m<sup>2</sup> (0.12% of reservoir area), and the corresponding area for acute exposure would be 363 m<sup>2</sup> (0.012% of reservoir area).

Mixing of effluent and lake water is affected by various site-specific processes and conditions. Mixing generally is dominated by processes unrelated to the volume and velocity of the effluent discharge except near the point of discharge. Wind-driven circulation contributes to turbulent mixing in lakes, and the effects of wind on vertical mixing can be particularly important in Colorado lakes during spring and fall when thermal stratification (layering) is weakest. The density of water varies with temperature, and the maximum density of fresh water occurs near 4° C. Vertical gradients of density that develop in response to heat exchange at the surface affect vertical mixing and the depth of wind mixing in lakes. Because of the high stability of thermal layering when surface temperatures are high, the mixed layer at the surface of many lakes in Colorado extends to a depth of only a few to several meters during the warmest part of the year.

Mixing also is affected by the density of the discharge in relation to the vertical density gradient for the water column of a lake. During the summer stratification period, vertical mixing of effluent within the surface layer is favored if the effluent and water of the lake's surface layer are similar in density or if the effluent has lower density than the surface water. During the warmest part of the year, however, effluent temperatures for municipal wastewater treatment facilities in Colorado usually are cooler than the surface water of

Colorado lakes. The MCMWSD treatment facility discharges to Stagecoach Reservoir via a pipe that extends along the bottom approximately 500 feet (~150 m) into the reservoir. The depth of the reservoir at the discharge point is about 12 feet (4 m) when the reservoir is full. During the warmest part of the year, the mixed layer is thin and MCMWSD effluent would be expected to flow along the bottom for some distance, with limited vertical mixing. Vertical mixing of MCMWSD effluent with lake water would be more rapid during spring and fall when the thickness of the mixed layer is greater and the difference in temperature between effluent and surface water is small. Also, the combined discharge of Little Morrison Creek, the Yampa River, and other tributaries that flow into Stagecoach Reservoir tends to be highest during spring. Therefore, vertical mixing of effluent with lake water will be much less rapid during the warmest part of the year than during spring or fall.

Ice cover creates special conditions for mixing in many Colorado lakes during winter and early spring. The water column of a lake with complete ice cover is not subject to wind mixing. Also, vertical density gradients in ice-covered lakes reflect the decrease in density of water below 4°C. Unlike summer conditions, when Colorado lakes normally are warmest near the surface, the warmest temperatures in ice-covered lakes usually are  $\leq 4^{\circ}\text{C}$  and occur near the bottom. Although wind-induced mixing is not a factor when there is complete ice cover on a lake, mixing conditions for MCMWSD effluent during winter could be quantitatively similar to conditions during late July and early August. Because MCMWSD discharges from a pipe at a depth of about 3 – 4 m and effluent temperatures tend to be higher than temperatures of lake water in winter, the vertical component of mixing for MCMWSD effluent may be greater in winter than in summer, even without wind mixing.

Previously, calculations of effluent limits for MCMWSD discharge to Stagecoach Reservoir were based on assumptions that were derived from results of a mixing-zone study for Great Western Reservoir. Because mixing of effluent in lakes varies in response to site-specific conditions and processes, it would be preferable to quantify the mixing conditions for MCMWSD empirically than to continue to use assumptions based on results of a study of mixing in another reservoir. Tracers provide a means of quantifying the spatial patterns of dilution associated with the mixing of effluent discharged to a lake. Tracers include chemical characteristics (e.g., chloride concentration or specific conductance) or physical characteristics (e.g., temperature) of effluent that are distinct from lake water and provide a basis for mapping the dilution of effluent within the regulatory mixing zones. If effluent discharged to a lake cannot be easily distinguished from lake water, fluorescent dye (e.g., Rhodamine) or another tracer can be added to the discharge in order to quantify the rate of effluent dilution and the spatial pattern of dilution.

The purpose of this report is to present results of two tracer studies of the mixing zone for the MCMWSD discharge to Stagecoach Reservoir. The studies were conducted in mid-summer and winter, when vertical mixing of effluent was limited by stability of the water column. Results of these studies will provide a basis for determination of future effluent limits for the MCMWSD discharge, with greater confidence than could be achieved through use of previously available information.

### **Field studies**

Dilution of MCMWSD effluent in Stagecoach Reservoir was quantified in summer 2020, when surface temperatures in the reservoir were near the annual maximum, and in late

winter 2021, when the reservoir was ice covered. Tracers present in the effluent were evaluated as a means to quantify dilution of effluent within the acute and chronic regulatory mixing zones. For the summer study, specific conductance, which is related to total dissolved ionic solids, was chosen as a tracer of effluent dilution. Temperature data also were collected to support interpretation of conductance measurements. For the winter study, measurements of specific conductance and temperature were collected by the same methods that were used for the summer study. To ensure that dilution of effluent within the reservoir could be quantified reliably during the winter, dye was added to the effluent and water samples collected with field measurements were analyzed fluorometrically.

For both studies, measurements of specific conductance, temperature, and depth were collected with a multi-parameter field meter. Coordinates for each location were recorded with a handheld or boat-mounted GPS receiver, and maximum depth of the water column was measured by sonar. Generally, the spacing between adjacent sampling locations increased with increasing distance from the point of discharge. In addition to samples collected near the discharge location, samples and field measurements were collected for locations in the main body of the reservoir, tributaries of the reservoir, and effluent. For locations near the margin of the reservoir where the depth was less than about 1 m, a single set of measurements was collected at each location. Elsewhere in the reservoir, measurements typically were collected at two or more depths at each location. For the winter study, water samples were collected at one or more depths at each location where conductance and temperature were measured, and dye concentrations were measured by fluorometry (method detection limit < 1 ppb).

*Summer conditions* – Field measurements were collected on August 3 and August 5, 2020 for effluent, the Yampa River upstream of Stagecoach Reservoir, and the Stagecoach Reservoir. Within the reservoir, measurements of specific conductance, temperature, and depth were made at 217 locations (Figure 2). Across all locations within the reservoir, 489 sets of measurements were collected.

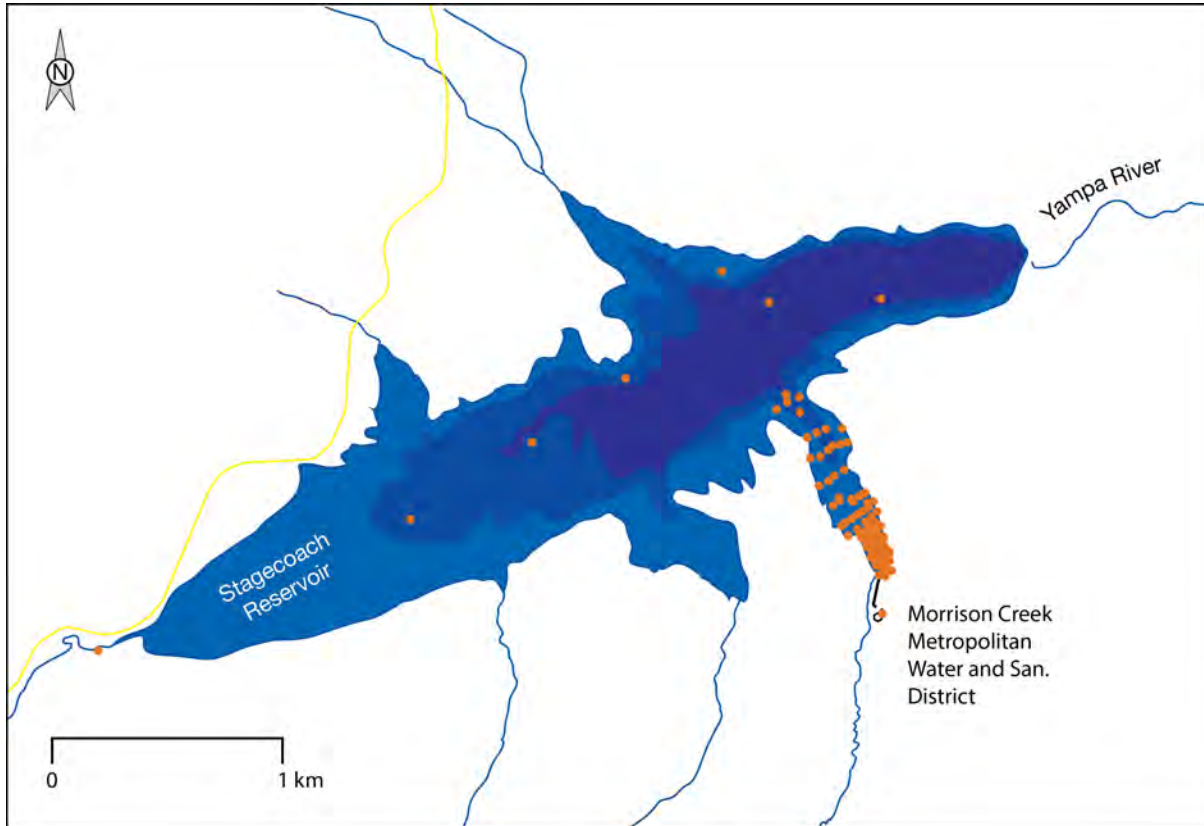


Figure 2. Map of the study area showing locations of field measurements (orange circles) in August 2020. Specific conductance and temperature were measured at each location, and maximum depth and measurement depth also were recorded for locations in the reservoir.

*Winter conditions* – Fluorescent dye (Rhodamine WT) was added to MCMWSD effluent over a period of about seven weeks (January 13 – March 5, 2021). Dye was added to the effluent stream near the point of outflow from the plant, and the flow rate of the dye pump was adjusted weekly as necessary to maintain a constant rate of addition. The rate of

effluent discharge was stable over the period of the dye addition (Figure 3), and measurements of dye concentration for samples from the line between the plant and the reservoir confirmed that concentrations of dye were stable and within the targeted range for determination of effluent dilution in the reservoir.

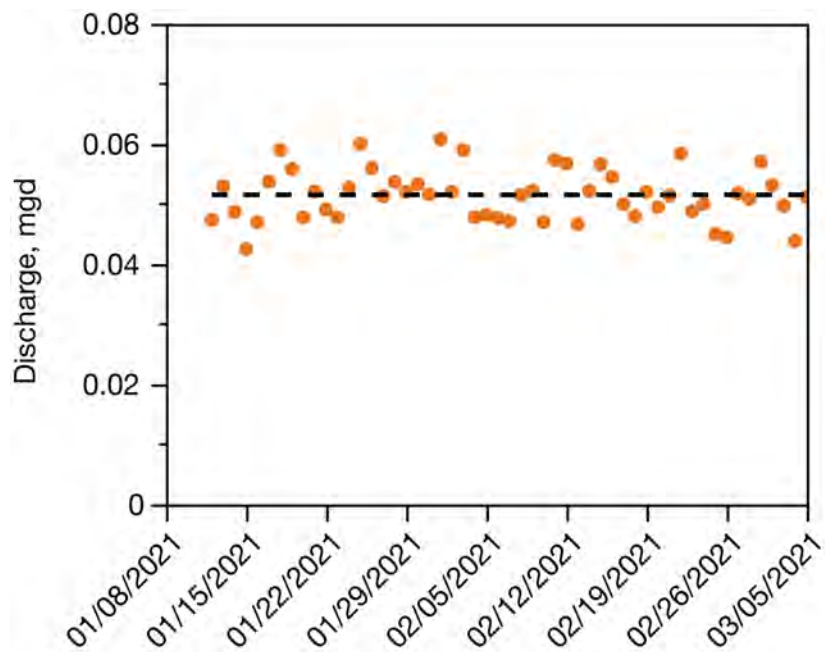


Figure 3. Variation in effluent discharge over the period of the dye addition. The dashed line indicates the mean effluent discharge (0.052 mgd) over the seven-week period.

Water samples and field measurements were collected for effluent and the reservoir on February 22, March 3, and March 5. During the period of sampling, thickness of the ice cover was 20 – 28 inches (50 – 70 cm) over most of the reservoir, except near points of tributary inflow where the ice was thinner. For the reservoir, samples and field measurements were collected at 101 locations for the winter study (Figure 4; 222 water samples, 294 sets of field measurements).

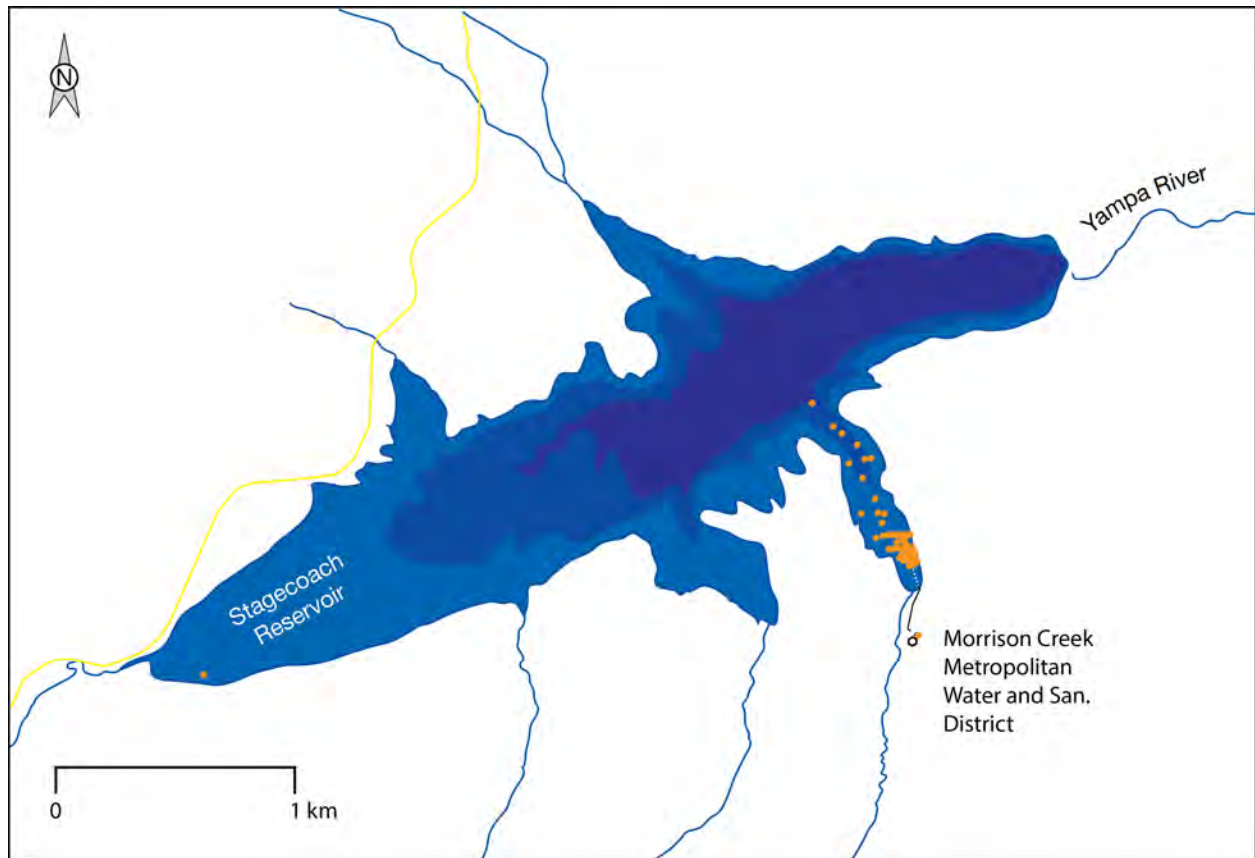


Figure 4. Map of the study area showing locations of field measurements (orange circles) in late February and early March, 2021. Specific conductance and temperature were measured and water samples were collected at each location. For locations within Stagecoach Reservoir, maximum depth and measurement depth also were recorded.

## Results and Analysis

Use of specific conductance as a tracer depends on the difference between conductance of effluent and the background conductance of the receiving water. Specific conductance of the Yampa River, the main tributary of Stagecoach Reservoir, varies seasonally and tends to be highest during the summer irrigation season (Figure 5). However, the Yampa River is not the only source of water reaching Stagecoach Reservoir, and seasonal variation in thermal stratification affects the mixing of water sources within the reservoir. Estimates of effluent dilution for the summer study are based on measurements of specific conductance.



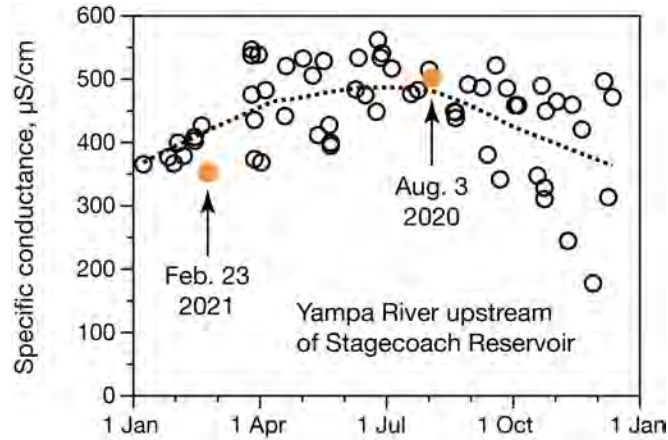


Figure 5. Specific conductance of the Yampa River upstream of Stagecoach Reservoir (USGS and this study). Solid orange symbols correspond to samples collected during summer and winter mixing-zone studies presented here).

Even though specific conductance of the Yampa River was higher in summer than in winter, the difference in conductance between effluent and reservoir water (i.e., water not influenced by effluent) was lower in winter. Therefore, estimates of effluent dilution for winter are based on measurements of the fluorescent dye that was added to the effluent.

*Summer conditions* – In August 2020, specific conductance of MCMWSD effluent was about 903  $\mu\text{S}/\text{cm}$ , and the background specific conductance in the Little Morrison Creek arm of the reservoir was about 433  $\mu\text{S}/\text{cm}$ . Temperature of the effluent at the point of discharge was about 13°C, and the surface temperature of the reservoir was near 22°C. Either specific conductance or temperature could be used as a tracer of effluent dilution within the reservoir (Figure 6). However, use of specific conductance for this purpose is more straightforward than use of temperature because heat exchange at the surface of the reservoir causes diel variation in temperature of the mixed layer.

Except near the point of discharge, temperature varied from about 20 – 23°C over the upper 4 m of the water column and declined with depth to about 5°C for the deepest water in the reservoir (Figure 6). For locations away from the discharge point, specific conductance was near 430 – 450  $\mu\text{S}/\text{cm}$  for the surface layer and at depths below about 15 m, with higher conductance values at depths near 7 m (Figure 6). The layer of water with high specific conductance, centered at about 7 m depth, extended throughout the main body of the reservoir and partway into the Little Morrison Creek arm. This layer reflects the relatively high conductance of the Yampa River during snowmelt runoff (Figure 5). The density of the flow of the Yampa River during peak snowmelt runoff was higher than the density of the surface layer of the reservoir, and the flow of the Yampa mixed with the water column of the reservoir at a depth centered at about 7 m. There was some vertical mixing of the flow of the Yampa River with water above and below the 7-m layer, as indicated by the gradual changes in temperature and conductance between the mixed layer and the deep water (Figure 6). Even so, vertical mixing of the flow of the Yampa River during and after peak snowmelt runoff was much weaker than lateral mixing because thermal stratification in the reservoir was established prior to peak snowmelt runoff.

For each set of measurements, dilution was calculated from specific conductance and the assumed end-members for mixing (i.e., 903  $\mu\text{S}/\text{cm}$  effluent, 433  $\mu\text{S}/\text{cm}$  background). Because of the low temperature of the effluent discharge ( $\sim 13^\circ\text{C}$ ) in comparison with surface water of the reservoir ( $\geq 20^\circ\text{C}$ ), effluent was denser than the overlying water near the discharge location. The effluent plume extended from the point of discharge outward, along the bottom of the reservoir, and effluent did not mix rapidly with the overlying water. Within the area that contained the effluent plume, the highest conductance values were

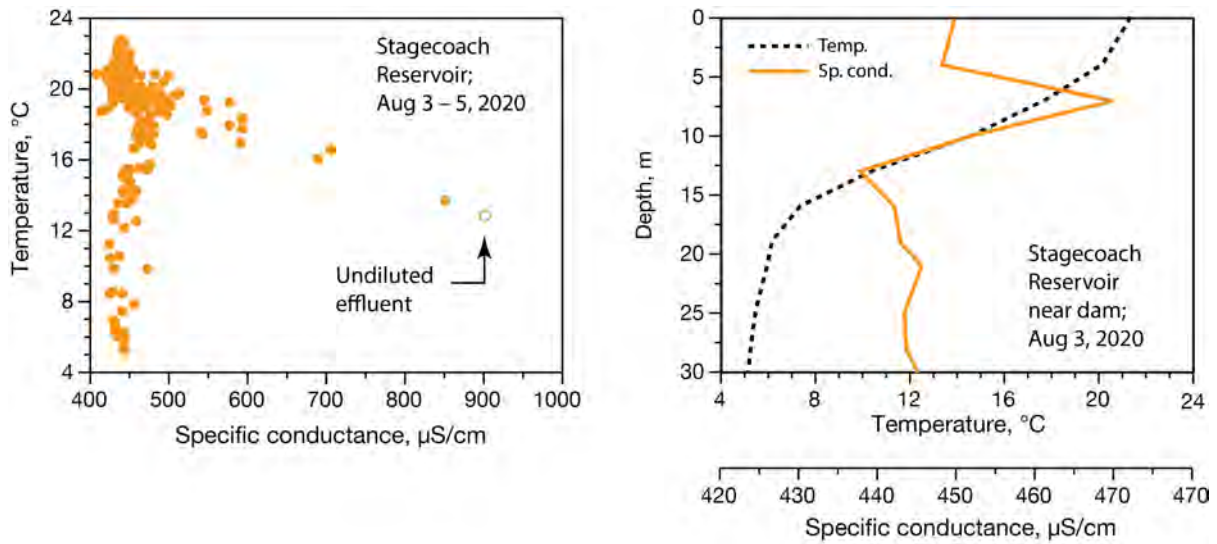


Figure 6. Relationship between temperature and specific conductance (left panel; solid circles represent field measurements, open circle represents undiluted effluent) and profiles of temperature and specific conductance near the dam (right panel).

consistently near the sediment (typically bottom 25 cm), and all of the surface measurements indicated <5% effluent. Field measurements for the bottom of the water column, near the end of the discharge line (specific conductance = 852 µS/cm, temperature = 13.7°C), corresponded to ~90% effluent.

Figure 7 shows a contour map of the effluent plume near the point of discharge. The area where dilution was less than 1:1 (i.e., > 50% effluent) was very small, and effluent was detectable near the sediment surface over a distance of a little more than 100 m from the end of the discharge line (Figure 7). Some conductance values above the background level were observed between the end of the discharge line and the mouth of Little Morrison Creek. These measurements may reflect small amounts of seepage water with high conductance or may reflect movement of effluent along a relict channel of Little Morrison Creek. Because the source of above-background conductance near the mouth of Little Morrison Creek was undetermined, it was assumed to be effluent.

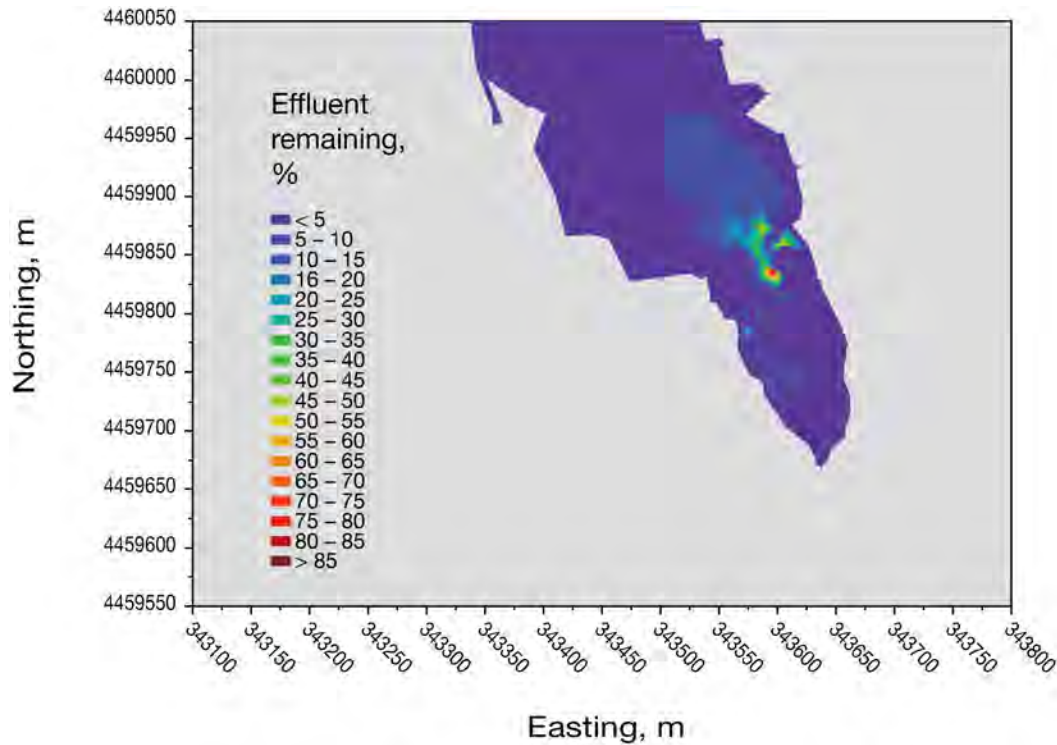


Figure 7. Map of effluent dilution for MCMWSD discharge to Stagecoach Reservoir (August 3 – 5, 2020). Contours show effluent remaining (%) near the sediment surface.

The relationship between dilution of effluent and area is described by a third-order polynomial equation (Figure 8; Equation 1). Near the point of discharge, conductance was not substantially influenced by inflow from the Yampa River ( $\sim 500 \mu\text{S}/\text{cm}$ ; Figures 5 – 6). The depth of the reservoir near the point of discharge was about 4 m, which was within the mixed layer at the time of the study. However, parts of Little Morrison Creek arm are greater than 7 m deep (Figure 9), and high-conductance water from the Yampa River extended into the Little Morrison Creek arm. Mixing of high conductance water from the Yampa River affected conductance values near the margin of the physical mixing zone for the MCMWSD discharge (i.e., at locations where  $\leq 5\%$  effluent remained). Therefore, in fitting the equation shown in Figure 8, one point was excluded from analysis.

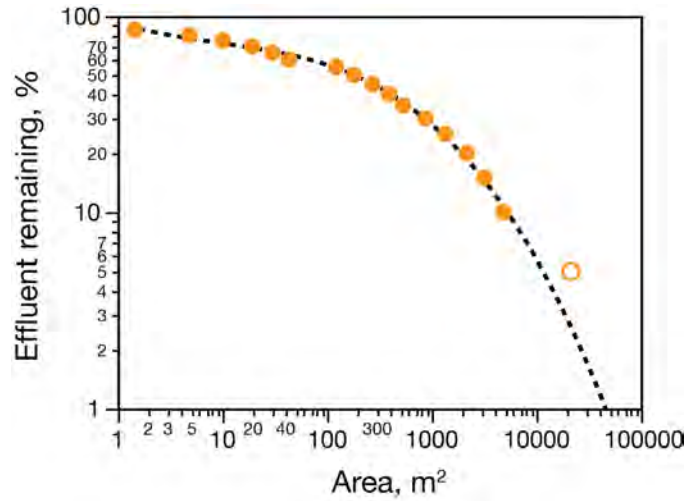


Figure 8. Relationship between effluent remaining (%) and area in early August 2020. The dashed line shows the equation fitted to observed values (solid circles). High-conductance water from the Yampa River was observed near the margin of the physical mixing zone, and one point (open circle) was excluded from analysis.

Equation 1.      Effluent remaining, % =  $\text{Exp}(4.529 - 0.1673 \cdot \ln(\text{Area, m}^2) + 0.04030 \cdot \ln(\text{Area, m}^2)^2 - 0.005951 \cdot \ln(\text{Area, m}^2)^3)$   
 $r^2=0.997$

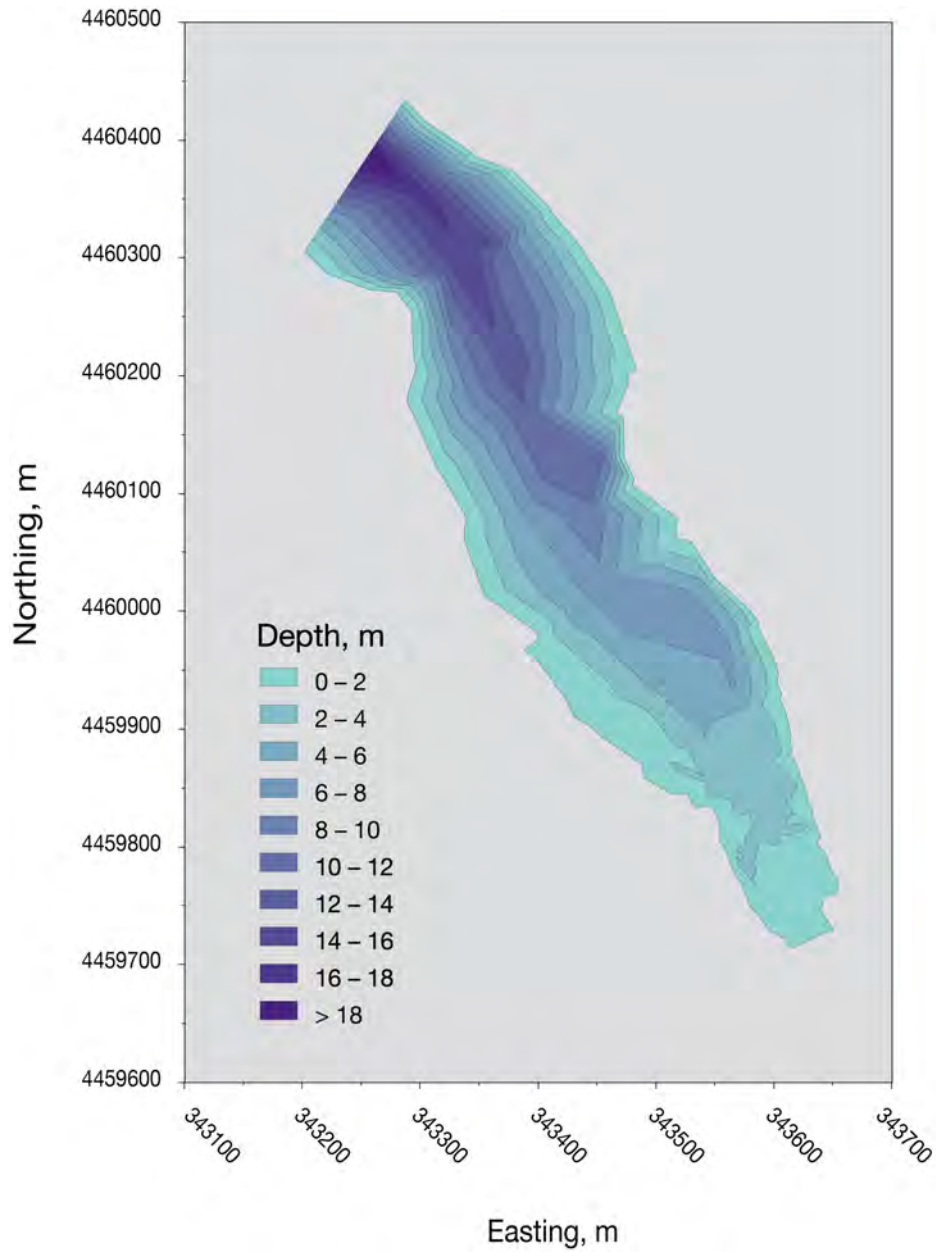


Figure 9. Bathymetric map of the Little Morrison Creek arm of Stagecoach Reservoir in winter 2021. Depths in August 2020 were slightly greater than depths indicated here.

*Winter conditions* – In late February and early March 2021, specific conductance of MCMWSD effluent was about 755  $\mu\text{S}/\text{cm}$ . Except near the point of discharge, specific conductance in the reservoir increased with depth and was near 440  $\mu\text{S}/\text{cm}$  below about 4

m. Conductance values below 4 m depth reflect the specific conductance of the reservoir at the time of fall mixing. Lower conductance values near the surface reflect the inflow of water from the Yampa River ( $\sim 350 \mu\text{S}/\text{cm}$ ; Figure 5) as well as other tributary flows and melt water reaching the reservoir after fall mixing. The surface layer of the reservoir is not mixed by wind when the reservoir is ice covered, and turbulence associated with tributary inflows mixed the surface layer to a depth of less than 4 m. Because temperatures of tributary flows and melt water entering the reservoir during the winter months were near  $0^\circ\text{C}$ , low-conductance water from the Yampa and other sources mixed with the surface layer of the reservoir. Thus, temperature and specific conductance increased from the surface to a depth of about 4 m but varied little with depth below 4 m (Figure 10).

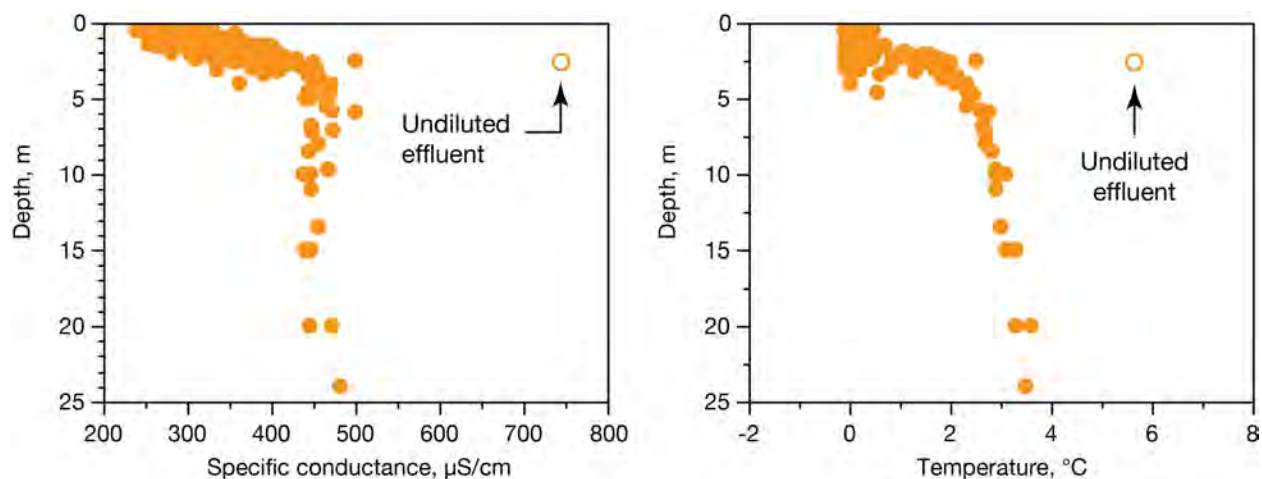


Figure 10. Variation in specific conductance (left panel) and temperature (right panel) with depth in Stagecoach Reservoir (February 22 – March 5, 2021). Open circles represent undiluted effluent.

Because background conductance of reservoir water (i.e., water not affected by effluent discharge) varied widely with depth and because specific conductance of MCMWSD effluent was lower during winter than during summer, specific conductance was less suitable as a tracer of effluent dilution in the winter than during the summer. Therefore,

estimates of effluent dilution for winter are based on measurements of dye concentration. For water samples collected from the reservoir, dilution of effluent was calculated from ratios of measured dye concentrations to the mean concentration of dye in effluent. For the winter study, approximations of effluent dilution calculated from specific conductance are similar to values derived from measurements of dye concentration, but the values derived from dye concentrations are preferable in this case because of the difficulty in establishing a single end-member for background conductance.

Figure 11 shows a contour map of effluent dilution as determined from measurements of dye concentration. Dilution of effluent in the winter was rapid near the point of discharge, and high concentrations of effluent (dye) extended over only a very small area. As in summer, the highest concentrations of effluent were near the sediment. Rhodamine dye was present at low concentrations in some samples from the main body of the reservoir (~1% effluent; 100:1 dilution ratio) and also was present in most surface samples (<1.5 m) at very low concentrations (<0.25% effluent; 400:1 dilution ratio).

For wastewater treatment facilities at elevations similar to Stagecoach Reservoir, effluent temperatures typically are 7.5 – 10°C during the winter months. However, operation of the MCMWSD plant well below its design capacity and cooling that occurred between the plant and the end of the discharge line resulted in discharge temperatures that were cooler than expected. Even so, the density of effluent at the point of discharge was greater than the density of the surrounding water in the reservoir. Thus, vertical mixing between effluent and the overlying water was somewhat limited, and the highest concentrations of the dye tracer were consistently near the sediment surface.



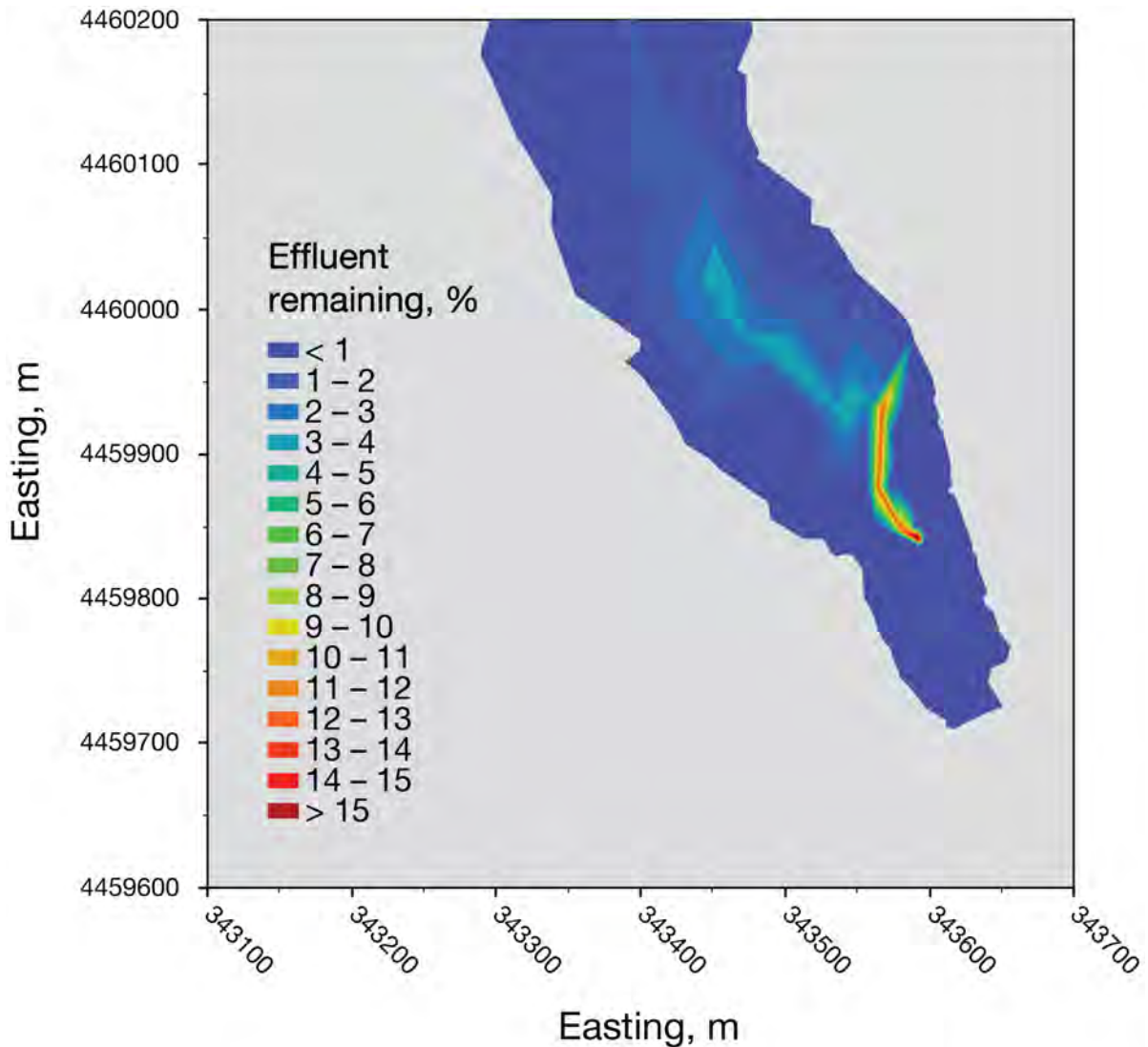


Figure 11. Map of dilution for MCMWSD discharge to Stagecoach Reservoir (February 22 – March 5, 2020). Contours show effluent remaining (%) near the sediment surface.

The relationship between dilution of effluent and area for winter is described by a third-order polynomial equation (Figure 12; Equation 2). Residuals for the fitted equation are higher for the winter study than for the summer study (Figure 8), but both equations (Equations 1 and 2) explain  $\geq 99\%$  of variance in observed values.

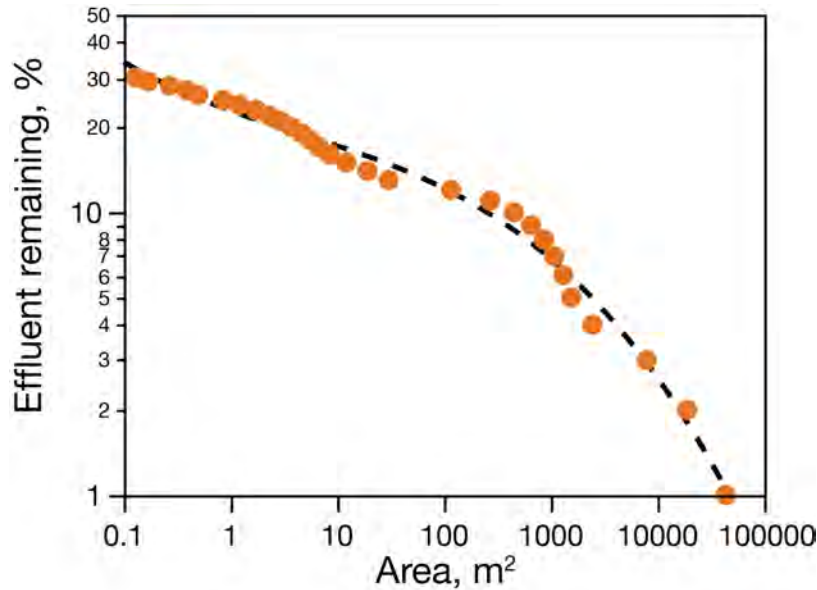


Figure 12. Relationship between effluent remaining (%) and reservoir area in late February and early March 2020. The dashed line shows the polynomial equation fitted to observed values (solid circles).

Equation 2. Effluent remaining, % =  $\text{Exp}(3.130 - 0.1360 \cdot \ln(\text{Area, m}^2) + 0.01028 \cdot \ln(\text{Area, m}^2)^2 - 0.002296 \cdot \ln(\text{Area, m}^2)^3)$

$r^2=0.99$

### Interpretation of Results

Results of the summer and winter studies are qualitatively similar; effluent was rapidly diluted near the point of discharge, even though effluent tended to remain near the sediment surface. High concentrations of effluent extended only over a small area near the point of discharge in both summer and winter. Even though vertical mixing was relatively limited, stronger lateral mixing in the reservoir was evident in both seasons (Figures 6, 10). The effluent tracer was observed at low concentrations (~1%) in the main body of the reservoir in winter, but not in summer. However, circulation of high-conductance water

from the Yampa River interfered with the ability to detect effluent in the main body of the reservoir in summer, and effluent may have been present at low concentrations (e.g., < 1%) outside of the Little Morrison Creek arm.

It seems counterintuitive that effluent in the reservoir would be diluted more rapidly during winter than in summer. Wind mixing, which can be particularly important for vertical mixing in lakes, is absent from lakes with complete ice cover. However, overall stability of the water column can be very high during the warmest part of the year, and large differences in temperature and density between effluent and the receiving water during summer also must be considered. The density of water is highest near 4°C, and the rate of change in density increases with temperature above 4°C (Figure 12). Thus, warming of the surface layer increases stability of the water column, which causes thinning of the surface layer that is influenced by wind mixing. During the summer, the deepest water in the reservoir was near 5°C, and water at the surface was ~22°C (Figures 6, 13). Turbulence associated with tributary inflows during snowmelt runoff contributed to vertical mixing of the water column near the depth of the inflow (i.e., ~7 m), but the mixed layer was thinner during mid-summer than at other times when the reservoir was free of ice (Figures 6, 13). In the winter, temperature of the deep water in the reservoir was near 4°C, and temperature near the surface was ~0°C. Thus, the density gradient of the water column was much steeper in summer than in winter (Figure 13). Also, and the difference in density between effluent and the receiving water was much greater during summer than in winter, and unlike some other effluent discharges, MCMWSD effluent is discharged via a pipe that ends below the reservoir surface. Discharge near the surface, rather than at the bottom, could facilitate mixing near the point of discharge, particularly during summer.

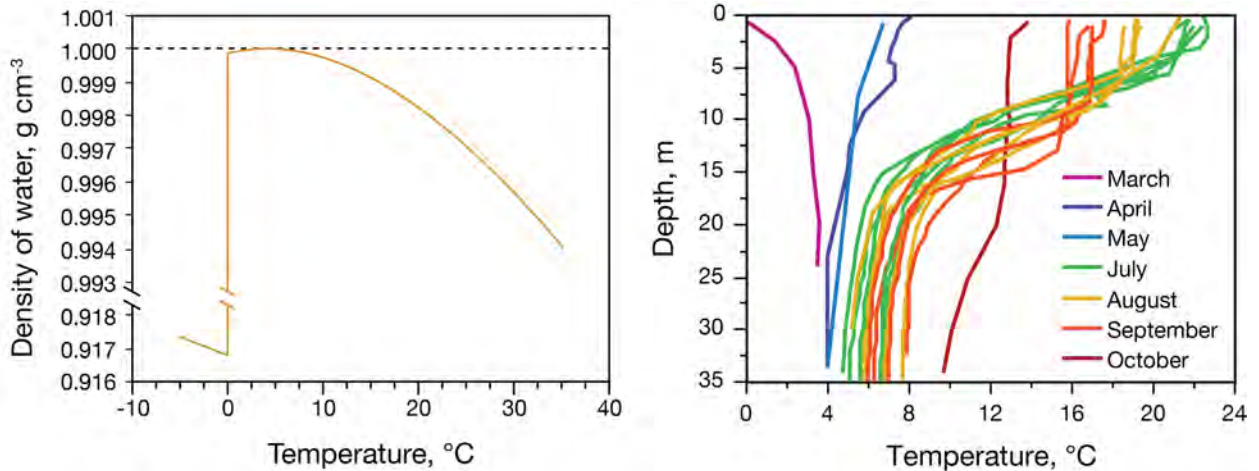


Figure 13. Density of pure water as a function of temperature (left) and temperature profiles for Stagecoach Reservoir (right; USGS and this study). The maximum density of water is  $\sim 4^{\circ}\text{C}$ , and the rate of change in density increases with temperature above  $4^{\circ}\text{C}$ . The water column in Stagecoach Reservoir is nearly isothermal in April – May and in October, during the ice-free months, depth of the wind-mixed layer is thinnest in late July and early August. During winter ice cover, the reservoir is inversely stratified (i.e., colder water near the surface) because the density of water decreases below about  $4^{\circ}\text{C}$ .

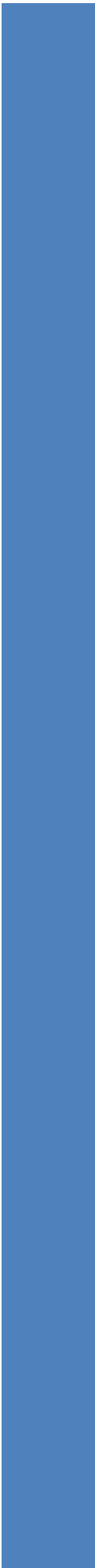
Equations 1 and 2 describe the dilution of effluent as a function of area in Stagecoach Reservoir. For a given area, higher concentrations of effluent (lower dilution ratios) were observed during summer (Equation 1), and the two equations give equivalent results ( $\sim 1\%$  effluent remaining;  $\sim 100:1$  dilution ratio) at  $46050\text{ m}^2$ . Beyond  $46050\text{ m}^2$ , Equation 2 (winter conditions) indicates higher concentrations of effluent (i.e., less dilution) than Equation 1. Differences between the equations may partly reflect mixing of high-conductance water from the Yampa, and effluent remaining in summer may have been overestimated as a result of Yampa-River water near the point of discharge. However, high stability of the water column resulted from a steep thermal gradient and limited the depth of wind mixing; the large difference in density between effluent and lake water near the discharge location also limited mixing during summer.

## Recommendations and Conclusions

For chronic exposure, the regulatory mixing zone for an individual discharge cannot exceed 3% of lake area, and for reviewable waters, the regulatory mixing zone for acute exposure normally is set to 0.3% of lake area. The WQCD sometimes sets the areas of regulatory mixing zones below these default values. For example, mixing zones for discharge to Dillon Reservoir have been sized according to the areas of individual arms of the reservoir, rather than to the area of the entire reservoir. However, Dillon Reservoir is much larger than Stagecoach Reservoir, and data collected as part of this study demonstrate lateral mixing throughout the reservoir, even during times when thermal stratification greatly limits vertical mixing (e.g., Figures 6, 10). Furthermore, the MCMWSD discharge is very small (~0.05 mgd at critical times for mixing), and patterns of effluent dilution (Figures 7, 11) do not raise concerns about fish passage that would justify reduction of the sizes of the regulatory mixing zones. Equations 1 and 2 describe the relationships between effluent dilution and area for August, when thermal stability in the reservoir was high, and late winter, when the reservoir was ice covered, respectively. The two equations produce equivalent results at an area of 46050 m<sup>2</sup>. Conservative estimation of effluent dilution for MCMWSD can be based on Equation 1 for areas ≤ 46050 m<sup>2</sup> and Equation 2 for areas > 46050 m<sup>2</sup>, as follows:

$$\begin{aligned} \text{Effluent remaining, \%} &= \text{Exp}(4.529 - 0.1673*\ln(\text{Area, m}^2) && \text{for Area} \leq 46050 \text{ m}^2 \\ &\quad + 0.04030*\ln(\text{Area, m}^2)^2 \\ &\quad - 0.005951*\ln(\text{Area, m}^2)^3) \\ &= \text{Exp}(3.130 - 0.1360*\ln(\text{Area, m}^2) && \text{for Area} > 46050 \text{ m}^2 \\ &\quad + 0.01028*\ln(\text{Area, m}^2)^2 \\ &\quad - 0.002296*\ln(\text{Area, m}^2)^3) \end{aligned}$$

If the entire reservoir is taken as the receiving water for MCMWSD effluent, application of these relationships at the default values results in 0.63% effluent remaining (160:1 dilution ratio) at the margin of the regulatory mixing zone for chronic exposure (92000 m<sup>2</sup>; 3% of reservoir area) and 6.3% effluent remaining (16:1 dilution ratio) at the margin of the regulatory mixing zone for acute exposure (9200 m<sup>2</sup>; 0.3% of reservoir area).





## BOARD COMMUNICATION FORM

**From:** Deb Bastian, Business Manager

**Date:** September 3, 2021

**Item:** UYWCD Revised Employee Handbook

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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### **I. Request/Issue and Background Information:**

As part of an administrative audit process, and to be implemented on an annual basis going forward, District staff undertook a review of the current Personnel Guidelines (Employee Handbook). Staff worked with the Employers Council's (ERC) legal and human resource staff to be sure that the various changes and additions to the handbook were up to date with current laws/regulations and "best practices" and to clarify existing District policies and procedures.

### **II. Summary and Alternatives:**

The following areas that were updated to bring the document into compliance and to implement "best practices" as recommended by the ERC:

- EEO/Unlawful Harassment – updated protected classes and clarified policy language
- ADA and Religious Accommodation – clarified policy language
- Pregnancy Accommodation – added section to handbook
- Sexual Harassment – clarified policy language and updated complaint procedure process
- Employee Status – clarified policy language
- Pay/Compensation – corrected overtime rules
- Paid Sick Leave – included Healthy Families and Workplace Act (HFWA) requirement to provided paid sick leave (PSL) for part-time, seasonal, and temporary employees at a rate of 1-hour of PSL for every 30 hours worked, up to 48-hour maximum. And the requirement to supplement PSL with an additional grant of leave up to a combined maximum of 80 hours when a public health emergency (PHE) is declared.

### **III. Staff Recommendation:**

Staff requests that the Board Members review the draft revised Employee Handbook and contact staff with questions or comments no later than October 15, 2021. Staff will present a final draft of the Employee Handbook to the Board at the November 17<sup>th</sup> Board meeting for adoption.





**IV. Legal Issues:**

The draft revised Employee Handbook has been reviewed by the Employers Counsel legal and human resource staff and by the UYWCD General Counsel.

**V. Consistency with Board Goals and Policies:**

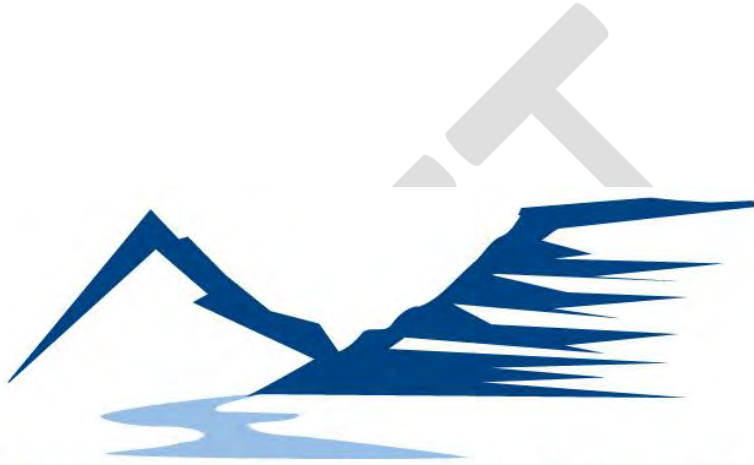
Goal 10.4

**Attachments:**

Attachment 1: Draft - UYWCD Employee Handbook 2021

# Employee Handbook

Revised XX/XX/2021



**UPPER YAMPA WATER**  
—CONSERVANCY DISTRICT—



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## IMPORTANT NOTICE

AT THE UPPER YAMPA WATER CONSERVANCY DISTRICT, NEITHER THE EMPLOYEE NOR THE DISTRICT IS COMMITTED TO AN EMPLOYMENT RELATIONSHIP FOR A FIXED PERIOD OF TIME. EMPLOYMENT WITH UPPER YAMPA WATER CONSERVANCY DISTRICT IS AT-WILL. EITHER THE EMPLOYEE OR MANAGEMENT HAS THE RIGHT TO TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME, FOR ANY REASON. THE LANGUAGE USED IN THIS HANDBOOK AND ANY VERBAL STATEMENTS BY MANAGEMENT ARE NOT INTENDED TO CONSTITUTE A CONTRACT OF EMPLOYMENT, EITHER EXPRESS OR IMPLIED, NOR IS THERE A GUARANTEE OF EMPLOYMENT FOR ANY SPECIFIC DURATION. NO REPRESENTATIVE OF UPPER YAMPA WATER CONSERVANCY DISTRICT, OTHER THAN THE BOARD OF DIRECTORS, HAS AUTHORITY TO ENTER INTO AN AGREEMENT OF EMPLOYMENT FOR ANY SPECIFIED PERIOD AND SUCH AGREEMENT MUST BE IN WRITING, SIGNED BY THE BOARD PRESIDENT AND THE EMPLOYEE.

THE CONTENTS OF THIS HANDBOOK ARE SUMMARY GUIDELINES FOR EMPLOYEES AND THEREFORE ARE NOT ALL INCLUSIVE. THIS HANDBOOK SUPERSEDES ALL PREVIOUSLY ISSUED EDITIONS. EXCEPT FOR THE AT-WILL NATURE OF THE EMPLOYMENT, THE DISTRICT RESERVES THE RIGHT TO SUSPEND, TERMINATE, INTERPRET, OR CHANGE ANY OR ALL OF THE GUIDELINES MENTIONED, ALONG WITH ANY OTHER PROCEDURES, PRACTICES, BENEFITS, OR OTHER PROGRAMS OF UPPER YAMPA WATER CONSERVANCY DISTRICT. THESE CHANGES MAY OCCUR AT ANY TIME, WITH OR WITHOUT NOTICE.

# EMPLOYMENT

## Equal Employment Opportunity/Unlawful Harassment

The District is dedicated to the principles of equal employment opportunity. We prohibit unlawful discrimination against applicants or employees on the basis of age 40 and over, race, sex, sexual orientation, gender identity, color, religion, national origin, disability, military status, genetic information, or any other status protected by applicable state or local law. This prohibition includes unlawful harassment based on any of these protected classes. Unlawful harassment includes verbal or physical conduct which has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment. This policy applies to all employees, including managers, supervisors, co-workers, and non-employees such as customers, clients, vendors, consultants, etc.

## ADA and Religious Accommodation

The District will make reasonable accommodation for qualified individuals with known disabilities unless doing so would result in an undue hardship to the District or cause a direct threat to health or safety. The District will make reasonable accommodation for employees whose work requirements interfere with a religious belief, unless doing so poses an undue hardship on the District. Employees needing accommodation are instructed to contact their supervisor or the Business Manager immediately.

## Pregnancy Accommodation

The District will make reasonable accommodation to otherwise qualified employees due to pregnancy, a health condition related to pregnancy, or the physical recovery from childbirth absent undue hardship.

## Sexual Harassment

The District strongly opposes sexual harassment and inappropriate sexual conduct. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature, when:

- Submission to such conduct is made explicitly or implicitly a term or condition of employment;
- Submission to or rejection of such conduct is used as the basis for decisions **affecting an individual's employment; or**
- Such conduct has the purpose or effect of substantially interfering with an **individual's work performance or creating an intimidating, hostile or offensive** work environment.

All employees are expected to conduct themselves in a professional and businesslike manner at all times. Conduct which may violate this policy includes, but is not limited to, sexually implicit or explicit communications whether in:

- Written form, such as cartoons, posters, calendars, notes, letters, e-mails.

- Verbal form, such as comments, jokes, foul or obscene language of a sexual nature, gossiping or questions **about another's sex life, or repeated unwanted requests for dates.**
- Physical gestures or other nonverbal behavior, such as unwelcome touching, **grabbing, fondling, kissing, massaging, and brushing up against another's body.**

### Complaint Procedure

If you believe there has been a violation of the EEO policy or harassment based on the protected classes listed above, including sexual harassment, please use the following complaint procedure. The District expects employees to make a timely complaint to enable the District to investigate and correct any behavior that may be in violation of this policy.

Report the incident to the Business Manager or District Engineer who will investigate the matter and take corrective action. Your complaint will be kept as confidential as practicable. If you prefer not to go to these individual(s) with your complaint, you should report the incident to the General Manager.

The District prohibits retaliation against any employee for filing a complaint under this policy or for assisting in a complaint investigation. If you believe there has been a violation of our EEO or retaliation standard, please follow the complaint procedure outlined above.

**If the District determines that an employee's behavior is in violation of this policy,** disciplinary action will be taken.

### Employee Status

**Full-time Employee:** An employee normally scheduled to work at least 40 hours per week. Full-time employees are generally eligible for the employee benefits described in this Handbook and are provided with benefits required by applicable law.

**Part-time Employee:** An employee normally scheduled to work less than 40 hours a week. Part-time employees are eligible for some, but not all employee benefits described in this Handbook and are provided with benefits required by applicable law. Part-time employees that work at least 30 hours/week or 1,560 hours/year are eligible for the insurance benefits plans.

**Temporary Employee:** An employee hired for a job established for a temporary period or for a specific assignment. Temporary employees are not eligible for District benefits, except as required by law.

**Seasonal Employee:** An employee hired on a seasonal basis for six (6) months or less during the calendar year. Seasonal employees are not eligible for District



benefits, except as required by law.

**Exempt Employee:** Exempt employees are employees whose job assignments meet specific tests established by the federal Fair Labor Standards Act (FLSA) and state law and who are exempt from minimum wage and/or overtime pay requirements.

**Nonexempt Employee:** Are employees that are eligible for paid overtime at one and one-half (1 ½) times their regular rate of pay for all hours worked in excess of 12 hours in a day, 12 consecutive hours without regard to the starting and ending time of the workday, or 40 hours per workweek, whichever results in the greater payment of wages.

## PAY/COMPENSATION

### Overtime

Normally, our workday begins at 8:00 AM and ends at 5:00 PM.

From time to time, your supervisor may require you to work overtime. In these instances, you are given as much advance notice as practical.

For nonexempt employees, hours worked in excess of 12 hours in a day, 12 consecutive hours without regard to the starting and ending time of the workday, or 40 hours per workweek, whichever results in the greater payment of wages, are paid at one and one-half (**1 ½**) times the employee's regular rate. When a nonexempt employee has daily overtime and weekly overtime hours, the payment of daily overtime counts toward the payment of the weekly overtime. The established workweek begins at 12:00 am midnight on Sunday and ends at 11:59 pm on Saturday.

For purposes of calculating overtime payments, only hours actually worked are counted. Consequently, hours paid but not worked, e.g., vacation, sick, personal are not counted.

### On-Call Time

Facilities employees may be required to take on-call duties. It is the responsibility of the on-call person to acknowledge the call-out within 30 minutes from the receipt of the call or alarm and respond on site within 1 ½ hours after acknowledgement. Any employee using their vehicle for on-call duties shall be reimbursed at the current IRS mileage reimbursement rate.

### Paydays

Employees are paid monthly on the last day of the month. When the payday falls on a weekend or a holiday, pay will be available the workday preceding the payday. On each

payday, employees will receive a statement showing gross pay, deductions, and net pay. Automatic deductions such as additional tax withholding, contributions to voluntary benefit plans and individual savings plans may be arranged through the Business Manager. If an employee elects to have direct deposit, they must authorize, in writing, the direct deposit of their net earnings with a designated financial institution.

**Employee's net earnings will be deposited with the designated institution until such time as the authorization is rescinded in writing.**

### Pay for Exempt Employees

Exempt employees must be paid on a salary basis. This means exempt employees will regularly receive a predetermined amount of compensation each pay period on a weekly basis. The District is committed to complying with salary basis requirements which allows properly authorized deductions.

If you believe an improper deduction has been made to your salary, you should immediately report this to the Business Manager. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, you will be reimbursed.

### Time Reporting

Employees are required to complete a Monthly Timesheet. The timesheets are to be submitted by the dates established in the annual Payroll Schedule form.

Full-time office staff are to record only time off from their regular work schedule and any mileage reimbursement request for travel during the month. Timesheets are to be placed in their Payroll Forms folder located on the District network W: drive.

Full-time field and part-time staff are to record hours for time worked, time off and any mileage reimbursement request for travel during the month. Timesheets are to be submitted to their immediate supervisor and the Business Manager.

Temporary and seasonal staff are to record only actual hours worked. Timesheets are to be submitted to their immediate supervisor and the Business Manager.

These records are the only ones used by the District to calculate employee pay and paid time off balances. It is very important that they are accurate and complete. Employees should contact the Business Manager with any questions about how their pay is calculated. Employees must promptly notify the Business Manager of any mistakes in their timesheets or pay. Employees also must notify the Business Manager if they perceive that anyone is interfering with their ability to record their time accurately and completely. All reports will be investigated, and appropriate corrective action will be taken. The District will not tolerate retaliation against employees for making a report or participating in an investigation.

## Meal and Break Periods

Nonexempt employees who work five (5) or more consecutive hours will be provided at least one unpaid 30-minute meal break. During the break, employees will be relieved of all duties and permitted to pursue personal activities. If the nature of the business activity or other circumstances exist that makes an uninterrupted meal break impracticable, the employee will be allowed to consume an on-duty meal without any loss of time or compensation.

Employees should take a compensated ten-minute rest period for every four hours of **work. Rest periods should be as close to the middle of an employee's shift as practical.** If an employee is not authorized or permitted to take rest breaks as noted, employees will be compensated for this time as additional time worked. Employees who are unable to take a meal or rest break to which they are entitled in accordance with this policy, or who have been prevented or discouraged from taking a break to which they are entitled under this policy, should immediately notify the Business Manager.

## EMPLOYEE BENEFITS

### Insurance Benefit Plans

**The District's** comprehensive insurance benefits package includes several different plans to eligible employees. Insurance benefits vary according to the status of the employee. For full-time and eligible part-time employees, insurance benefits become available on the 1<sup>st</sup> of the month following **the employee's** date of hire.

To receive certain benefits, eligible employees may be required to meet participation requirements and pay required premiums and other contributions through payroll deductions. The District complies with all applicable federal and state laws regarding the provision of benefits to same-sex spouses, domestic partners and couples in a civil union.

Insurance benefit plans offered by the District are defined in legal documents such as insurance contracts and summary plan descriptions. In the event this Handbook or other employee communication conflicts with the actual terms and conditions of coverage, the plan documents will control. Benefits described in this Handbook, including the types of benefits offered and/or the requirements for eligibility of **coverage, may be modified or discontinued from time to time at the District's discretion** as permitted by law. The District and its designated benefit plan administrators reserve the right to determine eligibility, interpretation and administration of issues related to benefits offered by the District.

Employees will have an opportunity to make changes to their benefit selections during **the District's annual open enrollment period.** Employees who experience a qualifying life event such as marriage, divorce or the birth of a child will also be allowed to make a

change in their benefit selection when that event occurs, in accordance with the terms of the plan document. In the event you take a leave of absence, please consult the Business Manager to determine the impact the leave may have upon your benefits, including eligibility and/or making any required premium payments.

The District currently offers these plans:

#### Health Insurance

Group medical, dental & vision plans help pay covered expenses for employees and their dependents.

#### Life & Accidental Death & Dismemberment Insurance

Group term life and accidental death & dismemberment (AD&D) insurance is provided to employees and their dependents. Additional term life and AD&D **coverage is available to at the employee's expense.**

#### Short-term Disability

Will provide partial income protection for a limited period of time for eligible employees who are temporarily unable to work due to non-work-related injury or illness.

#### Long-term Disability

Helps replace your salary if you suffer a covered disability for an indefinite period of time.

#### Cell Phone Benefit

The District generally does not provide cell phones to employees. However, the District recognizes the use of personal cell phones for District business is beneficial. Full-time exempt employees may be eligible for a monthly reimbursement for the use of their personal cell phone for District business. Specific information is available from the Business Manager.

#### Wellness Benefit

All full-time insurance plan eligible employees are eligible to be reimbursed up to \$200 annually toward the cost of personal wellness programs /expenses or any recreational activity/or equipment. To request reimbursement, submit your receipt to the Business Manager. Upon approval, employees will receive reimbursement through the monthly payroll process.

#### Retirement Plan

On the first of the month following three (3) months of employment, full-time and part-time employees will be eligible to participate in the District's retirement plans.

Information regarding specific details on the retirement plans is available from the Business Manager.

## Holidays

The District currently observes the following holidays as days off with pay:

<b>New Year's Day</b>	First day of January
Martin Luther King Day	Third Monday in January
<b>President's Day</b>	Third Monday in February
Memorial Day	Last Monday in May
Juneteenth Day	Nineteenth day in June
Independence Day	Fourth day in July
Labor Day	First Monday in September
Thanksgiving Day	Fourth Thursday in November
Christmas Day	Twenty-fifth day of December
One Floating Holiday	At the discretion of the General Manager

When a holiday falls on Saturday, it is observed on the previous Friday. When the holiday falls on Sunday, the following Monday is observed.

Holiday time is not counted as hours worked in the computation of overtime. Full-time employees receive eight hours of holiday pay at their regular rate of pay. Part-time employees, if not scheduled to work a designated holiday, will receive holiday pay prorated based on their regularly scheduled work hours. If a part-time employee works on a designated holiday, they will be compensated time and one-half for each hour worked on the holiday.

## Vacation

Full-time and eligible part-time new hires will be granted vacation time after three (3) months of employment. The vacation time will be pro-rated based on their date of hire. Employees do not earn any vacation benefits during their first three (3) months of employment. Therefore, employees are ineligible to take any vacation during this time. Employees who terminate employment, for any reason, before completing three (3) months of continuous employment, will not receive vacation pay because it will not have been earned at the time of termination.

Full-time employees will be granted 80 hours (10 days) of vacation time per year on January 1<sup>st</sup> of each year. Each January an additional eight hours (1 day) of vacation time is earned up to 200 hours (25 days) per year maximum, 240 hours (30 days) for the General Manager position.

Part-time employees are eligible for vacation time that is pro-rated based on the number of hours they are normally scheduled worked.

We encourage employees to use all their earned vacation each year. Employees may carry over a maximum of 40 hours (5 days) of vacation time to the next year. No employee can have more than the maximum of their annual accrual plus 40 hours (5 days) in their vacation bank at any one time.

No employee shall be permitted to waive vacation leave for the purpose of receiving extra compensation. If an employee terminates, voluntarily or involuntarily, all earned vacation shall be paid. If an employee leaves employment for any reason prior to being employed for three (3) months, they were not yet eligible for vacation, and none will be paid out at termination.

### Paid Sick Leave

Full-time employees are granted 96 hours (12 days) of paid sick leave each year on January 1<sup>st</sup>. In the first year of employment, full-time employees will receive pro-rated paid sick leave based on their date of hire, but not less than 48 hours. Full-time employees are capped at using 96 hours of paid sick leave per year. Part-time, temporary and seasonal employees will accumulate sick leave at the rate of 1 hour per 30 hours worked, up to 48 hours in a year. Unused sick hours for part-time, temporary and seasonal employees currently are carried over from year to year up to 48 hours so they can be accumulated and used when needed.

Paid sick leave may be used in one-hour increments. Paid sick leave may be used if an employee:

1. Has a mental or physical illness, injury, or health condition that prevents them from working;
2. Needs to get preventive medical care, or to get a medical diagnosis, care, or treatment, of any mental or physical illness, injury, or health condition;
3. Needs to care for a family member who has a mental or physical illness, injury, or health condition, or who needs the sort of care listed in category (2);
4. The employee or the **employee's family member having been a victim of domestic abuse, sexual assault, or criminal harassment**, and needing leave for related medical attention, mental health care or other counseling, victim services (including legal services), or relocation; or
5. Due to a public health emergency, a public official having closed either (A) the **employee's place of business**, or (B) **the school or place of care of the employee's child**, requiring the employee needing to be absent from work to care for the child.

It is your responsibility to notify your supervisor each day at the beginning of your shift when you cannot come to work because of an illness, injury, medical care or domestic violence. Also, let your supervisor know when you expect to return to work. In the event you are absent for four or more workdays, medical or legal certification is required. This certification should indicate that you were unable to work due to medical or domestic violence reasons and the length of time this restriction lasted.

If you have an extended illness, accumulated sick time currently provides pay while you are away from work.

Because paid sick time can be accumulated to be used if you are personally sick or

injured; you will not receive extra pay or extra time off for your unused sick time. Paid sick time will not be used in the calculation of overtime. Also, you are not paid for unused sick time when you leave the District.

On the date that a public health emergency is declared, the District will supplement employees accrued paid sick leave with an additional grant of leave up to combined maximum of 80 hours for full-time employees (pro-rated for part-time employees). This leave may be used when an employee:

1. Needs to self-isolate due to either being diagnosed with, or having symptoms of, a communicable illness that is the cause of a public health emergency;
2. Seeks diagnosis, treatment, or care (including preventive care) of such an illness;
3. Is excluded from work by a government health official, or by an employer, due to the employee having exposure to, or symptoms of, such an illness (whether or not actually diagnosed with the illness);
4. Is unable to work due to a health condition that may increase susceptibility or risk of such an illness; or
5. Is caring for a child or other family member who is in category 1, 2, or 3, or whose school, childcare provider, or other care provider is either unavailable, closed, or providing remote instruction due to the public health emergency.

Employees must notify the District of their need for leave as soon as it is practical when **the need for leave is foreseeable and the District's place of business** has not been closed. Supplemental leave is granted one time during the entirety of the public health emergency. Unused supplemental leave is forfeited four weeks after the termination or suspension of the public health emergency.

#### Personal Time

On the first of the month following three (3) months of employment, each full-time and part-time employee is provided 8 hours of personal time per year which may be used in **case of emergency or upon approval of the employee's supervisor. Personal time does not accumulate from year to year and is not paid upon separation of employment.**

#### Tuition Reimbursement Program

The District supports the continuing education of its employees to help you in your job. You may be eligible for financial assistance under the Tuition Reimbursement Program. Any courses covered by this program must be job-related. To be job related:

- The course must not be necessary to meet minimum education requirements for the **employee's current position.**
- The course cannot be taken to qualify the employee for a different type of work.
- **The education must be related to employee's current job and must help maintain or improve the knowledge and skills required for the job.**

To be eligible for the program, you must:

- Be a full-time employee in good standing.

- Have at least 12 months of continuous service before you start the course.
- Discuss your planned studies beforehand with the General Manager and receive prior approval.
- Take the course at an accredited educational institution such as a college, business or trade school or high school.
- Satisfactorily complete a graded course with a passing grade of C (or its equivalent) or better. Absence of course grading, documentation of course completion must be provided.

In the case of courses/tests required for certification/re-certification for licenses, the District may pay 100% of all approved expenses. Reimbursable expenses include tuition, fees, course materials and books. In the case of courses related to work but not required for certification or a license, the District may pay 100% of tuition and books.

**If you receive educational aid from other sources, such as Veteran’s Administration**

Assistance, the District currently pays only the difference between the amount of such aid and the cost of the tuition. All in-class course work may be completed on District time where necessary and if approved in advance by the General Manager. All **homework and study time is to be completed on the employee’s time**. Reasonable travel expenses may be reimbursed when approved in advance.

In order to receive reimbursement, employees must submit evidence of satisfactory completion of the course and receipts for reimbursable expenses within 30 days of completing the course.

## Leaves of Absence

### Family and Medical Leave

As a public sector or governmental employer, the District is covered by the federal Family Medical Leave Act (FMLA). For this reason, the District has posted an FMLA notice to employees. However, to be eligible to take FMLA leave, an employee must work at a work site with at least 50 employees within 75 miles. Because the District does not have at least 50 employees, employees are not eligible to take FMLA leave. The Company does, however, provide medical and parental leave to employees as is described separately in this handbook.

### Medical and Parental Leave

A medical and parental leave of absence of not more than 90 days may be granted to eligible full-time employees. This unpaid leave is for certain medical and family reasons provided below. Unless federal, state, or local law provide otherwise, in order to be eligible for leave, an employee must have been employed by the District for at least 90 days.



An eligible employee may take the medical and parental leave for illness, injury, disability, pregnancy, childbirth, or the physical recovery of childbirth. Eligible employees also may take medical and parental leave to care for a parent, child, spouse, or domestic partner with a serious health condition, as those terms are defined under FMLA, or for the birth, adoption or placement of a child, or to care for a child within the **first 12 months of the baby's birth ("baby bonding")**.

Eligible employees requesting leave must complete a Leave of Absence Form and submit to the General Manager at least 30 days prior to the commencement of medical and parental leave or as soon as practicable in the event of an unforeseeable absence. Employees must provide sufficient information for the District to determine if the leave may qualify under this policy and the anticipated timing and duration of the leave. Leave requests will be considered on a case-by-case basis.

Unless otherwise required by law, the following applies to medical and parental leaves of absence:

- Employees who are on approved medical and parental may be reinstated to a position of like status and pay if such position is available, and they are qualified. However, there is no job guarantee.
- All earned of vacation, sick and personal time must be used at the beginning of the leave of absence. Any annual allotment of vacation, sick or personal leave provided during the leave of absence must be used at the time it is granted. Employees are not eligible for holiday pay, jury duty pay or paid funeral leave.
- Employees should consult the Business Manager to determine how the leave may impact eligibility for benefits and to make arrangements for the payment of any required premiums.
- Employees returning from medical and parental leave are expected to provide the General Manager and Business Manager **with a medical provider's statement attesting to the employee's fitness for work; at its option, the** District may require an examination by a District-appointed medical provider.
- Employees who fail to return at the expiration of their authorized leave may be **terminated. If the employee's failure to return is due to pregnancy, childbirth,** or the physical recovery from childbirth and/or a disability under the Americans with Disabilities Act or other similar laws, additional accommodations may be provided. Employees must supply sufficient information from their medical provider specifying the basis for the additional leave and when they can return to work with or without reasonable accommodation. Accommodations must not cause undue hardship to the employer. Potential accommodations will be determined in an interactive process between the employee and the District.

Part time, seasonal or temporary employees are not eligible for medical and parental leave except as required under the law as an accommodation.

## Personal Leave

In the event a full-time employee requires a personal leave of absence from work for reasons other than illness, disability or a leave of absence otherwise protected under federal or state law, the District will consider an unpaid personal leave of absence of up to 90 days. Unless federal, state, or local law provide otherwise, in order to be eligible for leave, an employee must have been employed by the District for at least 90 days.

Eligible employees requesting leave must complete a Leave of Absence Form and submit to the General Manager at least 30 days prior to the commencement of personal leave or as soon as practicable in the event of an unforeseeable absence. Employees must provide sufficient information for the District to determine if the leave may qualify under this policy and the anticipated timing and duration of the leave. Please note:

- Leave requests will be considered on a case-by-case basis based on a variety of factors including, but not limited to, the reason for, and length of, the requested leave, length of employment, employee performance, workload, and the ability of **the District to cover an employee's job responsibilities during the requested leave.**
- Employees who are on approved personal leave may be reinstated to a position of like status and pay if such a position is available and they are qualified. Given changing business needs, however, there is no guarantee of job reinstatement.
- All earned vacation, sick and personal time must be used at the beginning of the leave of absence. Any annual allotment of vacation, sick or personal leave provided during the leave of absence must be used at the time it is granted. Employees are not eligible for holiday pay, jury duty pay or paid funeral leave.
- Employees should consult the Business Manager to determine how the leave may impact eligibility for benefits and to make arrangements for the payment of any required premiums.
- If the dates of requested leave change, a new Leave of Absence Form must be submitted for approval.
- Employees must confirm their return date at least one week prior to their return. If additional leave is needed, a new Leave of Absence Form must be submitted for approval as soon as possible. Absent extenuating circumstances, employees who fail to return as scheduled may be terminated.

Part-time, seasonal or temporary employees are not eligible for personal leave, unless required by law.

## Sabbatical Leave

The District offers unpaid sabbatical leave as a benefit to encourage employees to innovate, gain knowledge and pursue their interests (e.g. volunteer, travel, research, write.) Full time employees that have been with the District for at least 5 consecutive years with a good performance record may be eligible. Time off taken for approved medical and parental leave and personal leave will not be counted against the employee when determining eligibility or "continuous service."

Eligible employees requesting leave must complete a Leave of Absence Form and submit to the General Manager at least 60 days prior to the commencement of Sabbatical Leave. Employees must provide sufficient information for the District to determine if the leave may qualify under this policy and the anticipated timing and duration of the leave. Leave requests will be considered on a case-by-case basis.

Unpaid sabbatical leave is separate from medical and parental, personal, vacation and sick leave. Upon eligibility, employees are offered up to 90 days of unpaid leave. Employees may be eligible to take sabbaticals once every 5 years until retirement.

Unless otherwise required by law, the following applies to sabbatical leaves of absence:

- Employees may be reinstated to a position of like status and pay if such position is available, and they are qualified. However, there is no job guarantee.
- All earned vacation, sick and personal time must be used at the beginning of the leave of absence. Any annual allotment of vacation, sick or personal leave provided during the leave of absence must be used at the time it is granted. Employees are not eligible for holiday pay, jury duty pay or paid funeral leave.
- Employees should consult the Business Manager to determine how the leave may impact eligibility for benefits and to make arrangements for the payment of any required premiums.
- Employees who fail to return at the expiration of their authorized leave may be terminated.

### Funeral Leave

Any employee who suffers a death in their immediate family will be granted a paid leave of up to three workdays to attend the funeral. Immediate family is defined as spouse or domestic partner, children, parents, grandparents, grandchildren or siblings, and the **parents, siblings or children of the employee's spouse or domestic partner.**

In the event of a death of a near relative, employees are granted up to one paid day to **attend a funeral. "Near relatives" include the employee's aunts, uncles, nieces, nephews and their spouse's grandparents, and other close relatives. If more time off is needed** than provided above, additional leave may be granted upon the approval of the supervisor.

### Voting

Any employee whose work schedule is such that polls are not open during at least three (3) non-working hours on Election Day shall be permitted paid leave for the time spent voting, not to exceed two (2) hours. If it is necessary for employees to arrive late or leave work early to vote in any election, employees should arrange with their supervisor no later than the day prior to Election Day.

### Jury Duty/Court Time

We encourage employees to meet their civic responsibility when called for jury duty. If

you receive a summons for jury duty, present it to your supervisor.

When summoned for jury duty, an employee will be granted leave to perform their duty as a juror. If the employee is excused from jury duty during their regular work hours, they are expected to report to work promptly.

Employees receive regular pay for the first three days of jury duty if they were scheduled to work. Beginning the fourth day and thereafter, employees, as jurors, are paid \$50.00 per day by the State of Colorado for state, district or county court jury duty. For jury duty in excess of three days, employees receive the difference between jury duty pay and their regular pay up to a maximum of 80 hours. Jury duty leave beyond this time is without pay from the District.

#### Military Leave

Employees granted a military leave of absence are re-instated and paid in accordance **with the laws governing veterans' re-employment rights.**

## WORK ENVIRONMENT

#### Drugs and Alcohol

The District is committed to a safe, healthy, and productive work environment for all employees that is free from the effects of substance abuse. Abuse of alcohol, drugs, and controlled substances impairs employee judgment, resulting in increased safety risks, injuries, and faulty decision making. This includes working after the apparent use **of marijuana, regardless of marijuana's legal status. Furthermore, working after the use of alcohol, a controlled substance or abuse of any other substance is prohibited.**

The District is committed to a safe, healthy, and productive work environment for all employees, free from the effects of illegal or non-prescribed drugs and alcoholic beverages. Use of drugs and alcohol alters employee judgment resulting in increased safety risks, employee injuries, and faulty decision making. Therefore, the possession, use, sale of controlled substances or alcohol on District premises or during District time is prohibited. **This includes working after the apparent use of marijuana, regardless of marijuana's legal status.** Furthermore, working after the use of alcohol, a controlled substance or abuse of any other substance is prohibited.

Testing is an important element in the **District's** efforts to ensure a safe and productive work environment. The District has issued a separate statement for this testing program. Please refer to this separate statement, the Business Manager, or your supervisor if you have specific questions.

#### Anti-Violence

**Any action, which in management's opinion is inappropriate to the workplace, will not**

be tolerated. Such behaviors may include, but are not limited to, physical and/or verbal intimidating, threatening, or violent conduct, vandalism, sabotage, arson, use of weapons, and bullying. Also prohibited is the carrying of weapons onto District property, regardless of whether the employee possesses a concealed carry permit.

Employees should immediately report any such occurrences to their supervisor or to the Business Manager. We will investigate complaints. When employees are found to have engaged in the above conduct, management will take action that it believes is appropriate.

Employees should directly contact law enforcement, security, and/or emergency services if they believe there is an imminent threat to the safety and health of themselves or co-workers.

If you are a victim of domestic violence, please contact the Business Manager for assistance.

*Workplace bullying is repeated mistreatment through verbal abuse, offensive conduct/behaviors and work interference. If you feel are subjected to workplace bullying please contact the Business Manager.*

#### Appearance and Attire

All employees of the District must maintain an appearance that is neat, clean, and appropriate to the area in which the employee works.

#### Attendance and Punctuality

All employees are expected to be on time and punctual for showing up to work. In addition, regular attendance is considered an essential function and is necessary for the efficient operation of the business.

Employees who are going to be absent or late must contact their supervisor or the Business Manager as soon as possible prior to the start of their shift. Leaving messages with other employees or on voice mail is not acceptable. Failure to call in when absent for two consecutive days may result in disciplinary action up to and including termination.

#### Performance Reviews

Evaluating employee job performance and providing feedback is an important factor in making employment-related decisions. See your supervisor for information regarding our review process.

#### District Property

District property is to be used for official District business. No employee should remove District property or the property of any other employee from District premises or work sites without proper authorization. Any employee who removes District property or the

property of any other employee, or who abuses, misuses, damages, or destroys the property may be subject to disciplinary action up to and including termination.

### District Vehicles

District vehicles may be used only for the purpose and in the manner authorized by the District. Only District employees may operate District vehicles. All vehicles are expected to be operated in accordance with all applicable traffic laws and vehicle operators are responsible for the condition and proper use of the vehicles. Any accident must be reported to your supervisor or to the Business Manager immediately. Smoking is not allowed in District vehicles. Unauthorized or improper use of District vehicles may be subject to disciplinary action up to and including termination.

### Maintenance/Housekeeping

Each employee shall be responsible for the condition of equipment used on the job. Equipment, which is damaged, worn, or in need of maintenance should be reported to their supervisor. Employees may be charged for the repair of unusual or inappropriate wear and tear of equipment caused by negligence of the employee. Employees should direct any concerns regarding the use of equipment to their supervisor.

Cleanliness and orderliness are important to the operation of the District. Employees are responsible for keeping their work areas clean and orderly. The District reserves the right to restrict the placement of pictures or posters on walls within District premises.

### Conflicts of Interest

The District requires that employees protect District information and avoid outside activities or relationships, which do or could improperly influence their decisions or actions on the job.

If employees have any question whether a situation is a conflict of interest, employees should discuss the matter with their supervisor or the Business Manager. If it remains unresolved, refer the matter to the General Manager for a final determination.

### Discipline

Occasionally performance or other behavior falls short of our standards and/or expectations. When this occurs, management takes action, which, in its opinion, seems appropriate.

Disciplinary actions can range from an informal discussion with the employee about the matter to immediate discharge. Action taken by management in an individual case does not establish a precedent in other circumstances.

### Job Related Problems

Employees who disagree or are dissatisfied with a District practice should promptly discuss the matter with their supervisor, where appropriate. Normally, this discussion

should be held within three to five days of the incident, or in a timely manner. Discussions held in a timely manner will enhance our ability to resolve concerns while they are fresh in **everyone's mind. The majority of misunderstandings can be resolved** at this level.

If the solution offered is not satisfactory, or if it is inappropriate to go to the supervisor, then employees are encouraged to take the problem to the Business Manager. If the problem still cannot be resolved, employees may direct their concern or submit a written complaint to the General Manager for review and final decision about the situation. If employees do not feel the problem can be resolved through the General Manager, **they may directly contact or submit a written complaint to the District's General Counsel.** Also see the EEO/Harassment Complaint Procedure section of the Handbook.

### Personnel Records

The District keeps a personnel file as a record of your employment. It is important for this record to be up-to-date and complete. This enables us to reach you in an emergency, forward your mail, and properly maintain your insurance and other benefits. It also helps keep track of your payroll deductions and many other things that concern you as an individual.

Notify the Business Manager immediately if you have changes in any of the following areas: Name, residence, telephone, marital status, insurance changes, tax exemptions, person to notify in case of an emergency, and other relevant information.

If you want to look at your file or discuss it with someone, contact the Business Manager.

### References/Verification of Employment

The District **does not furnish open letters of recommendation addressed "To Whom It May Concern"**.

If employees receive an inquiry or request for verification of employment about a former or current employee, please refer the inquiry or request to the Business Manager to appropriately respond.

### Volunteering

Full time employees are encouraged to get involved in the community and volunteer to assist charitable and civic organizations. As a volunteer of these organizations, you do so as an individual and not as an official representative of the District. You are to keep all community and volunteer activities in a practical balance with your job requirements. Serving as a board member of a non-profit organization is encouraged. All board memberships should be discussed with the General Manager to ensure there is no conflict of interest.

## Political Participation

District employees have the right as a citizen to participate fully in the political process. No District employee should campaign for any candidate or cause on District time or using District resources. No District employee shall publicly campaign for any candidate or cause while wearing a District uniform or District insignia.

## Board Membership of Employees

A board member may not be employed by the District.

Where a board member applies for employment with the District, they must resign from the board if employment is offered and accepted. No board member may begin employment with the District until after the effective date of their resignation.

Where an employee of the District is appointed to the District board, they must take a leave of absence for their term of office to continue their employment with the District.

## Smoking

It is our objective to provide a smoke-free environment within the District. Smoking includes the use of any tobacco product, as well as vaporizers, vape liquids, electronic or e-cigarettes, and electronic or vapor smoking accessories. Smoking is prohibited within all areas of District facilities. Employees may smoke in designated outdoor areas. This restriction applies to all employees and visitors, at all times, including non-business hours.

## Travel and Business Expenses

The District reimburses employees for expenses reasonably incurred in the course of District business, provided such expenses have been authorized in advance or are determined by the General Manager to have been necessarily incurred under circumstances where advance approval was not reasonably possible. Employees request reimbursement by filling an Employee Expense & Travel Reimbursement Form. Receipts supporting expenses for lodging, meals, transportation, and other expenditures must accompany the form. Employees are asked to document the purpose of the expense and the nature of the business conducted. Expense reports should be turned in within one month from the time the expense is incurred.

Generally, meals and lodging will be reimbursed based on the limit published in the current U.S. General Services Administration Per Diem Rates. The District shall reimburse employees for use of their personal vehicles on District business at the current published IRS rate. Specific information on published rates is available from the Business Manager.

## Outside Employment

No District employee shall engage in outside employment which interferes with the



proper and effective performance of their duties or attendance requirements, including overtime work, or that results in a conflict of interest. Requirements of employment with the District shall have priority over any requirements of outside employment.

### Inspections

The District reserves the right to open and enter any office, desk, locker, file cabinet, or other storage location within District premises and to inspect District vehicles and any containers brought into the workplace. Although an employee may be assigned an office, desk, vehicle, locker, file cabinet, or other storage area or device, such assignment does not create an expectation of privacy in the use of such items or areas.

### Safety/Reporting of Injury

The District is committed to a safe work environment for employees. Employees should report any unsafe practices or conditions to their supervisor or the Business Manager.

If employees are injured on the job, no matter how minor, they must report this fact to their supervisor or the Business Manager in writing as soon as practicable. The employee may be requested to provide a written statement on the incident.

If medical treatment for an on-the-job injury is needed, it must be obtained from one of the **District's** designated physicians. If not, the employee may be responsible for the cost of medical treatment.

### Separation of Employment

We request that employees who wish to resign their positions notify the District of their **anticipated departure date and go over the "check out" procedures at separation** (conversion of insurance, return of property, delivery of final paycheck, etc.) with the Business Manager.

Employees may be considered for re-employment provided they qualify for the position of interest and while they were employed with the District maintained satisfactory performance and attendance.

### Communication Systems

The **District's** computer network, access to Internet, e-mail and voice mail systems are business tools intended for employees to use in performing their job duties. Therefore, all documents and files are the property of the District. All information regarding access to the **District's** computer resources, such as user identifications, modem phone numbers, access codes, and passwords are confidential District information and may not be disclosed to non-District personnel.

All computer files, documents, and software created or stored on the **District's** computer systems are subject to review and inspection at any time. This includes web-based email employees may access through District systems, whether password protected or

not. Employees should not assume that any such information is confidential, including e-mail either sent or received.

Computer equipment should not be removed from the District premises without approval from your supervisor or General Manager. Upon separation of employment, all communication tools should be returned to the District.

### Electronic mail (E-Mail)

E-mail is to be used for business purposes only, during working times. While personal e-mail is permitted, it is to be kept to a minimum. Personal e-mail should be brief and sent or received as seldom as possible. The District prohibits the display, transmittal, or downloading of material that is offensive, pornographic, obscene, profane, discriminatory, harassing, insulting, derogatory, or otherwise unlawful at any time. No one may solicit, promote, or advertise any outside organization, product, or service using e-mail or anywhere else on District premises during working times. Working time does not include breaks or meal periods. The District may monitor e-mail from time to time.

Employees are prohibited from unauthorized use of encryption keys or the passwords of **other employees to gain access to another employee's e-mail** messages.

Electronic mail sent or received by District employees or Board of Directors may be considered a public record subject to public disclosure or inspection under the Colorado Open Records Act.

### Personal Owned Mobile Devices

No employee is to access the District network and/or e-mail through a personal owned mobile device (laptops, tablets, or Smart Phone, including but not limited to iPhone, Galaxy, etc.) without the approval of the General Manager. Consideration of access to the network and/or e-mail will be allowed on a case-by-case basis.

## GIFTS AND GRATUITIES

### Contests

From time to time, suppliers and vendors initiate various contests with their advertising and sales programs. In most cases, only customers and prospective customers are eligible to participate. The District and its employees will not participate in any such contests. In making decisions, District employees are to be influenced only by relevant purchasing concerns such as price, quality, and service.

### Meals

Except when dealing with government representatives, an employee may receive or give customary business amenities such as meals, provided they are associated with a

business purpose, reasonable in cost, appropriate as to time and place, and are such as not to influence or give the appearance of influencing the recipient.

### Gifts and Entertainment

Business related gifts of more than a nominal value and excessive entertainment are inherently compromising and do not belong in business relationships. Under no circumstances may a gift of money be given or received.

### Improper Payments

**The District's policy** strictly prohibits any employee from offering to another or soliciting, directly or indirectly, any kind of payment or contribution. If you are unsure about this please see your supervisor. Improper payments or contributions include but are not limited to those which:

- May be viewed as a bribe, kick-back, or pay-off
- **Violates this Policy or generally accepted ethical standards of the other party's organization**
- Is for the purpose of influencing governmental entities, including their officials or employees
- Violates any law.

### Other Circumstances

Any circumstance or situation in which an employee is unclear as to the proper position **or action to take should be discussed with the employee's supervisor.**

# EMPLOYEE ACKNOWLEDGEMENT (AT-WILL)

I HAVE RECEIVED A COPY OF THE EMPLOYEE HANDBOOK DATED **XX/XX/2021**. I UNDERSTAND THAT I AM TO BECOME FAMILIAR WITH ITS CONTENTS. FURTHER, I UNDERSTAND:

EMPLOYMENT WITH THE UPPER YAMPA WATER CONSERVANCY DISTRICT IS AT-WILL. I HAVE THE RIGHT TO END MY WORK RELATIONSHIP WITH THE DISTRICT, WITH OR WITHOUT ADVANCE NOTICE FOR ANY REASON. THE DISTRICT HAS THE SAME RIGHT.

THE LANGUAGE USED IN THIS HANDBOOK AND ANY VERBAL STATEMENTS OF MANAGEMENT ARE NOT INTENDED TO CONSTITUTE A CONTRACT OF EMPLOYMENT, EITHER EXPRESS OR IMPLIED, NOR ARE THEY A GUARANTEE OF EMPLOYMENT FOR A SPECIFIC DURATION.

THE HANDBOOK IS NOT ALL INCLUSIVE BUT IS INTENDED TO PROVIDE ME **WITH A SUMMARY OF SOME OF THE DISTRICT'S GUIDELINES.**

THIS EDITION REPLACES ALL PREVIOUSLY ISSUED HANDBOOKS. THE NEED MAY ARISE TO CHANGE THE GUIDELINES DESCRIBED IN THE HANDBOOK, EXCEPT FOR THE AT-WILL NATURE OF EMPLOYMENT. THE DISTRICT THEREFORE RESERVES THE RIGHT TO INTERPRET THEM OR TO CHANGE THEM WITHOUT PRIOR NOTICE.

NO REPRESENTATIVE OF THE UPPER YAMPA WATER CONSERVANCY DISTRICT, OTHER THAN THE BOARD OF DIRECTORS OF THE DISTRICT, HAS THE AUTHORITY TO ENTER INTO AN AGREEMENT OF EMPLOYMENT FOR ANY SPECIFIED PERIOD AND SUCH AGREEMENT MUST BE IN WRITING, SIGNED BY THE PRESIDENT OF THE BOARD OF DIRECTORS AND MYSELF. WE HAVE NOT ENTERED INTO SUCH AN AGREEMENT.

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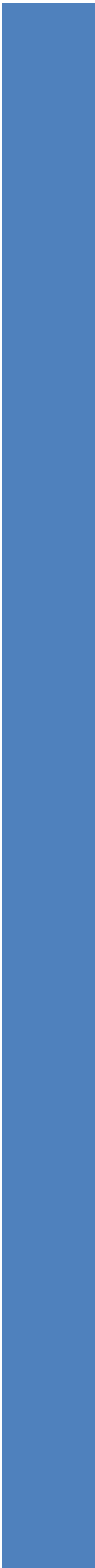
Signature

---

Employee Name

---

Date





## BOARD COMMUNICATION FORM

**From:** Andy Rossi

**Date:** 08/31/21

**Item:** Upper Yampa Water Conservancy District Board Governance Manual

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

---

### **I. Request/Issue and Background Information:**

The first installation of the Upper Yampa Water Conservancy District (UYWCD) Board of Directors (BOD) Board Governance Manual was adopted on May 21, 2020. The manual was reviewed by the UYWCD staff, General Counsel and BOD Governance Committee in June of 2021 and again in August of 2021. Some revisions and/or updates were identified for inclusion in a revised document for 2021.

The UYWCD Board Governance Manual with proposed revisions is included with this communication for final committee review and adoption.

### **III. Staff Recommendation:**

Adopt the proposed changes/updates to the UYWCD Board Governance Manual as presented.

### **IV. Legal Issues:**

UYWCD By-Laws

### **V. Consistency with Board Goals and Policies:**

2021 UYWCD Strategic Plan 10.2

**Attachment:** UYWCD Board Governance Manual



## Board Governance Manual

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### Upper Yampa Water Conservancy District Mission

*To lead water resource management within the District’s boundaries by responsibly conserving, protecting, developing, providing and enhancing the water resources of the Upper Yampa River Basin for the benefit of the Basin.*

### Preamble

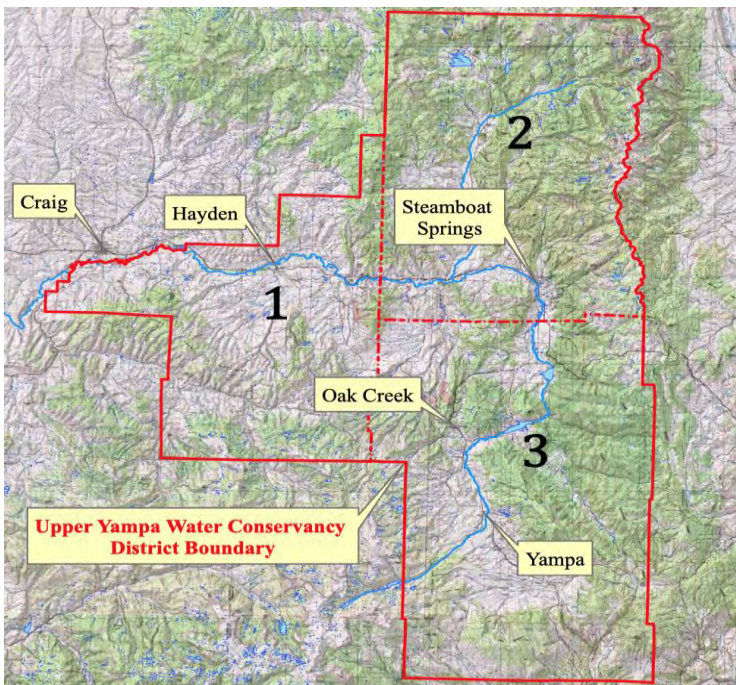
The Upper Yampa Water Conservancy District Board of Directors (herein ‘Board’) has developed and adopted, and will maintain, this Board Governance Manual as a resource to support the District’s mission, guide the Board, and encourage public confidence in the integrity of the District and its fair and effective operation. This Manual is shaped by the Board’s commitment to the following:

1. **Leadership** in the Upper Yampa Basin and regionally in the conservation and development of water resources.

2. **Partnership** with other agencies, stakeholders, and customers to conserve and develop water resources.
3. **Stewardship** of taxpayer dollars and the region’s precious water resources.

## District Background

The Upper Yampa Water Conservancy District was formed in 1966 and instituted a mill levy under the Water Conservancy Act of the State of Colorado, in order to plan and develop water conservation projects in the Upper Yampa Basin. The District encompasses Routt County and a portion of Moffatt County and is divided into three divisions: Division 1 (Hayden area), Division 2 (Steamboat Springs area), and Division 3 (Oak Creek/Yampa area). The nine members of the Board of Directors, three representing each Division, are appointed by the District Judge to serve staggered four-year terms. Three Directors (one from each Division) are appointed each year, with the exception of every fourth year when no appointments are made. Directors must reside and own real property in the Division they desire to represent. There are no limits on the number of terms Directors may serve.



The District was formed on the basis that properties within the District would benefit through conservation, development, and stabilization of water supplies for domestic irrigation, power, manufacturing, and other beneficial uses. This led to the construction of Yamcolo Reservoir, located in the Flattops near the headwaters of the Yampa River, in 1980 and Stagecoach



Reservoir, located southeast of Steamboat, in 1989. Yamcolo offers 9,621 acre feet of storage, which primarily provides water to agricultural operations in South Routt County; some of which is delivered via the Stillwater Ditch, a District-owned and operated irrigation ditch that crosses the Five Pines Mesa. With up to 36,439 acre feet of storage, Stagecoach serves a multitude of water users, including municipalities, industrial use such as energy production, agricultural operations, and recreation including snowmaking. The District also owns and operates an 800 kW hydroelectric power plant at Stagecoach Dam. In addition to safely maintaining and operating District-owned facilities, the District promotes healthy reservoirs, streams, and watersheds within the District. In 2012, the District partnered with the Colorado Water Trust to coordinate the first environmental water release out of Stagecoach Reservoir. [The District continues to maintain partnerships with cooperative entities to deliver environmental water releases in response to low flow conditions.](#) As part of its maintenance and operation, the District also closely adjusts and monitors the temperature and oxygen content of its releases to ensure a healthy habitat for trout and other aquatic life downstream, a contribution to both the environment and recreational opportunities on the Yampa River. In collaboration with various agencies, the District supports water quality efforts and participates in working groups to address issues that may affect water quantity in the future. The District monitors issues throughout the Colorado River Basin in an effort to protect the water resources of the Upper Yampa Basin and plan for potential water shortages.

The District is committed to an Upper Yampa River Basin with safe, secure water storage and supply that benefits all uses in the Basin.

## Relevant Legal Authority

The District is a governmental entity organized under the Colorado Water Conservancy Act found in Title 37, Article 45 of the Colorado Revised statutes. The Act contains the State law governing the creation, powers and authority, governance, operation, and financing of the District. The 1966 Decree forming the District describes the Boundaries and Divisions within the District, the Board structure, and the certain projects then expected to be undertaken by the District. The District is also subject to other legal requirements of state and federal law including the Colorado Open Meetings law, the Open Records Act, the Local Government Budget Law, the Colorado Governmental Immunity Act, ~~and~~ the Code of Ethics, [and current Electronic Meetings Rules](#). The District has adopted Bylaws, policy resolutions, ~~Personnel Guidelines~~[Employee Handbook](#), and this Board Governance Manual.

## Chapter 1 – Role and Authority

### Board Values

District constituents, and persons and entities who contract for allotments of water from the District, are entitled to Directors (herein ‘Directors’) who are fair, ethical, and accountable. Directors strive to constantly seek to reflect the following qualities in discharging their duties:

- Strive to be independent, impartial, and fair in their judgment and actions;

- Use their public office for the public good, not for personal gain; and
- Conduct public deliberations and processes openly, where not legally confidential, in an atmosphere of respect, civility and transparency.

### **Role of the Board**

The primary role of the Board is to establish policies and strategic direction that guide the District to meet its mission. The Board gives clear direction to the General Manager through motions, resolutions and other directives at Board meetings. This includes the need for visionary planning and adapting to unforeseen events. The Board exercises this authority only collectively as a Board, rather than as individuals. Directors recognize and respect the distinction between their policy-setting and oversight role, and the day-to-day implementation of policy by staff. The Board's role is to be 'nose in, fingers out,' meaning the Board is kept regularly informed of major District activities, pursuant to the Board's overall strategic plan and policy priorities, with the opportunity to provide feedback or raise questions at any time, and to discuss issues at Board meetings. The Board does not direct the day-to-day activities of the staff.

The Board's responsibilities are set forth in the District Bylaws and include the following:

- Promote the best interests of the District's constituents and stakeholders by establishing policies that support the current vision and mission of the District and ensuring implementation of those policies. Policies include the governing principles, strategic plans, and course of action for the organization. [The District's policies are to be reviewed by the Board at least once every 5 years. The use of regular surveys of the District's constituents as part of policy reviews is encouraged.](#)
- Establish policies that ensure fiscal stability and the effective use of funds. Each fiscal year the Board adopts a budget covering the anticipated revenues and expenditures of the District and reviews budget reports throughout the year. In addition, the Board hires an independent auditor to ensure District finances comply with standard governmental accounting rules. From time to time, the Board also reviews and/or adopts amendments to the District's cash reserve, investment, and other policies as necessary.
- [Hire a General Manager to manage the day-to-day operations of the District. The Board holds the General Manager accountable for the effective operational management of the District and evaluates the General Manager at least annually.](#)
- [Perform annual Board Performance review.](#)
- Engage legal counsel as needed to effectively represent the needs and interests of the District.
- Approves certain contracts and projects, appropriates water rights, and takes such other actions as set forth in the Bylaws.

For the Board of Directors to function in an effective manner, it is important that each member understand his/her respective role and the relationship they have to other members of the Board and to the General Manager.

## Chapter 2 – Board Interactions with General Manager, Counsel and Staff

The Board is committed to supporting a healthy, responsive and well-functioning organization. This requires collaborative, open and well-defined relationships with the Board's General Manager, counsel, and staff.

### **The Board's Relationship with the General Manager**

A strong collaborative relationship between the District Board and the General Manager is essential to a highly functioning Board and District. The General Manager is the primary agent of the Board and is the one to whom the Board delegates authority to manage and administer the District's daily operations in accordance with approved policies, budget, and governing documents of the District. The General Manager has two roles: chief executive officer and top advisor to the Board. As the most visible employee, the General Manager represents the District to its stakeholders and constituents.

Directors will focus on maintaining a shared sense of purpose, open communication, honesty, trust and mutual support of each other, Counsel, and staff. The Board must be able to support the decisions of the General Manager, provide the General Manager with clear direction, and grant him/her the authority to manage and lead the District. Both parties will endeavor to publicly support and be responsive to one another. They are expected to raise questions or concerns with one another in a direct, timely manner through open, honest and respectful communications, with regard to both the District's internal and external operations.

The General Manager is responsible for ensuring Directors have the information they need to make Board-level decisions and that all Directors are provided the same information. Directors expect the General Manager to make a recommendation on issues before the Board, except those that are strictly reserved to the Board or legal matters within the responsibility of the District's legal counsel.

In addition to the above, the following guidelines are intended to help define the relationship between the Board and the General Manager:

- 1) Individual Directors are encouraged to discuss District-related matters with the General Manager at any time, including to provide feedback, input, and/or suggestions concerning District policy and operations. If at any time the General Manager or a Director believes an issue may require broader policy clarification and/or decision making by the Board, he or she brings the issue to the full Board for input or guidance.
- 2) The General Manager prepares an annual budget and work plan for approval by the Board of Directors. The General Manager's annual work plan directly references and advances the District's strategic plan.
- 3) The Board reviews and, as needed, updates the District's strategic plan on an annual basis, prior to the General Manager's development of the budget and work plan for the following year.

- ~~3)4)~~ The Board reviews and, as needed, updates the District’s Board Governance Manual on an annual basis.
- ~~4)5)~~ The Board, assisted by the General Counsel, provides the General Manager with a written evaluation at least annually that is standardized, transparent, and tied to his/her job description and annual work plan. The review process is intended to be a collaborative, constructive process that is designed to enhance performance and provide guidance to the General Manager on Board priorities.
- ~~5)6)~~ The General Manager updates the Board bimonthly on the status and implementation of his/her work plan, to foster open communication regarding District activities, accomplishments, and any areas of concern. Any specific concerns and/or feedback should be raised during the General Manager’s reports at these meetings, rather than being delayed until his/her annual review, consistent with the provisions of Chapter 5 below.
- ~~6)7)~~ Directors are encouraged to engage on water matters with District stakeholders and others. Important issues or information from these discussions should be shared with the General Manager.
- ~~7)8)~~ The General Manager provides all Directors with the same information regarding District business.
- ~~8)9)~~ When a Director is going to be out of town or unavailable for a Board meeting or other function involving the Board, he/she notifies District staff in a timely manner.
- ~~9)10)~~ The General Manager advises the Board of Directors when he/she is out of the office for an extended period of time and designates the individual who shall be acting General Manager during that time.
- 11) If a Director or General Manager has concerns that these guidelines are not being properly followed, he or she will raise the issue with the full Board and/or in accordance with the conflict resolution procedure in Chapter 5, as appropriate.
- ~~10)12)~~ Except for matters reserved to the Board in the Bylaws or as legally required, within budgeted authority and in accordance with Board direction, the General Manager is the executive officer of the District and authorized to act on behalf of the District.

#### The Board’s Relationship with Counsel

- 1) **General counsel.** In general, any Director may contact the District’s General Counsel with District-related inquiries. If the matter involves a request for significant legal work, it is approved by the Board as a whole. Exceptions include Directors collaborating with Counsel on longer-term District projects, in which cases approval by the Board is presumed, provided the Board initially authorized the project and is kept up to date. The Board President may also communicate with Counsel for purposes of Board meetings as needed; the General Manager is generally kept abreast of these communications. On an annual basis the Board shall approve an engagement letter with its General Counsel.
- 2) **Special counsel.** The District will from time to time employ special counsel. Unless otherwise determined by the Board, the protocol for Board member interaction with Special counsel is the same as with General Counsel.

### **Interactions with Staff (Apart from General Manager)**

District staff serves the District as a whole. The Board adheres to the following guidelines in interacting with staff serving under the supervision of the General Manger:

- 1) Directors do not direct staff to initiate any action, change a course of action, or prepare any report without the approval of the General Manager and, if necessary, Board action.
- 2) Directors may make reasonable inquiries to staff regarding District-related matters. Requests for staff research are directed to the General Manager. Responses involving District policy are generally shared with the full Board.
- 3) Directors do not attempt to pressure or influence staff discussions, recommendations, workloads, schedules, or priorities.
- 4) If Directors have questions or information they would like addressed by staff at Board meetings, they strive to share this reasonably in advance with the General Manager, so that staff can provide the desired information in the regular Board meeting packet and verbally at the meeting as requested.
- 5) Soliciting political support from staff is prohibited. District staff may, as private citizens, support political candidates, but all such activities must be done away from the workplace and may not be conducted while on the job.
- 6) Any issues or conflicts are addressed in accordance with the issue or conflict resolution procedure in Chapter 5.

## **Chapter 3 – Board Governance**

The District Bylaws establish the orderly conduct of District business where not otherwise provided by State law. The provisions below are non-binding guidelines, except where explicitly stated in the Bylaws.

The officers of the Board of Directors include the President and Vice-President. The General Manager serves ex officio as Secretary/Treasurer of the District. Officers of the District are elected annually by the Board.

### **Role of Board President**

A collaborative relationship between the President and General Manager is essential to a highly functioning Board. The primary role of the Board President is to preside over meetings, consult with the General Manager regarding Board meetings, and sign certain District documents and checks. The President is expected to meet with the General Manager before Board meetings, to frame and clarify topics, and after Board meetings, to ensure clear and timely follow up regarding Board-related activities and tasks.

### **Board Meeting Schedule and Location**

The regular ~~monthly~~ meeting schedule is approved by the Board at the November Board meeting for the upcoming year. In general, every other Board meeting will include topics, materials, and/or policy issues with a need for more lengthy, informal, and participatory discussions, which

will often inform future decision-making. These ‘work session’ style meetings are still considered Board meetings with accompanying agendas, minutes and relevant action items.

Currently, most (but not all) regular Board meetings are held on the third ~~Thursday~~ Thursday-week of each month commencing at 12:00 pm in the upstairs conference room known as the Mountain Valley Bank Community Meeting Room, 2220 Curve Plaza, Suite 201, Steamboat Springs, Routt County, Colorado. Lunch is normally served before the meeting starting at 11:30 am. Remote access is provided for District Board meetings when possible. The Board may hold a day long Board retreat in October in lieu of the October Board meeting. Special meetings may be called from time to time in accordance with the Bylaws.

### **Board Meeting Agenda Development**

Board meeting agendas are generally set at the end of each meeting for the next Board meeting. Once set, they may be subsequently modified by the General Manager and Board President, or at the request of two Directors, provided any changes are made well before Board packets are distributed and posted, except in the case of urgent matters. Where possible, the General Manager and Board President come to agreement on the agenda topics and briefing materials required, in order to help ensure Board meetings are organized and productive.

### **Board Meeting Structure**

In general, Board meetings will follow the following agenda:

- Establishment of Quorum and Call to Order
- Approval of Agenda for Meeting
- Public Input and Comment
- Consent Agenda (minutes, financial report, disbursements, and other consent items)
- Report of General Manager
- Strategic Plan Report(s)
- Committee Reports
- Report of General Counsel
- District Engineer Report
- Consideration/Action on District Projects
- Board Member Reports
- Discussion of Pending Legislation
- New Business (as defined in District Bylaws)
- Determination of Next Meeting Agenda
- Adjournment

As specified in the Bylaws, the ‘Board of Directors Reports’ section of each meeting agenda is for members of the Board to provide brief reports on matters of interest to the Board, including all meetings attended in their capacity as Directors. If the report is lengthy, or a Director wishes to raise an issue for Board consideration, the report is put in writing in the form of a Board Communication Form for staff to include in the Board meeting packet.

Bimonthly meeting agendas also include an update from the General Manager on the implementation of his/her work plan and any issues that may have arisen.

### **Board Meeting Protocol**

The following describes the Board's expectations for how its meetings are conducted.

- 1) Directors treat members of the public with courtesy and respect.
- 2) Board meeting minutes are distributed to Directors in advance of the next meeting and generally approved with corrections, if any, at the next regular Board meeting.
- 3) Information relevant to the Board's decision making and oversight should be shared efficiently by staff, but without unnecessary bureaucracy. In general, Board agenda items are accompanied by a Board Communication Form that explains the issue and what action, if any, is being sought. The Board is kept apprised of issues relevant to Board policy or decision-making and on the progress of District activities. Relevant updates, information, and policy options are provided in writing prior to Board meetings. Board Communication Forms may be supplemented with discussion and questions as needed.
- 4) As set forth above, the President and/or Vice President is expected to meet with the General Manager prior to Board meetings to review and prepare for the upcoming meeting, as well as after the meeting to ensure clear and timely follow up.
- 5) At the direction of the General Manager, department heads or appropriate departmental managers will generally be present at Board meetings.
- 6) Committees are used where beneficial to discuss, vet and frame complex issues for broader Board consideration. No less frequently than annually, the purpose, membership, and authority of Committees is confirmed by the Board. Unless specifically delegated decision authority by the Board, Committees make recommendations to the Board.
- 7) When appropriate the Board adopts policies by resolution and ensures a clear methodology for tracking policy resolutions.

### **Electronic Communications**

Written and electronic documentation and communication regarding District business and/or operations is legally considered to be in the public domain. This excludes information protected by attorney-client or other privilege. Further, telephonic meetings, emails and texts that discuss public business and involve more than two members of the Board may constitute a 'meeting' under Colorado law and in such cases must be open to the public. Where appropriate, Directors' ideas or proposals for consideration by the full Board are sent to the General Manager (or, as relevant, the General Counsel) for inclusion in the Board packet prior to the next Board meeting. Board members understand that rules involving electronic communications are subject to change, and that their actions must be consistent with state law and the District Bylaws.

### **On-Boarding and Orientation of Directors**

New Directors should receive copies of this Board Governance Manual, District Bylaws, ~~Personnel Guidelines~~Employee Handbook, current strategic plan, annual budget, and other relevant policy and governance materials.

Further, to effectively oversee the functions of the District, new Directors should receive a tour of District’s facilities and infrastructure within their first six months. All Directors are encouraged participate in this tour on a regular basis.

## Chapter 4 – Board Interactions with the Public

As a public body, it is important for the District Board to establish a working environment that encourages public participation and trust. During their service, Directors may have a range of interactions with the public including written communication (i.e., letters, email, etc.), social media, phone calls, face-to-face, social functions, and regular and special Board meetings. [The District Board will collect community survey data regarding water resources management topics at regular intervals.](#)

### Engaging the Public in General

The Board respects the role of constituents in the governance of the District and encourages their participation. The Board values public comments, both in writing and during Board meetings, and will seek input from stakeholders where appropriate in District decision making. Directors will encourage constituents to attend Board meetings where they have input, comments or concerns to share, whether in person or writing.

### Public Input During Board Meetings

The Board President maintains an orderly progression of the business before the Board, and to the extent possible regulates the amount and type of input from the public and from members of the Board and staff. To engage the public, public comment is generally accepted on all agenda items, with time set aside for general public comment on items not on the agenda. This is clearly indicated on meeting agendas. In addition, the Board will often invite a stakeholder group to attend lunch before Board meetings.

Generally, Directors will not respond to public comments during the public input portion of the agenda except to refer matters to the General Manager for follow-up. Directors may ask clarifying questions to ensure that staff provides an appropriate response. Occasionally, a prompt response may be offered by the President or the General Manager when an obvious answer or resolution is available. The Board will not enter into a debate or make decisions in response to public comments that are not on the agenda for consideration.

### Representing the District Outside of Board Meetings

Directors are always encouraged to attend meetings and events related to relevant water matters in an informal capacity. Primarily this helps create a more informed Board and enables Directors to share relevant issues and information with the rest of the District Board and staff at District Board meetings (during ‘Board Member Reports’). Additionally, Directors’ participation in other Basin water efforts can be helpful in raising the visibility and public understanding of the mission and activities of the District.

**Commented [DB1]:** The Committee discussed adding language at the bottom of Page 9 to express the importance of decorum, being polite, etc. regarding interactions with the public.



Board members strive to represent the positions and perspectives of the District in an accurate and well-coordinated manner. To do so, Directors adhere to the following guidelines:

- 1) When Directors attend other meetings or events as Directors of the District, they are encouraged to be collaborative and participatory, with the primary goal of listening, asking questions and contributing ideas, and reporting back to the District about relevant efforts and topics.
- 2) Directors attending another meeting or event will clearly delineate between their personal views and opinions and official District policy.
- 3) Directors do not represent policy positions of the District unless adopted by the Board.
- 4) Directors communicate and coordinate closely with District staff prior to communicating District policy positions, to ensure messaging is clear and consistent.
- 5) When a Director participates in a non-District meeting that is attended by District staff and/or by another Director, they coordinate regarding their respective roles, including the responsibility for reporting back to the Board as appropriate.
- 6) The General Manager may invite Directors to accompany him/her to external meetings where useful in discussing official District business. (In some cases the General Manager may decide it would be useful to have two Directors attend such meetings.)
- 7) Directors may be called upon by the full Board and/or General Manager to represent the District in a formal capacity or otherwise. The Board may determine annually which Directors officially represent the Board in other water groups or initiatives.
- 8) To the extent a Director may communicate with constituents or stakeholders regarding Board perspectives on non-confidential matters, he/she will strive to offer a balanced perspective with adequate disclaimers about his/her own role. When expressing personal opinions and comments that may be contrary to adopted District policy, Directors will clarify that these statements do not reflect the official position of the Board or District.
- 9) When addressing the media or utilizing social media or other forms of communications to express positions contrary to official Board policy, Board members will explicitly state that their views reflect personal opinions rather than Board policy.
- 10) When three or more Directors are authorized by the Board to attend a meeting, the meeting is properly noticed as a public meeting of the District.
- 11) Once the Board of Directors has taken an official position on an issue, official District correspondence regarding that issue will normally reflect the Board's adopted position, except as otherwise directed by the Board.

## Chapter 5 – Resolution of Issues or Concerns

The Board recognizes that concerns, misunderstandings, and differences of opinion are inevitable for any organization. While in some cases the Board may simply agree to disagree, the Board is committed to addressing concerns that impair the healthy functioning of the District or Board. The Board strives to address these concerns directly, respectfully, with curiosity, and as transparently as possible, whether they concern Board members, the General Manager, or the District as a whole. Concerns are addressed in a timely, open and responsive manner to promote mutual understanding and healthy functioning of the District.

This Chapter describes options for resolving concerns, misunderstandings, and differences of opinion. They are not intended to apply to disciplinary matters addressed in the District's [Personnel Guidelines](#) [Employee Handbook](#). The Board and the General Manager (in the case of matters within the purview of the General Manager) are free to modify the procedures described or to disregard them as they deem appropriate under the circumstances. These procedures are not mandatory and are not the exclusive means of addressing such matters.

### **Concerns Involving Board Members**

It is not uncommon for miscommunication, misunderstandings or conflicts to surface among Board members or between a Board member(s) and the General Manager. Board members will address such issues in a timely and direct manner, taking the following steps as appropriate (generally but not always in the following sequence, as needed).

- 1) Attempt to address any personal conflicts or concerns in a direct and timely manner with the other party or parties, striving for mutual understanding, curiosity, and appreciation for the different viewpoints involved.
- 2) Bring the concern to the Board President, who will facilitate the Board's determination of how to proceed with the concern. The Board and/or party involved may ask that the complaint be summarized in writing to support productive discussions, particularly if the complaint is of a more serious nature. The Board may choose to address the matter at a regular or special Board meeting, suggest mediation between the parties, and/or refer the issue to the appropriate parties. If the Board President is one of the people involved, the Vice President will serve in the role of the President. If the concern involves the General Manager, the Board may choose to address the issue in his/her annual review, consistent with the language in Chapter 2.
- 3) If the Board decides to address the concern at a Board meeting, the Board President in consultation with the General Counsel will ensure the concern is described and handled fairly and in accordance with District policy. This includes ensuring that the parties involved understand the concern and have an opportunity to share their perspectives. The President will facilitate the decision making of the Board. If the President is one of the people involved, the Vice President will serve in the role of President. The Board may review its past decisions if new information comes to light or for other reasons.
- 4) If the Board decides the issue should be addressed through mediation, the Board President and/or Vice President will work with District Counsel to engage a neutral third party at the cost of the District to facilitate direct discussions between the parties to resolve the issue.
  - a. The mediator must be: a) a person that the parties agree to; or b) in the absence of agreement, a person appointed by the Board. The third party may be a Board member or impartial individual whose aim is to help the parties resolve the issue.
  - b. While the parties may agree to keep discussions confidential to the extent authorized by law, the result will be shared with the Board at whatever level of

detail the parties agree is appropriate, to keep the Board apprised, avert surprises, and promote transparency.

If the mediation process does not result in the dispute being resolved, the parties may seek to resolve the dispute by the Board or other means.

- 5) The Board may decide to refer the concern to appropriate authorities as needed.

### Concerns Involving the General Manager

The above procedures apply to complaints or concerns regarding the General Manager from the public, Board members, staff, or Counsel.

### Issues or Concerns Involving Staff Operations and Actions

Any concerns of a Director regarding the behavior or work of a District employee other than the General Manager are directed to the General Manager privately to ensure the concern is addressed. The GM will confer with District Counsel and keep him/her fully apprised of the handling of the issue. Directors do not reprimand employees directly nor do they communicate their concerns about individual staff members to anyone other than the General Manager or as otherwise permitted by law or the governing documents of the District. The General Manager addresses and tries to resolve the issue, consistent, where relevant, with the District's ~~Personnel Guidelines~~ **Employee Handbook**. The General Manager keeps the Board apprised on the resolution of such issues in an appropriate and timely manner and in accordance with the Bylaws and other policies.

~~The District's **Personnel Guidelines-Employee Handbook** provides guidance as detailed in the **Job Related Problems** section. **state that 'If the grievance involves the General Manager, the grievance should be reported to the District's Board of Directors President. In that case the Decision of the Board of Directors of the District shall be final.'** **If a grievance is escalated to this level, the Board will generally follow the procedures above.**~~

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Commented [AR2]: The UYWCD staff with reconcile this statement with any changes adopted in a new Employee Handbook to be present to the Board later in 2021.

### Issues Involving the District in General

The Board recognizes there will be occasions in which members of the public or stakeholder of the District have concerns about District operations or policy and raise such concerns with the General Manager and/or members of the Board. The District is committed to handling these concerns or complaints responsively and openly. When such concerns are presented to a Board member, the Director will promptly raise the issue directly with the General Manager. When such concerns or complaints are presented to the General Manager, he/she will provide the Board with a written or verbal report of the concern and the District's response, if any. The Board is also kept informed of significant or, politically sensitive, urgent and/ or repetitive telephone or electronic communication inquiries.

### Liability Concerns

Information that may expose the District to liability will be shared with the Board at a noticed, executive session meeting of the Board of Directors as allowed by applicable law

## Chapter 6 – District Liability and Insurance Issues

Commented [DB3]: General Counsel reviewed this section. No updates/revisions recommended.

As a Colorado governmental entity, the District, its Board and officers and employees enjoy limited protection from liability under the Colorado Governmental Immunity Act. In addition, the District maintains insurance, which includes coverage for general and automobile liability and public official liability coverage.

### Disclaimer

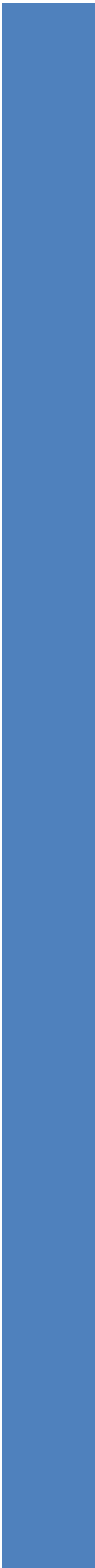
This Manual is intended to provide guidance and establish best practices for Directors concerning their responsibilities as Directors and their interactions among themselves and with the public, staff, and constituents of the District in the conduct of District business and operations. This Manual does not establish binding requirements or legally enforceable rights. Nothing in this Manual is intended to supersede any applicable provision of the District's Bylaws, Rules and Regulations, adopted Policies, ~~Personnel Guidelines~~ Employee Handbook or other applicable law, regulation, or document of the District.

### CERTIFICATE OF SECRETARY

I hereby certify that the foregoing Board Governance Manual was approved by the Board of Directors of the Upper Yampa Water Conservancy District at a regular meeting of the Board on ~~May 21~~ September 15, 2020 ~~2021~~.

Commented [DB4]: Update with new approval date.

By \_\_\_\_\_  
Andy Rossi, ~~Acting~~ General Manager  
and Secretary/Treasurer





## BOARD COMMUNICATION FORM

**From:** Andy Rossi, General Manager

**Date:** 09/03/21

**Item:** New Water Storage Contract - Mount Werner Water and Sanitation District

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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### I. Request/Issue and Background Information:

Mount Werner Water and Sanitation District (MWW) currently holds two separate municipal water storage contracts in Upper Yampa Water Conservancy District (UYWCD) facilities:

1. Stagecoach Reservoir: 200-AF Municipal Storage Contract (2021 Price = \$35.00 per AF)
2. Yamcolo Reservoir: 300-AF Municipal Storage Contract (2021 Price = \$86.88 per AF)

MWW is requesting a relocation of the existing municipal water storage contract in Yamcolo Reservoir to Stagecoach Reservoir, thereby eliminating the existing MWW municipal water storage contract in Yamcolo Reservoir. Copies of the existing MWW water storage contracts are included with this communication for reference.

### II. Summary and Alternatives:

The UYWCD received a letter on August 9, 2021, from MWW formally requesting a relocation of the existing MWW storage contract in Yamcolo Reservoir to Stagecoach Reservoir. This letter is included with this communication. Before receipt of this written request, the UYWCD staff met with the General Manager of MWW, Frank Alfone, to discuss the details of the existing MWW water storage contracts and the possibility of the requested contract relocation.

There are fundamental differences between the two existing MWW storage contracts. The most important differences fall into the following categories:

- Physical Proximity of Storage Supply to MWW Facilities
- Contract Term
- Contract Pricing
- Contract Volume



Each of these differences was discussed in detail with the UYWCD Board of Directors (BOD) Executive Committee on August 18, 2021, with pertinent background information provided by the UYWCD General Manager and General Counsel. Representatives from MWW were also in attendance to allow for direct discussions of these matters. The UYWCD BOD Executive Committee considered options for the proposed relocation of the MWW water storage contract at an August 18, 2021 meeting and directed UYWCD General Counsel and UYWCD General Manager to offer two separate contract documents for water storage accounts in Stagecoach Reservoir to MWW.

First, the UYWCD BOD Executive Committee recommended the use of the Stagecoach Reservoir Municipal Water Storage Contract form that is part of the recently adopted Stagecoach Reservoir Water Marketing Policy as the UYWCD's preferred contract form for the relocation of the existing MWW Yamcolo Reservoir storage contract to Stagecoach Reservoir. This contract form was sent to MWW as a basis for continued discussions for the relocation of the existing MWW Yamcolo Storage contract. The UYWCD is supportive of MWW's desire to relocate the existing Yamcolo Reservoir contract to Stagecoach Reservoir with a new contract, while keeping the existing MWW Stagecoach Reservoir contract separate from the relocated water volume.

Second, the UYWCD is considering a common proposed contract amendment for the existing municipal water storage contracts in Stagecoach Reservoir. This proposed amendment will be discussed by the UYWCD full BOD at the regular UYWCD BOD meeting on September 15, 2021 as a separate agenda item.

### **III. Staff Recommendation:**

The UYWCD staff is supportive of the MWW request to move the existing MWW storage contract in Yamcolo Reservoir to Stagecoach Reservoir and recommends the use of the Stagecoach Reservoir Municipal Water Storage Contract form that is part of the recently adopted Stagecoach Reservoir Water Marketing. The UYWCD staff requests that the UYWCD BOD approve the offer of the new contract form to MWW for the relocation of the Yamcolo contract.

The proposed new MWW Stagecoach Reservoir municipal water storage contract will be for 300 AF at a base price of \$82.00 per AF of water, and subject to the pricing adjustment terms in section 1.2 of the contract document if the agreement is finalized before the end of 2021. After December 31, 2021, any new contract for stored water in Stagecoach Reservoir will be subject to pricing adjustments as approved by the UYWCD BOD.

It is not necessary to terminate MWW's existing municipal water storage contract in Yamcolo Reservoir prior to the authorization of any new agreement(s) between MWW and the UYWCD for water storage in Stagecoach Reservoir. However, the UYWCD is willing to terminate the existing MWW Yamcolo Reservoir municipal water storage contract if that is the preferred course of action for MWW.

### **IV. Legal Issues:**



UYWCD Water Storage Contracts for more than 100 AF or for Longer than One Year Term must be approved by the full UYWCD BOD.

**V. Consistency with Board Goals and Policies:**

UYWCD SP Goal 4, UYWCD By-Laws

**Attachments:**

Attachment 1: Existing MWW Stagecoach Reservoir Water Storage Contract

Attachment 2: Existing MWW Yamcolo Reservoir Water Storage Contract

Attachment 3: MWW Request for Storage Contract Relocation

Attachment 4: Proposed New MWW Stagecoach Reservoir Water Storage Contract



MWW - Stagecoach

AGREEMENT

THIS AGREEMENT, is made this 28th day of October, 1986 between the UPPER YAMPA WATER CONSERVANCY DISTRICT, a quasi-municipal corporation organized under the laws of the State of Colorado ("District"), and MOUNT WERNER WATER & SANITATION DISTRICT, a Special District ("Mount Werner").

RECITALS

A. The District intends to construct and operate a dam and reservoir known as Stagecoach Reservoir for the purpose of supplying water to municipal, industrial and agricultural users within its boundaries. The dam and reservoir will be located on the Yampa (Bear) River upstream from the City of Steamboat Springs, Colorado. The total storage capacity of the reservoir will be approximately 33,275 acre-feet. Water will be stored in Stagecoach Reservoir pursuant to water rights to be acquired by the District from Colorado-Ute Electric Association, Inc. ("Colorado-Ute").

B. It is anticipated that approximately 15,000 acre-feet of storage capacity in Stagecoach Reservoir in excess of the conservation and recreation pool will be allocated by the District approximately as follows: municipal users - 2,000 acre-feet; industrial users - 9,000 acre-feet; agricultural users - 4,000 acre-feet.

C. The parties hereto have reached agreement for the purchase by Mount Werner of 200 acre-feet annually of Stagecoach Reservoir storage water allocated for municipal uses, and the parties wish to execute this written Agreement setting forth all of the terms and conditions of said agreement.

NOW, THEREFORE, in consideration of the payments to be made by Mount Werner as hereinafter provided, and in consideration of the mutual covenants herein contained, the sufficiency of which consideration is hereby expressly acknowledged, the District and Mount Werner hereby agree as follows:

1. STORAGE AND RELEASE OF WATER:

1.1 Upon completion of construction of Stagecoach Reservoir, the District agrees, subject only to physical water supply conditions, the administration of water rights by State of Colorado water officials and the terms of this Agreement, to store in Stagecoach Reservoir prior to July 15th of each calendar year 200 acre-feet of water for release for Mount Werner's use, upon request between July 15th and April 1st of the then current year. Mount Werner shall be entitled to one use of the water delivered hereunder to extinction, but shall not be entitled to the reuse or successive use of such water.

1.2 Except in times of emergency, Mount Werner shall give at least 24 hours advance written notice to the District specifying the time and quantity of water requested to be released. The point of delivery shall be the discharge of the outlet works of the Stagecoach Reservoir. Responsibility for transportation loss shall be borne by Mount Werner. The District shall maintain permanent records of all releases of water from storage in Stagecoach Reservoir, and shall maintain records of water levels in the reservoir measured not less frequently than once per month. Mount Werner shall be entitled to inspect such records and copies shall be furnished to Mount Werner upon written request.

1.3 In any calendar year when insufficient water is stored in Stagecoach Reservoir to supply the full allocations for municipal, agricultural and industrial users, as measured at time of peak annual storage, then the amount of water allocated to each of the users of water from Stagecoach Reservoir shall be abated proportionally; provided, however, that the District may, in its sole discretion, allocate the actual amount of stored water in such manner that the water delivery obligation to Mount Werner hereunder and/or the other municipalities and industrial users is first satisfied. If any part of the water allocated to Mount Werner by this Agreement is to be reduced by abatement as provided herein, the District shall notify Mount Werner in writing of such fact, and of the amount of the reduction in such water, by August 1st of that year, and in the absence of such notice the full amount of water for Mount Werner shall be deemed to have been in storage on or prior to July 15th of that year.

## 2. PURCHASE PRICE:

2.1 The purchase price for the Stagecoach Reservoir storage water allocated to Mount Werner shall be the sum of Thirty-Five and no/100 Dollars (\$35.00) annually for each acre-foot of such water stored at the annual peak storage occurring on or prior to July 15th of such year, without regard to subsequent releases or evaporation or reasonably unpreventable leakage of such water and without regard to whether or not all or any part of such water may have been carried over in storage from the prior year.

2.2 Annual payments of such purchase price shall be made by Mount Werner to the District at Steamboat Springs, Colorado on or before July 31st of each year during the term of this Agreement, commencing with the first calendar year in which, by July 15th of such year, water allocated hereby to Mount Werner has been placed in storage in the Stagecoach Reservoir. Any annual payment not made within 14 days after the due date shall bear interest at the rate of 12% per annum until paid. Payments due hereunder are based on storage water allocated to Mount Werner and shall be made regardless of the amount of water delivered or available for Mount Werner and there shall be no abatement or setoff against any such payment, nor shall Mount Werner be permitted to withhold any payment required hereunder, for any reason whatsoever.

3. TERM OF AGREEMENT:

3.1 If construction of the Stagecoach Reservoir is not commenced on or before July 1, 1992, this Agreement may be terminated at Mount Werner's election and, upon such termination, neither party shall have any further rights or obligations hereunder. Notice of such election shall be given by Mount Werner in writing to the District. Unless so terminated or extended as set forth in subparagraph 3.2 below, the term of this Agreement shall be for a period of 30 years, commencing on July 15th of the first year that the District notifies Mount Werner that water has been placed in storage in Stagecoach Reservoir for allocation to Mount Werner.

3.2 At the end of the 30 year period described above, Mount Werner shall have the continuing right for the life of Stagecoach Reservoir to purchase annually from the District 200 acre-feet of Stagecoach Reservoir storage water at a price per acre foot per year to be determined and paid as provided in subparagraph 3.3; provided, Mount Werner is not in default of any of the terms, conditions, and obligations of this Agreement, and Mount Werner has not provided written notice to the District at least 12 months before the expiration of the 30 year period described above of Mount Werner's intention not to exercise said continuing right.

3.3 The purchase price during the extended period (on a per acre-foot per year basis) shall be based upon the District's costs of operating, repairing, renovating and maintaining Stagecoach Reservoir. The price per acre-foot for any given year will be computed by dividing an estimate of the annual costs (computed each year) the District expects to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet. The District shall render a statement to Mount Werner of the per acre-foot per year price for each year during the extended period on or before July 1st of that year. The annual purchase price shall be due July 31st of that year.

*Annual Cost Calc*

4. OPERATION AND MAINTENANCE OF STAGECOACH RESERVOIR:

4.1 It is hereby expressly acknowledged that the District shall be solely responsible for constructing, operating, repairing and maintaining Stagecoach Reservoir, and that the District shall be the sole owner of the dam and all facilities used in connection with the construction, operation, repair and maintenance of said Reservoir, and the water rights adjudicated thereto. 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.

5. DEFAULT:

5.1 Except as provided for in subparagraph 2.2 where no notice of late payment is required, if any obligation required hereunder is not made or performed in accordance with this Agreement, the non-defaulting party shall give written notice to the other party in default specifying such failure in performance. The party in default shall have a period of 15 days after receipt of such notice in which to perform the obligation then in default, or if such default is of such a nature that it cannot be completely cured within such 15 day period, to commence such curing within 15 days and thereafter proceed with reasonable diligence and in good faith to cure such default. If the party in default shall fail to do so within such period, then the non-defaulting party may seek specific performance of this Agreement. The parties expressly agree that this Agreement shall be specifically enforceable, which is intended to be the exclusive remedy available to the parties in the event of default. The parties expressly waive rescission or termination of this Agreement as remedies in the event of a default.

6. GOVERNING LAW:

6.1 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado.

7. NOTICES:

7.1 All notices, elections, requests, demands, waivers and other communications hereunder shall be in writing and shall be effective when delivered: (a) if to the District, in care of the Secretary, Upper Yampa Water District, Steamboat Springs, Colorado 80488-0339, or at such other address as the District shall have furnished to Mount Werner in writing; or (b) if to Mount Werner, in care of Mount Werner Manager, Steamboat Springs, Colorado 80488-0339, or at such other address as Mount Werner shall have furnished to the District in writing.

8. MISCELLANEOUS:

8.1 The water allocated to Mount Werner under this Agreement shall never be diverted or used out of the geographical limits of the District.

8.2 In addition to all the other terms, conditions and covenants contained herein, it is specifically understood and agreed by and between the parties hereto that the rights of Mount Werner hereunder are subject to the following terms, conditions and limitations, to all intents and purposes as though set forth verbatim herein and made a part hereof by reference, to-wit:

- A. The Water Conservancy Act of Colorado;

B. The terms and conditions of any and all water right decrees for or associated with the operation of Stagecoach Reservoir.

8.3 This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns. This Agreement may not be assigned nor transferred to any third party without the prior written consent of both parties hereto, provided, however, that the District may, without the prior consent of Mount Werner, assign or transfer this Agreement to a third party as security for the purpose of obtaining financing. This Agreement constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof, and shall supersede all prior understandings and agreements between the parties with respect to such subject matter. The captions in this Agreement are for the purposes of reference only, and shall not limit or otherwise affect any of the term hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective duly authorized officers as of the date first above written.

UPPER YAMPA WATER CONSERVANCY  
DISTRICT

By: James D. Funk  
John D. Funk, President

(S E A L)

ATTEST:

John R. Fetcher  
John R. Fetcher, Secretary

MOUNT WERNER WATER & SANITATION  
DISTRICT, a Special District

By: Douald Valentinic  
President

(S E A L)

ATTEST:

Kenne' Illian  
Asst. Secretary

MNW-Stagecoach  
extension

### INTERIM PRICING AGREEMENT

THIS INTERIM PRICING AGREEMENT is made and entered into the 17<sup>th</sup> day of February, 2018 between the UPPER YAMPA WATER CONSERVANCY DISTRICT, a Colorado water conservation District ("UYWCD") and the MT. WERNER WATER & SANITATION DISTRICT ("District").

#### RECITALS

WHEREAS, the UYWCD and the District entered into an water Allotment Contract dated November 20, 1986 (the "Agreement"), providing for the storage by the UYWCD in Stagecoach Reservoir prior to July 15<sup>th</sup> of each calendar year of 200 acre feet of water for release to the District upon request between July 15<sup>th</sup> of the year of storage and April 1<sup>st</sup> of the following year; and

WHEREAS, during the initial 30-year term of the Agreement the purchase price for the storage water allocated to the District is \$35 per acre foot annually; and

WHEREAS, the initial 30-year term of the Agreement expires July 15, 2019; and

WHEREAS, after the first 30 years of the Agreement, beginning in the year 2020, the annual purchase price of the water allocated to the District is determined as set forth in paragraph 3.3 of the Agreement; and

WHEREAS, the use of paragraph 3.3 to determine the annual purchase price may result in significant annual variation in the purchase price; and

WHEREAS, the directors of the UYWCD and the District agree it is appropriate for the District to continue to pay the existing \$35 per acre foot price for water allocated to the District for 2020 and 2021.

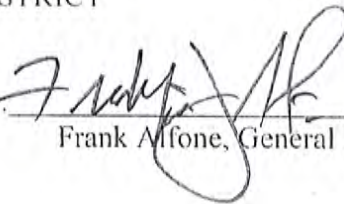
NOW, THEREFORE, the parties agree as follows:

1. The purchase price for the 200 AF of water allocated to the District for the years 2020 and 2021 shall not be calculated as provided in paragraph 3.3 of the Agreement but shall remain \$35.00 per acre foot and shall be otherwise paid as provided in the Agreement.
2. The parties agree that this agreement is for the purpose of setting the purchase price for the water allocated to the District for the years 2020 and 2021 under the Agreement and shall not apply to determination of the purchase price in subsequent years, nor in any way prejudice the rights of either party under the Agreement including the rights of the parties to determine the purchase price of the water allocated to the District for 2022 and all years thereafter in accordance with the provisions of paragraph 3.3 of the Agreement.

UPPER YAMPA WATER CONSERVANCY  
DISTRICT

By:   
Kevin McBride, General Manager

MT. WERNER WATER & SANITATION  
DISTRICT

By:   
Frank Alfone, General Manager

MWW - Yamcolo

A G R E E M E N T

THIS AGREEMENT, made this 17<sup>th</sup> day of JANUARY, 1981, between the UPPER YAMPA WATER CONSERVANCY DISTRICT, a quasi-municipal corporation organized under the laws of the State of Colorado ("Conservancy District"), and MT. WERNER WATER AND SANITATION DISTRICT, a quasi-municipal corporation ("Water & Sanitation District").

RECITALS:

A. The Conservancy District is now in the process of constructing and plans to operate a dam and reservoir known as Yamcolo Reservoir for the purpose of supplying water to municipal, industrial and agricultural users within its boundaries. The dam and reservoir will be located on the Yampa (Bear) River upstream from the Town of Yampa in Sections 16 and 17, Township 1 North, Range 86 West, 6th P.M., in Garfield County. The total storage capacity of the reservoir will be approximately 9,000 acre-feet, with a permanent conservation pool of about 1,000 acre-feet. Water will be stored in Yamcolo Reservoir pursuant to water rights owned by the Conservancy District. Construction and filling of the reservoir are expected to be completed in time for releases of water from storage to commence in 1981.

B. The approximately 8,000 acre-feet of storage capacity in Yamcolo Reservoir in excess of the conservation pool will be allocated by the Conservancy District as follows: municipal users - 1,010 acre-feet; industrial users - 3,990 acre-feet; agricultural users - 3,000 acre-feet.

C. The parties hereto have reached agreement for the purchase by the Water & Sanitation District of 300 acre-feet annually of Yamcolo Reservoir storage water allocated for municipal uses, and the parties wish to execute a written memorandum setting forth all of the terms and conditions of said agreement.

NOW, THEREFORE, in consideration of the payments to be made by the Water & Sanitation District as hereinafter provided, and in consideration of the mutual covenants herein contained, the sufficiency of which consideration is hereby expressly acknowledged, the parties hereto agree as follows:



1. STORAGE AND RELEASE OF WATER:

- 1.1 Upon completion of construction of Yamcolo Reservoir, the Conservancy District agrees, subject only to physical water supply conditions and the administration of water rights by State of Colorado water officials, to store in Yamcolo Reservoir prior to July 15 of each calendar year 300 acre-feet of water for release for the Water & Sanitation District's use, upon request between July 15 and March 1 of the next succeeding year.
- 1.2 Except in times of emergency, the Water & Sanitation District shall give at least twenty-four (24) hours advance written notice to the Conservancy District specifying the time and quantity of water requested to be released. The Conservancy District shall maintain permanent records of all releases of water from storage in Yamcolo Reservoir, and shall maintain records of water levels in the reservoir measured not less frequently than once per month. The Water & Sanitation District shall be entitled to inspect such records, and copies shall be furnished to the Water & Sanitation District upon written request.
- 1.3 In any calendar year when insufficient water is stored in Yamcolo Reservoir to supply the full allocations for municipal, agricultural and industrial users, as measured at time of peak annual storage, then the amount of water allocated to each of the users of water from Yamcolo Reservoir shall be abated proportionally; provided, however, that until the Colorado-Ute Electric Association ("Colorado-Ute") constructs or otherwise acquires, directly or indirectly, water storage capacity within the Yampa River drainage in the amount of at least 25,000 acre-feet, in addition to 3,990 acre-feet of water contracted for by Colorado-Ute in Yamcolo Reservoir, then the available water up to 4,988 acre feet over the conservation pool in the Yamcolo Reservoir shall be allocated 80% to Colorado-Ute, 10% to Municipal users, and 10% to agricultural users, and any available water over and above 4,988 acre feet shall be allocated equally between municipal users and agricultural users until the municipal users have received their full 1,010 acre feet, and thereafter the agricultural users shall be entitled to all the available water until they have received their full 3,000 acre feet.

*New abatement*

2. PURCHASE PRICE:

2.1 The purchase price for the Yamcolo Reservoir storage water allocated to the Water & Sanitation District shall be the sum of Twenty-Six and no/100 Dollars (\$26.00) annually for each acre-foot of such water stored at the annual peak storage occurring on or prior to July 15 of such year, without regard to subsequent releases or evaporation or reasonably unpreventable leakage of such water and without regard to whether or not all or any part of such water may have been carried over in storage from the prior year.

2.2 Annual payments of such purchase price shall be made by the Water & Sanitation District to the Conservancy District at Steamboat Springs, Colorado, one-half ( $\frac{1}{2}$ ) on or before July 31 and one-half ( $\frac{1}{2}$ ) on or before November 1 of each year during the term of this Agreement, commencing with the first calendar year in which, by July 15 of such year, water allocated hereby to the Water & Sanitation District has been placed in storage in Yamcolo Reservoir. Such first year is expected to be 1981. Any annual payment not made within 14 days after the due date shall bear interest at the rate of 15% per annum until paid. There shall be no abatement or set-off against any such annual payment for any reason whatsoever.

3. TERM OF AGREEMENT:

3.1 If construction and filling of Yamcolo Reservoir are not completed on or before July 1, 1983, this Agreement may be terminated at the Water & Sanitation District's election and upon such termination neither party shall have any further rights or obligations hereunder. Notice of such election shall be given by the Water & Sanitation District in writing to the Conservancy District. Unless so terminated, the term of this Agreement shall be for a period of thirty (30) years, commencing on July 15 of the first year that water has been placed in storage in Yamcolo Reservoir for allocation to the Water & Sanitation District.

~~3.2 The Conservancy District hereby grants to the Water & Sanitation District the right and option to extend the term of this Agreement~~

Deleted  
as per  
2011 Agreement

for an additional period (not to exceed 30 years) upon all the terms and conditions of this Agreement existing as of the end of the primary 30-year term, except for the annual purchase price of the water allocated to the Water & Sanitation District, the determination of which purchase price during any extended term may be negotiated and agreed to between the Conservancy District and the Water & Sanitation District. In any negotiations for determination of annual purchase price of water for and during any extended term, the Conservancy District shall be bound to the following criteria: (1) The Conservancy District shall not charge the Water & Sanitation District a higher price per acre-foot of water than the price charged per acre-foot during such extended term by the District for other municipal users, and (2) the Conservancy District charge to the Water & Sanitation District per acre-foot of water during such extended term shall not be a greater ratio than the (i) price per acre-foot charged to agricultural users bears to the (ii) price per acre-foot charged to the Water & Sanitation District, both determined as of the commencement of the primary 30-year term of this Agreement. If the Water & Sanitation District elects to extend this Agreement, it shall give written notice of such intent to the Conservancy District at least 12 months prior to the termination of the primary term, and thereafter the parties hereto shall negotiate with due diligence and in good faith with respect to the annual purchase price of water during the extended term. If the parties are nevertheless unable to agree by the termination date of this Agreement, then this Agreement shall not be deemed extended.

1992  
 $\frac{26}{35} = 74\%$

4. OPERATION AND MAINTENANCE OF YAMCOLO RESERVOIR:

4.1 It is hereby expressly acknowledged that the Conservancy District shall be solely responsible for constructing, operating, repairing and maintaining Yamcolo Reservoir, and that the Conservancy District shall be the sole owner of the dam and all facilities used in connection with the construction, operation, repair and maintenance of said Reservoir, and the water rights adjudicated thereto. 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.

5. DEFAULT:

5.1 If any payment or other obligation required hereunder is not made or performed in accordance with this Agreement, the non-defaulting party shall give written notice to the party in default specifying such failure in performance. The party in default shall have a period of fifteen (15) days after receipt of such notice in which to make the payment or perform the obligation then in default. If the party in default shall fail to do so within such period, this Agreement may at the other party's election be terminated by written notice to the defaulting party, provided, however, that if such written notice of termination is given between November 16 and June 1, inclusive, the effective date of termination shall be the day of receipt by the defaulting party of such notice, but if such written notice of termination is given between June 2 and November 15, inclusive, the effective date of termination shall be November 15. The parties expressly agree that this Agreement shall be specifically enforceable; provided, however, that specific enforcement is not intended to be the exclusive remedy available to the parties in the event of default.

6. GOVERNING LAW:

6.1 This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado.

7. NOTICES:

7.1 All notices, elections, requests, demands, waivers, and other communications hereunder shall be in writing and shall be effective when delivered: (a) if to the Conservancy District, in care of the Secretary, Upper Yampa Water Conservancy District, Ski Time Square, Box 5220, Steamboat Village, Colorado 80499, or at such other address as the Conservancy District shall have furnished to the Water & Sanitation District in writing; or (b) if to the Water & Sanitation

District, in care of the Secretary,, Mt. Werner Water & Sanitation District, Ski Time Square, P. O. Box 5220, Steamboat Village, Colorado 80499, or at such other address as the Water & Sanitation District shall have furnished to the Conservancy District in writing.

8. MISCELLANEOUS:

- 8.1 The water allocated to the Water & Sanitation District under this Agreement shall never be diverted or used out of the geographical limits of the Conservancy District.
- 8.2 This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns. This Agreement may not be assigned nor transferred to any third party without the prior written consent of both parties hereto. This Agreement constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof, and shall supersede all prior understandings and agreements between the parties with respect to such subject matter. The captions in this Agreement are for the purposes of reference only, and shall not limit or otherwise affect any of the terms hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective duly authorized officers as of the date first above written.

UPPER YAMPA WATER CONSERVANCY DISTRICT

By: James D. Funk  
James D. Funk, President

(Seal)

ATTEST:

John R. Fetcher  
John R. Fetcher, Secretary

MT. WERNER WATER & SANITATION DISTRICT

By: Donald Valentini  
President

(Seal)

ATTEST:

John R. Fetcher  
Secretary

## EXTENSION AND AMENDMENT AGREEMENT

This Extension And Amendment Agreement is made effective the 19<sup>th</sup> day of May, 2011 ("Effective Date") between the Upper Yampa Water Conservancy District, a Colorado water conservancy district ("District") and the Mt. Werner Water and Sanitation District, a governmental entity ("Municipality").

### RECITALS

WHEREAS, the District and the Municipality entered into an agreement dated January 17, 1981 (the "Agreement"), providing for the storage by the District in Yamcolo Reservoir prior to July 15<sup>th</sup> of each calendar year of 300 acre feet of water available for release to the Municipality at its request as more particularly described in the Agreement.

WHEREAS, the annual purchase price for the water allocated to the Municipality during each of the first 30 years of the Agreement ("Primary Term") was \$26.00 for each acre foot of water stored in Yamcolo Reservoir and available for delivery from the Reservoir for use by the Municipality.

WHEREAS, Paragraph 3.2 of the Agreement provides that the Municipality shall have the right and option to extend the term of the Agreement for an additional period, not to exceed 30 years, on all the terms and conditions of the Agreement existing as of the end of the Primary Term, except for the annual purchase price of water allocated to the Municipality during such 30 years, which is to be negotiated between the parties subject to certain criteria.

WHEREAS, the Municipality has given timely notice to the District of its intent to extend the Agreement for an additional 30 years.

WHEREAS, the Municipality and the District have negotiated with due diligence and good faith and agreed on the annual purchase price of the water for such extended 30 year term.

WHEREAS, since Colorado Ute Electric Association went bankrupt and no longer exists, the Municipality and the District desire to clarify and amend the Agreement with respect to references to Colorado Ute or to industrial users.

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

1. The Municipality and the District agree that the Agreement is extended for an additional period of 30 years commencing on July 15, 2011, and terminating on July 15, 2041 (the "Extended Term").
2. The purchase price for the Yamcolo Reservoir storage water allocated to the Municipality for 2011 under the Agreement during the Extended Term shall be \$68.38 for each acre foot of such water stored in Yamcolo Reservoir and available for release to the Municipality in 2011.

CPI annual Price Adj.

3. The annual price per acre foot for the water stored in Yamcolo Reservoir and allocated and available for release to the Municipality in 2012 and in each calendar year thereafter during the Extended Term shall be an amount equal to the greater of (i) the price per acre foot charged to the Municipality for water stored in Yamcolo Reservoir and allocated to the Municipality for the prior calendar year, or (ii) the product obtained by multiplying the price per acre foot charged to the Municipality for water stored in Yamcolo Reservoir and allocated to the Municipality for the prior calendar year by a fraction, the denominator of which is the Consumer Price Index for All Urban Consumers ("CPI-U"), Denver-Boulder-Greeley 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. 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.

4. References to "Colorado Ute Electric Association" or "Colorado Ute" in Section 1.3 and elsewhere in the Agreement shall be corrected and changed to read as follows: "Tri-State Generation and Transmission, Inc. ("Tri-State"), or its successors or assigns, or the municipal and industrial allottees of water from Yamcolo Reservoir who contract for all or part of the 4,000 AF allotted to Tri State if the District's current contract with Tri-State for 4,000 AF from Yamcolo Reservoir is terminated or released or amended in whole or in part ("Replacement M&I Customers"), or the successors or assigns of such Replacement M&I Customers." Reference to "industrial users" in Recital Paragraph B and Paragraph 1.3 shall mean either Tri-State or Replacement M&I Customers.

5. The above 30-year extension and purchase terms having been agreed upon by the parties, Paragraph 3.2 of the Agreement is hereby deleted.

6. Except as herein amended, the Agreement is ratified and approved. The undersigned person signing this instrument for the Municipality warrants and represents that this instrument has been duly and properly approved by the Municipality as provided in law, and that this instrument is binding upon the Municipality in accordance with its terms.

Dated this 19<sup>th</sup> day of May, 2011.

Municipality

By: [Signature] President

Upper Yampa Water Conservancy District

By: [Signature]



Andy Rossi, General Manager  
Upper Yampa Water Conservancy District  
2220 Curve Plaza, Suite 201  
P.O. Box 775529  
Steamboat Springs, CO 80477-5529

*Re: Mt. Werner Water's Proposal to Relocate Contract Water from Yamcolo Reservoir  
to Stagecoach Reservoir*

Dear Andy,

As you know, Mount Werner Water & Sanitation District has maintained a contract with the Upper Yampa Water Conservancy District for the storage and release of 300-acre feet annually in Yamcolo Reservoir since 1981, and has maintained a contract for 200-acre feet annually in Stagecoach Reservoir since 1986. MWW maintains these contracts for the primary purpose of providing augmentation water; releases of water from storage facilities located upstream of MWW's diversions is a particularly effective source of augmentation, allowing diversions by MWW to continue when its water rights are out of priority. Water available to MWW from these two sources was specifically approved for replacement of MWW's out-of-priority depletions to the Yampa River in the augmentation plan approved in Case No. 18CW3020.

During the adjudication of that augmentation plan, it was made apparent by the Division Engineer that Yamcolo Reservoir was not the reliable source of augmentation water that MWW had previously understood it to be. While there are many water rights decreed for storage within Yamcolo Reservoir, the Division Engineer recognizes only one, Yamcolo Reservoir First Enlargement decreed in Case No. 80CW175, as being legally available for use for augmentation. That water right is limited to 1,000-acre feet annually, and may be limited to just 589-acre feet if that portion of the right that appears on the 2020 Abandonment List is, in fact, abandoned. Further, it is a relatively junior water right and is junior to many of the other water rights decreed for storage in Yamcolo Reservoir. It is not clear how the Division Engineer is administering, or will administer in the future, the various water rights in Yamcolo Reservoir, and this uncertainty may affect MWW's ability to utilize water released from Yamcolo Reservoir for its intended purposes. It is our understanding that the Upper Yampa District has not completed a study of the reliability of its municipal/industrial water in Yamcolo Reservoir. However, MWW is advised that Yamcolo has achieved a complete fill only 66% of the time in recent years.

Other circumstances add to MWW's concern about its ability to utilize its 300-acre feet of Yamcolo contract water. First, if the pool of useable augmentation water is limited to 1,000-acre feet annually (or perhaps as little as 589-acre feet), there may not be sufficient water in storage to satisfy all holders of



municipal/industrial contracts. In addition, there are seasonal limits on the ability to effectively release water from Yamcolo Reservoir during certain times of the year when it may be needed by MWW.

For these reasons MWW has been considering the idea of moving its contract for 300-acre feet annually from Yamcolo Reservoir to Stagecoach Reservoir. While we believe that storing this water in Stagecoach would increase its utility and reliability, MWW is hesitant to give up the relatively favorable terms of its existing Stagecoach contract.

Yet moving MWW's water to Stagecoach would have benefits to the Upper Yampa District, as well. It would relieve some of the pressure on the limited pool of augmentation water available to fulfill M&I contracts, particularly if that pool becomes further limited by the abandonment of 410-acre feet as proposed by the Division Engineer. It would allow the Upper Yampa District to retain more water higher up in the basin and to make more water from Yamcolo Reservoir available for agricultural users.

With these mutual benefits in mind and recognizing the long-term relationship between the parties and the unique character of the transaction, MWW proposes to move its 300-acre feet of water from Yamcolo Reservoir to Stagecoach Reservoir, provided that the parties can reach acceptable terms. MWW proposes that those terms would include an established price for the water that is mutually agreeable to the parties and that would include a price-escalator tied to the Consumer Price Index. The term of the contract would remain as currently provided in MWW's existing Stagecoach contract.

If this basic proposal is acceptable to the Upper Yampa District, MWW is prepared to commit time and resources to drafting an appropriate agreement.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Alfone", with a long horizontal stroke extending to the right.

Frank Alfone  
General Manager

CC: Gavin Malia, Board Chair  
Wade Gebhardt, Board Member  
Jeff Houpt

**WATER SUPPLY CONTRACT**  
(Municipal)

**THIS WATER SUPPLY CONTRACT** (“Contract”) is entered into by and between **Mount Werner Water and Sanitation District** (“Contractor”), and UPPER YAMPA WATER CONSERVANCY DISTRICT, a Colorado water conservancy district (“Upper Yampa”), individually each a “Party” and collectively referred to herein as the “Parties,” effective as of the Effective Date set forth below.

**RECITALS**

A. Upper Yampa is a Colorado water conservancy district formed under the Water Conservancy Act, C.R.S. §§37-45-101 through 153, and is the owner and operator of Stagecoach Reservoir (hereinafter referred to as the “Reservoir” or “Stagecoach Reservoir”) in Routt County, Colorado.

B. Upper Yampa has stored and expects annually to store water in the Reservoir on the Yampa River under the absolute storage water rights it owns (“Water Rights”).

C. Contractor is a **Special District** which utilizes water within the boundaries of Upper Yampa for municipal purposes.

D. Upper Yampa has designated certain pools of water within the Reservoir for the purpose of administration of the storage and release of water from the Reservoir (the below-described “Contract Pools,” or individually, a “Contract Pool”). Upper Yampa has adopted a filling priority for the various Contract Pools under Upper Yampa Fill Policy as follows:

(i) 9,000 acre-feet “Municipal/Industrial Pool” – The Municipal/Industrial Pool consists of water currently formerly allocated to Tri-State Generation and Transmission Association, Inc. (“TriState”) under Upper Yampa’s expired contract with Tri-State or the municipal or industrial allottees of water from Stagecoach Reservoir who contract for all or part of the 7,000 acre-feet formerly allotted to TriState; and 2,000 acre-feet allocated for municipal use pursuant to existing contracts between Upper Yampa and such contracting entities or the municipal or industrial allottees of water from Stagecoach Reservoir who contract for all or part of the 2,000 acre-feet allotted to such contracting municipal users if Upper Yampa's current or former contracts with any such municipal user for water from Stagecoach is terminated or released or amended in whole or in part;

(ii) 2,000 acre-feet “Augmentation Pool” – The Augmentation Pool consists of water allocated for augmentation use pursuant to the decree of the Water Court entered in Case No. 06CW49, Water Division 6;

(iii) 4,000 acre-feet “General Supply Pool” – The General Supply Pool consists 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; the

General Supply Pool water is not subject to any exchange obligation or right or limitations on storage and use other than Upper Yampa Fill Priority;

(iv) 3,164 acre-feet “Raise Pool” – The Raise Pool consists of water that represents the increase in capacity of the Reservoir resulting from the raise in the level of the spillway completed in 2011; the Raise Pool water is not subject to any right or limitations on storage and use other than Upper Yampa Fill Priority, but is called the “Raise Pool” only for definitional purposes;

(v) 3,125 acre-feet “Preferred Remainder Pool” – The Preferred Remainder Pool consists of water not currently under contract, which represents a defined quantity of water in the Reservoir not allocated to the Contract Pools described in paragraphs D (i) through D(iv) above; the Preferred Remainder Pool water is not subject to any right or limitations on storage and use other than Upper Yampa Fill Priority, but is called the “Preferred Remainder Pool” only for definitional purposes; and

(vi) 15,000 acre-feet, approximately, is the “Emergency Remainder Pool” – The Emergency Remainder Pool consists of water that represents the remaining capacity of the Reservoir not allocated to the Contract Pools described in paragraphs D(i) through D(v) above.

E. Upper Yampa and the Contractor desire to enter into this Contract for Upper Yampa to store and release unto Contractor **300** acre-feet of water stored in Stagecoach Reservoir from the **Municipal/Industrial** Pool for beneficial uses by the Contractor on an annual basis during the Term of this Contract (the “Contracted Water”).

F. Subject to the terms of this Contract, Contractor will pay Upper Yampa for the use of Contracted Water.

NOW THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Contractor and Upper Yampa agree as follows:

## **USE OF WATER RIGHTS**

### **1. Contract Price and Payment Procedure.**

1.1 The purchase price for the Contracted Water from the Reservoir storage water allocated to the Contractor for Water Year **2021** under this Contract (the “First Water Year”) shall be **\$82.00** (the “Base Price”) for each acre-foot of such Contracted Water stored in the Reservoir and available for release to the Contractor in such First Water Year.

1.2 The annual price per acre-foot for the Contracted Water stored in the Reservoir and allocated and available for release to the Contractor in 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 price per acre-foot charged to the Contractor for the

Contracted Water the prior Water Year, or (ii) the product obtained by multiplying the Base Price by a fraction, the denominator of which is the Consumer Price Index for All Urban Consumers, Denver-Boulder-Greeley 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 in the Water Year prior to the First Water Year and the numerator of which is the CPI for the semi-annual period ending December 31 of the prior Water Year. In the event the Bureau of Labor Statistics discontinues publication of the CPI in the format existing as of the Effective Date, then Upper Yampa 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 applicable increases in the CPI are considered, notwithstanding any such change in the base year. For purposes of this Contract, a "Water Year" shall be the 12-month period from March 1 in a year through February 28 of the subsequent year, unless the beginning and end of such Water Year is changed by the Division Engineer for Water Division 6.

1.3 The annual payments for the Contracted Water shall be made by Contractor to Upper Yampa on or before August 1<sup>st</sup> of each year during the term of this Contract, beginning August 1, 202\_\_\_. Any annual payment not made within thirty (30) days after the due date shall bear interest at the rate of twelve percent (12%) per annum until paid. Payments due are based on the amount of Contracted Water and shall be made regardless of the amount of water delivered to Contractor and there shall be no abatement or setoff against any such payment, nor shall Contractor be permitted to withhold any payment required for any reason whatsoever, except only in the event the full Contracted Water has not been stored in the Reservoir by July 15 as described in Section 2.5 below.

1.4 If the duration of this Contract exceeds 20 years, Upper Yampa reserves the right and authority to increase, at its sole discretion, the annual base contract pricing per acre foot of water, in the 2042 Water Year of such Contract, up to a price then competitive with the market for similar municipal water supplies in similar quantities in the Yampa River Basin, such competitive pricing to include reference to contracts from Upper Yampa to others for municipal water supplies which have been executed after this Contract, and thereafter during each year of such Contract beyond the 2042 Contract Year such annual price shall continue to be adjusted by the CPI as provided in Subsection 1.2 above.

## **2. Storage and Delivery of Contracted Water.**

2.1 Upper Yampa agrees, subject to physical water supply conditions, terms of the license issued by the Federal Energy Regulatory Commission, the administration of water rights by State of Colorado water officials, and the terms of this Contract, to store the Contracted Water in Stagecoach Reservoir prior to July 15<sup>th</sup> of each calendar year for release for Contractor's beneficial use, upon request between July 15<sup>th</sup> and March 1<sup>st</sup> of the then current Water Year. Contractor shall be entitled to one use of the water delivered hereunder to extinction, but shall not be entitled to the reuse or successive uses of such water. Contracted Water may only be used during the then current Water Year and no unreleased Contracted Water

will be booked over to the succeeding Water Year. Unreleased Contracted Water does not carry-over from one Water Year to the next.

2.2 The Contracted Water shall be stored as part of the **Municipal/Industrial** Pool of Upper Yampa, to be stored in the priority of such Contract Pool under the Stagecoach Fill Policy.

2.3 Except in times of emergency, Contractor shall give at least forty-eight (48) hours' advance written notice to Upper Yampa specifying the time and quantity of the Contracted Water requested to be released out of the Reservoir. The point of delivery of the Contracted Water shall be the discharge of the outlet works of the Reservoir. Responsibility for transportation and delivery of such Contracted Water after the point of delivery, and for all transit and transportation and carriage losses sustained in such delivery, shall be borne solely by Contractor. Upper Yampa shall maintain records of all releases of water from storage in the Reservoir, and shall maintain records of water levels in the Reservoir measured not less frequently than once per week. Contractor shall be entitled to inspect such records and copies shall be furnished to Contractor upon written request.

2.4 Upper Yampa shall allocate and charge any evaporation losses from water stored in the Reservoir against the Emergency Remainder Pool, and if there is insufficient water stored in the Emergency Remainder Pool, against the next most senior of the Contract Pools in ascending order of priority until all evaporation is accounted for and charged. If evaporation is charged against the Contract Pool in which the Contracted Water is stored (*i.e.* either the General Supply Pool or the Municipal/Industrial Pool), then Upper Yampa shall first charge the evaporation against the unallocated water in that Contract Pool, and only if there is evaporation that still needs to be accounted for, then against the Contractor's storage account on a pro rata basis with other water that is stored and allocated to other water users in that Contract Pool.

2.5 In any calendar year when insufficient water is stored in the Reservoir to supply the full Contract Pools as measured at time of peak annual storage as reasonably determined by Upper Yampa, then the amount of water captured by Upper Yampa to fill the Reservoir shall be allocated for filling purposes to the Contract Pools in descending order of priority so that each Contract Pool is filled before allocation of any storage water to the next lower Contract Pool. Parties holding water from a Contract Pool that does not completely fill due to insufficient water available to that Contract Pool shall abate and share proportionately in any shortfall of stored water in that Contract Pool. If any part of the water allocated to Contractor by this Contract is reduced by such abatement, Upper Yampa shall notify Contractor in writing of such fact, and of the amount of the reduction in such water, by July 25<sup>th</sup> of that year, and in the absence of such notice the full amount of water for Contractor shall be deemed to have been in storage on or prior to July 15<sup>th</sup> of that year. The Contractor will be credited against that Water Year's contract purchase price for the amount of such abatement shortage in acre-feet allocated to the Contractor, multiplied by that year's purchase price per acre-foot.

2.6 The Contracted Water shall only be beneficially used by Contractor for municipal purposes within the larger of (a) the lawful boundary of Contractor, including any lawful annexations, inclusions, or expansions of Contractor's boundaries or (b) the approved

urban growth boundary of Contractor if Contractor is a municipality, or (c) the approved water service area boundary if Contractor is a municipality or special district, each as may be determined by the governing board of Contractor from time to time during the Term (a through c above each including the Contractor's legally approved out of service area water contracts and service to its own facilities).

2.7 The Parties acknowledge that the turbine capacity to release stored water through the outlet works of Stagecoach Reservoir is 105 cfs, and that Upper Yampa may diminish the instantaneous rate of release of the Contracted Water after a request from Contractor, proportionally with diminishment of rates of releases of stored water to other contractees without discrimination, to the extent that, in conjunction with other adjusted required release rates by Upper Yampa for such other contractees, the maximum safe release rate of stored water and required bypasses through the outlet works is not exceeded.

### **3. Contractor's Water Use Obligations of the Contracted Water.**

3.1 **Carriage and Transit Losses.** Contractor shall bear carriage and transit losses in the Contracted Water released by Upper Yampa, in such amounts as are determined by the Division Engineer for Water Division 6, from the point of delivery of Contracted Water to Contractor's point(s) of use and/or exchange or augmentation.

3.2 **Use per Contract and Law.** Contractor's use of Contracted Water shall in all instances be in accordance with the terms of this Contract, the permits and decrees of Upper Yampa's Water Rights, Upper Yampa's adopted Policies and Procedures, as they may change from time to time, and in accordance with applicable law and all decrees related to the Contracted Water. Upper Yampa warrants and represents to Contractor that the Contracted Water may be used by Contractor for the municipal purposes described in Exhibit A, subject to (a) transit losses after release from Stagecoach Dam, (b) the terms of Section 3.3 below and any plan of exchange or augmentation obtained by Contractor to which Upper Yampa has consented, and (c) administration of the Yampa River at and above Contractor's point(s) of use and/or exchange or augmentation. Upper Yampa does not, however, warrant or represent that any augmentation plan of Contractor is sufficient, adequate, effective, or lawful to accomplish its objectives or to protect the continued diversion of the Contracted Water during administration of the Yampa River. Contractor is not authorized to apply for or secure any change in the Water Rights of Upper Yampa for or associated with any of the sources of supply of the Contracted Water.

3.3 **Legal Approvals.** If Contractor requires a plan of augmentation or SWSP to utilize the Contracted Water, Contractor shall at its sole expense adjudicate such plan of augmentation, or obtain approval of such SWSP, needed for Contractor to use its Contracted Water. Upper Yampa may in its discretion become a co-applicant or opposer in the prosecution of any such applications, or submit comments regarding any SWSP, for the purpose of protecting its Water Rights and related policies and the operation of the Reservoir by Upper Yampa. If a Water Court decree is required for Contractor to use the Contracted Water, Contractor shall cause to be included in any final decree of the Water Court a provision conditioning Contractor's use of the Contracted Water on the existence of an Upper Yampa contract.

3.4 **Limitation on Disposition.** Contractor shall not sublet, sell, donate, loan, or otherwise dispose of any of its rights to Contracted Water without prior written notice to, and the written approval of, Upper Yampa, and the payment of a transfer fee at the prevailing rate set forth by Upper Yampa, which approval may be given, withheld or conditioned by Upper Yampa in its sole discretion.

3.5 **Assignment.** This Contract shall not be assigned or otherwise transferred by Contractor without the prior written consent of Upper Yampa, such consent to be given, withheld, or conditioned by Upper Yampa in its sole discretion.

3.6 **Nondiscrimination.** Contractor and its employees shall not discriminate in the availability of or charges for any water service or water supply made available pursuant to or based upon the Contracted Water on account of race, color, religion, sex, disability, national origin, or any other criteria prohibited under state or federal law.

3.7 **Accounting of Use.** Contractor shall maintain an accounting of its use of all water used or supplied by Contractor on form(s) acceptable to Upper Yampa specifically to enable Upper Yampa to prove the use of the Water Rights and to administer and operate the Reservoir and water right decrees and/or administrative approvals related to Contractor's use of Contracted Water. Contractor shall submit its accounting forms and records to Upper Yampa promptly upon request and shall assist Upper Yampa as it may reasonably request in presenting and/or verifying such evidence of use in court or before administrative agencies by testimony of Contractor or its authorized and informed officers or agents.

3.8 Section 404 of the Clean Water Act (33 U.S.C. 1344) regulates the discharge of dredged or fill material into the waters of the United States. Contractor shall consult with the Army Corps of Engineers if construction of facilities necessary to use the Contracted Water requires Section 404 compliance, which may include obtaining a permit. Further consultation and approval by the United States Fish and Wildlife Service may be required to ensure compliance with the Endangered Species Act (16 U.S.C. 1531, et seq.) if Contractor proposes physical alterations to the designated critical habitat of the Colorado River endangered fish species.

#### 4. **Term.**

4.1 **Term.** Except in the event of an early termination as provided in Section 5 below, the term of this Contract shall commence effective \_\_\_\_\_ (the "Effective Date") and shall end on \_\_\_\_\_, 20\_\_ (the "Term").

4.2 **Contract Renewal.** If Contractor has not defaulted during the Term, and provided Contractor is in compliance with the requirements of Section 2.6 above, Contractor may request in writing to Upper Yampa during the last year of the Term that the Contract be renewed for a renewal Term (a) ending at the end of forty (40) years from the date of execution, if the Term is less than (40) years, or (b) in the event that the Term is for forty (40) years, then up to 35 years, in either case for an annual supply up to but not exceeding the maximum amount of

the Contracted Water amount upon such terms and conditions as the Upper Yampa is offering at that time. If such request is made during the final year of the Term and if Contractor otherwise agrees with the pricing, limitations, principles, and form for such new municipal water supply contract under the policies of Upper Yampa in effect at that time (other than any duration limitation), then the Board during such final year of the Term shall enter into such new municipal water supply contract with such Contractor on the then-approved form of Contract and then-prevailing municipal supply pricing, for the term requested by such municipal user but not exceeding 35 years, for the amount of annual supply requested by such municipal user not exceeding the amount contracted for under the expiring Contract. It is expected that this policy and the pricing, limitations, principles and forms for new water supply contracts of Upper Yampa will be changed from time to time in the future by the Board of Directors to adapt to changing conditions, including (but not limited to) changes in law and regulation, hydrologic changes, the financial condition of Upper Yampa, availability of water sources, interstate conditions of the Colorado River system, environmental requirements or policies, water quality changes, or changes in the master planning of Upper Yampa Board of Directors.

## **5. Contract Termination.**

### **5.1 Termination by Upper Yampa.**

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

5.1.2 Upper Yampa may also terminate this Contract if it reasonably believes that any judicial or administrative proceedings initiated by Contractor as contemplated in Section 3 above materially threaten or interfere with Upper Yampa's authority to contract for delivery of Contracted Water or in any other way may injure Upper Yampa's Water Rights, permits, or other interests associated with Upper Yampa's Water Rights or the Reservoir or Reservoir operations.

5.1.3 Upper Yampa may terminate this Contract if its legal ability to deliver Contracted Water is materially impaired or is eliminated because of the termination or adverse modification of permits, decrees or other authorizations which are needed to deliver the Contracted Water.

5.1.4 Upper Yampa may terminate this Contract, in its sole discretion, upon written notice to Contractor prior to its stated termination date without liability of any kind to the Contractor if Contractor physically uses the stored water to replace water lawfully available to Contractor from direct flow water rights or other storage supplies and Contractor or its affiliates obtains economic benefits from the absence of use of lawfully available direct flow water rights or other storage supplies in an amount exceeding the pricing paid or payable by Contractor hereunder.



**5.2 Termination by Contractor.**

5.2.1 Contractor may terminate this Contract only in whole and not in part, for any material breach of the terms of this Contract by Upper Yampa, including Upper Yampa's failure or inability to deliver Contracted Water for an extended period of time, provided that Contractor has first given at least 60 days' prior written notice from Contractor to Upper Yampa specifying in detail such material breach and giving Upper Yampa the right within such 60-day period to cure and remedy such material breach.

5.2.2 Except as provided in these preceding sections, Contractor 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.

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

**7. Inspections.** Upper Yampa grants to the managerial staff of Contractor and any of its professional consultants access to Stagecoach Reservoir and Stagecoach Dam subject to this Contract at reasonable times and under reasonable protective terms and conditions.

**8. Miscellaneous Provisions.**

8.1 Upper Yampa may assign this Contract without necessity of Contractor's consent or approval to any entity which succeeds Upper Yampa in the ownership of Stagecoach Reservoir, and Upper Yampa or such successor may collaterally assign the proceeds of this Contract to any entity providing financing to Upper Yampa or its successor.

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

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

8.4 It is expressly acknowledged that Upper Yampa shall be solely responsible for operating, repairing, maintaining, enlarging, permitting, changing, renovating, or modifying the Reservoir, and that Upper Yampa shall be the sole owner of the Water Rights and the dam and all facilities and all lands used in connection with the construction, operation, repair,

maintenance, enlarging, permitting, changing, renovating, or modifying the Reservoir and all facilities in which Upper Yampa has ownership or rights which providing supplies of water for storage in the Reservoir.

8.5 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.

8.6 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 Contractor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Email: \_\_\_\_\_

With a copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Email: \_\_\_\_\_

If to Upper Yampa: Upper Yampa Water Conservancy District  
Attention: General Manager  
P.O. Box 775529  
Steamboat Springs, Colorado 80477  
Email: arossi@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.

**9. Limited Representations by the Parties.** Upper Yampa represents and warrants that it has full power and authority to execute this Contract, allocate and deliver the Contracted Water, and perform its obligations hereunder during the Term. Contractor represents and warrants that it has full power and authority to execute this Contract, receive Contracted Water at the delivery point and cause it to be delivered to Contractor's point and locations of use, and pay for and perform its obligations hereunder during the Term.

**10. Enforcement of this Contract; Remedies on Default.**

10.1 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.

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

10.3 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.

11. **Effective Date.** The effective date of this Contract shall be the last date below it is executed by all Parties.

IN WITNESS WHEREOF, Contractor and Upper Yampa have executed this Contract on the dates set forth below.

UPPER YAMPA WATER CONSERVANCY  
DISTRICT (UYWCD)

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
President, UYWCD Board of Directors

ATTEST:

\_\_\_\_\_

\_\_\_\_\_

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
\_\_\_\_\_





## BOARD COMMUNICATION FORM

**From:** Andy Rossi, General Manager

**Date:** 09/03/21

**Item:** Existing Stagecoach Reservoir Water Storage Contracts

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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### I. Request/Issue and Background Information:

With the exception of the Morrison Creek contract, all of the 2-year interim pricing agreements for Stagecoach perpetual municipal water contracts expire this year. Summary contract data for all the existing Stagecoach Reservoir municipal storage water contracts is included in a table attached with this communication. The Upper Yampa Water Conservancy District (UYWCD) staff will provide additional background information on these contracts at the meeting. The UYWCD staff requests direction from the UYWCD Board of Directors (BOD) for notifying the existing contractors of the price per AF of water stored in Stagecoach Reservoir in 2022.

### II. Summary and Alternatives:

Two groups of existing Stagecoach Reservoir water storage contracts are currently operated under original pricing determination interim extension agreements that expire in 2021. The first group of these contracts originated in 1989 with an original price of \$35.00 per AF. The second group of contracts originated between 1998 and 2001 with an original price of \$43.50 per AF. All the contracts are intended for some category of municipal water use. All the original contracts considered include the right for "life of Stagecoach Reservoir" to purchase original contracted volume annually as determined with the following terms:

*“The price per acre-foot for any given (extended) year will be computed by dividing an estimate of the annual costs (computed each year) the District **expects** to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet.”*

Other existing Stagecoach Reservoir water storage contracts originating in 1989 and 2000 include some of the same original contract terms as those considered above. However, there are



significant differences between these existing contracts and the two groups of contracts described above that warrant separate contract management practices. For example, the Sidney Peak Ranch Stagecoach Reservoir water storage contract original term does not expire until 2023.

Unless amended by agreement of the Contractor and UYWCD, the 2022 price per AF of stored water for contracts with pricing agreement extensions that expire in 2021 will be determined annually based on the approved UYWCD budget as per the methodology included above. If such an amendment is proposed, it could provide for an alternative pricing mechanism and address other provisions of the existing municipal contracts that are outdated. However, it is important to emphasize that nothing requires the UYWCD to propose such an amendment or for any municipal contractor to agree to it.

The UYWCD is in the process of drafting a common proposed contract amendment for the existing municipal water storage contracts in Stagecoach Reservoir which will be distributed separately for discussion in executive session. The proposed contract amendment will include changes to outdated contract language and options for the continued pricing for contracted storage water.

### **III. Staff Recommendation:**

Provide direction to the UYWCD staff and General Counsel for notifying the existing Stagecoach reservoir contractors whose price extension agreements expire in 2021 of the price per AF of water stored in Stagecoach Reservoir in 2022.

### **IV. Legal Issues:**

UYWCD Water Storage Contracts for more than 100 AF or for Longer than One Year Term must be approved by the full UYWCD BOD.

### **V. Consistency with Board Goals and Policies:**

UYWCD SP Goal 4, UYWCD By-Laws

### **Attachments:**

Attachment 1: Existing Stagecoach Reservoir Water Storage Contract Data

### Stagecoach Reservoir Existing Municipal Water Contracts

Contractor	Volume (AF)	Pricing (\$/AF)	Revenue (\$)	Original Effective Date	Original End of Contract Term	Original Contract Term Extended	Extended End of Contract Term	Contract Notes
City of Steamboat Springs	552	35.00	19,320.00	1986, 1989	7/15/2019	Yes	<u>7/15/2021</u>	Right for "life of Stagecoach Reservoir" to purchase original volume annually. The price per acre-foot for any given (extended ) year will be computed by dividing an estimate of the annual costs (computed each year) the District expects to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet.
Dakota Ridge Homeowners Association	50	35.00	1,750.00	1989	7/15/2019	Yes	<u>7/15/2021</u>	Right for "life of Stagecoach Reservoir" to purchase original volume annually. The price per acre-foot for any given (extended ) year will be computed by dividing an estimate of the annual costs (computed each year) the District expects to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet.
Morrison Creek Metropolitan Water and Sanitation District	500	35.00	17,500.00	1989	7/15/2019	Yes	<u>7/15/2029</u>	Five successive 10-year extension options at \$35.00/AF, final extension option ends in 2069.
Mount Werner Water and Sanitation District	200	35.00	7,000.00	1989	7/15/2019	Yes	<u>7/15/2021</u>	Right for "life of Stagecoach Reservoir" to purchase original volume annually. The price per acre-foot for any given (extended ) year will be computed by dividing an estimate of the annual costs (computed each year) the District expects to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet.
Town of Hayden Colorado	200	35.00	7,000.00	1986, 1989	7/15/2021	Yes	<u>7/15/2021</u>	Right for "life of Stagecoach Reservoir" to purchase original volume annually. The price per acre-foot for any given (extended ) year will be computed by dividing an estimate of the annual costs (computed each year) the District expects to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet.
Tree Haus Metropolitan District	50	35.00	1,750.00	1989	7/15/2019	Yes	<u>7/15/2021</u>	Right for "life of Stagecoach Reservoir" to purchase original volume annually. The price per acre-foot for any given (extended ) year will be computed by dividing an estimate of the annual costs (computed each year) the District expects to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet.
Agate Creek Preserve Homeowners Association	20	43.50	870.00	2000	<u>7/15/2021</u>	No	NA	Right for "life of Stagecoach Reservoir" to purchase original volume annually. The price per acre-foot for any given (extended ) year will be computed by dividing an estimate of the annual costs (computed each year) the District expects to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet.
Alpine Mountain Ranch Metropolitan District (Alpine Land)	100	43.50	4,350.00	1998	7/15/2019	Yes	<u>7/15/2021</u>	Right for "life of Stagecoach Reservoir" to purchase original volume annually. The price per acre-foot for any given (extended ) year will be computed by dividing an estimate of the annual costs (computed each year) the District expects to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet.
Sidney Peak Ranch LLC	20	43.50	870.00	2000	<u>7/15/2023</u>	No	NA	Right for "life of Stagecoach Reservoir" to purchase original volume annually. The price per acre-foot for any given (extended ) year will be computed by dividing an estimate of the annual costs (computed each year) the District expects to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet.
Brian, Robert and Virginia Stahl – total of 250 AF	58	43.50	2,523.00	2001	11/30/2019	Yes	<u>11/30/2021</u>	Right for "life of Stagecoach Reservoir" to purchase original volume annually. The price per acre-foot for any given (extended ) year will be computed by dividing an estimate of the annual costs (computed each year) the District expects to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet. Other specific contract terms.
Brian, Robert and Virginia Stahl – total of 250 AF	192	43.50	8,352.00	2001	11/30/2019	Yes	<u>11/30/2021</u>	Right for "life of Stagecoach Reservoir" to purchase original volume annually. The price per acre-foot for any given (extended ) year will be computed by dividing an estimate of the annual costs (computed each year) the District expects to incur for the operation, repair, renovation and maintenance of Stagecoach Reservoir (including replacement costs) as computed pursuant to standard accounting procedures, by 15,000 acre-feet. Other specific contract terms.
Totals	1,942	NA	71,285					

STAGECOACH RESERVOIR  
WATER CONTRACT PRICING DISCUSSION  
REFERENCE MATERIALS



Stagecoach Reservoir Existing Contracts Fixed Price CPI Adjustment Calculations

Stagecoach Reservoir Original/Existing Contract	Contract Start Year	Contract Start (Fixed) Price (\$/AF)	Adjusted Price, Half1 to Half 1 (\$/AF) <sup>1</sup>	Adjusted Price, Half2 to Nov 2020 (\$/AF) <sup>2</sup>
Original Municipals	1989	35.00	82.56	81.60
Industrial: Colo Ute <sup>3</sup>	1985	35.00	89.23	88.26
Industrial: Tristate	1992	43.50	91.47	89.85

Notes:

1. CPI for All Urban Consumers (CPI-U), All items in Denver-Aurora-Lakewood, CO, HALF 1.
2. Calculations Updated on: Jan 12, 2021. 2020 Half2 data not yet available. November 2020 Index Value used as indicated.
3. Colo Ute contract transferred to Tri-State with 1992 contract.

**DRAFT STAGECOACH RESERVOIR COST ANALYSIS**

2021 UYWCD Approved Budget Values	District Wide Approved Budget (\$)	Pricing Category (for all facilities)	Included/Excluded Stagecoach Pricing?	Rate of Inclusion in Stagecoach Pricing (%)	Allocation to Pricing (\$)	Direct/Indirect Expense Allocation		Example of Existing Municipal Contract Contribution to Pricing with 15,000 AF Denominator		
						Direct (\$)	Indirect (\$)	Direct (\$/AF)	Indirect (\$/AF)	
<b>EXPENSES</b>										
07 · STAGECOACH Labor, O&M	485,652.78	direct expense	included	100%	485,652.78	485,652.78		32.38	0.00	
08 · YAMCOLO Labor, O&M, FS Lease *	150,322.35	direct expense	excluded	0%	0.00			0.00	0.00	
09 · STILWATER DITCH & RES CO.	34,887.72	direct expense	excluded	0%	0.00			0.00	0.00	
10 · ADMINISTRATION	329,215.97	indirect expense	partial	38%	125,102.07		125,102.07	0.00	8.34	
11 · BOARD OF DIRECTORS	114,232.29	indirect expense	partial	38%	43,408.27		43,408.27	0.00	2.89	
12 · EXTERNAL AFFAIRS	117,278.14	indirect expense	partial	38%	44,565.69		44,565.69	0.00	2.97	
13 · FINANCE	154,304.08	indirect expense	partial	38%	58,635.55		58,635.55	0.00	3.91	
14 · LEGALS	156,623.22	direct & indirect	partial	2019 actuals	33,907.63	12,282.25	21,625.38	0.82	1.44	
15 · PLANNING	95,052.84	indirect expense	partial	38%	36,120.08		36,120.08	0.00	2.41	
16 · PUBLIC INFO (Grants Excluded)	163,346.27	indirect expense	partial	38%	62,071.58		62,071.58	0.00	4.14	
17 · TREASURER TAX COLLECTION FEES	77,854.00	indirect expense	excluded	0%	0.00		0.00	0.00	0.00	
18-e · UYRB Ntrnt & Sdmnt Study -Expns		excluded	excluded	0%	0.00			0.00	0.00	
					Subtotals:	889,463.65	497,935.03	391,528.62	33.20	26.10
<b>CAPITAL and RESERVES</b>										
DEPRECIATION							94,374.07		6.29	
EMERGENCY REPAIR AND REPLACEMENT RESERVE (10% of total estimated emergency reserve)							143,094.37		9.54	
NON EMERGENCY LONG TERM CAPITAL MAINTENANCE RESERVE (one year contribution to long-term maintenance reserve)							74,133.50		4.94	
					Subtotals:	311,601.94	311,601.94	0.00	20.77	0.00
<b>EXPENSES + CAPITAL</b>						<b>1,201,066</b>			<b>80.07 /AF</b>	
<b>Projected 2021 Revenue (Existing Contracts + Hydropower Generation)</b>						<b>313,288</b>			<b>With 15,000 AF Denominator</b>	
<b>2021 Projected Difference</b>						<b>-887,778</b>				

## 2020 Elkhead Reservoir Water Contract Pricing

<b>SUPPLY PRICING</b>	
Yampa River: M&I	\$194.00 AF/year
Yampa River: Agricultural (full-term: 5-40 years)	\$194.00 AF/year
Yampa River: Agricultural (interim: 1-5 years)	\$32.75 AF/year
Yampa River: In-Channel Use (1-year only)	\$32.75 AF/year

## 2020 Colorado River Reservoir Water Contract Pricing

<b>SUPPLY PRICING</b>	
Blue River Water (only year-to-year contracts available at this time)	\$1,143.50 per AF/year
Colorado River <i>above</i> the Roaring Fork Confluence: M&I	\$380.50 per AF/year
Colorado River <i>above</i> the Roaring Fork Confluence: Agricultural	\$151.50 per AF/year
Colorado River <i>below</i> the Roaring Fork Confluence: M&I	\$198.00 per AF/year
Colorado River <i>below</i> the Roaring Fork Confluence: Agricultural	\$46.00 per AF/year
Identified Source of Supply <i>above</i> the Roaring Fork Confluence (Wolford): M&I	\$571.25 per AF/year
Identified Source of Supply <i>above</i> the Roaring Fork Confluence (Wolford): Agricultural	\$227.00 per AF/year
Identified Source of Supply <i>below</i> the Roaring Fork Confluence (Ruedi): M&I	\$297.00 per AF/year
Identified Source of Supply <i>below</i> the Roaring Fork Confluence (Ruedi): Agricultural	\$68.50 per AF/year
Eagle River Water: M&I	\$1,524.50 per AF/year
Eagle River Water: Agricultural	\$456.50 per AF/year
In-Channel – Identified Source: Wolford	\$227.00 per AF/year
In-Channel – Identified Source: Ruedi	\$68.50 per AF/year





## BOARD COMMUNICATION FORM

**From:** Andy Rossi, General Manager

**Date:** 08/31/21

**Item:** 2022 Upper Yampa Water Conservancy District (UYWCD) Strategic Plan

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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### **I. Request/Issue and Background Information:**

The proposed schedule for the 2022 update for the Upper Yampa Water Conservancy District (UYWCD) Strategic Plan is presented for consideration by the UYWCD Board of Directors (BOD).

### **II. Summary and Alternatives:**

The UYWCD Strategic Plan will be regularly reviewed and updated as appropriate by the UYWCD BOD and staff. A UYWCD staff review of the 2021 UYWCD Strategic Plan was presented to the full UYWCD BOD on July 21, 2021. This review included updates on the UYWCD work efforts in the first half of 2021 associated with the goals identified in the 2021 Strategic plan. On August 18, 2021, the Strategic Plan Update Committee held the first meeting to review and update the UYWCD Strategic Plan for 2022.

### **III. Staff and Strategic Plan Review Committee Recommendation:**

The 2021 Strategic plan will continue to be referenced, without significant revision, as the foundational document for the development of the 2022 UYWCD Budget and 2022 UYWCD Strategic Plan. Both the 2022 UYWCD Budget and Strategic Plan will be prominent topics for discussion during the October 20, 2021, UYWCD BOD Retreat. Therefore, the UYWCD staff and BOD have decided on the following schedule for the update of the UYWCD Strategic Plan for 2022:

- August 18, 2021, Strategic Plan Update Committee Meeting: Committee to held first meeting to begin review and update of the UYWCD Strategic Plan for 2022. No significant changes the Strategic Plan were recommend for 2022. Some additional work tasks were recommended for inclusion in the UYWCD Strategic Plan for 2022. The



Committee also recommends that the Strategic Plan be reviewed, in sections, for revisions and/or updates every 3-5 years.

- September 15, 2021, Regular BOD Meeting: Recommendations from August 18, 2021, Committee meeting are presented to the full UYWCD BOD for discussion. Additional input on updates to Strategic Plan for inclusion in 2022 UYWCD Strategic Plan update will be solicited from the full UYWCD BOD.
- September-October TBD, Optional Additional Strategic Plan Committee Meeting
- October 20, 2021, UYWCD BOD Retreat: UYWCD Strategic Plan update discussion with full UYWCD BOD, including input received to date. Direction provided by UYWCD BOD will be incorporated into new DRAFT of 2022 UYWCD Strategic Plan.
- November 17, 2021, Regular UYWCD BOD Meeting: Present final DRAFT of 2022 UYWCD Strategic Plan for adoption by UYWCD BOD.

**IV. Legal Issues:**

NA

**V. Consistency with Board Goals and Policies:**

2021 UYWCD Strategic Plan 10.2

**Attachments:**

2021 UYWCD Strategic Plan Six-Month Summary Review

**UYWCD Strategic Plan - Supplemental Chart for 2021 and 2022 Internal Work Planning**

Objective	History and Past Work	Potential New Tasks	Department	2021 Work Efforts: All Completed and/or Implemented Work Tasks Will be Included in History and Past Work for 2022 Strategic Plan	Status of 2021 Potential New Tasks
<b>1. Upper Yampa Basin water resources and local water uses are protected from transbasin diversions and Compact administration that would adversely impact those water resources and uses.</b>					
1.1	<p><b>Develop District understanding and policies to address Big River issues</b></p> <ul style="list-style-type: none"> <li>• Communications Director is attending multiple state-wide and regional water planning group meetings as a representative of the UYWCD. Completed the WECO Water Fluency Program in 2020.</li> <li>• Risk Study Analysis of Yampa Doctrine and Equitable Apportionment Complete, UYWCD Staff to recommend next steps with UYWCD BOD input.</li> <li>• UYWCD represented on Basin Roundtable Big River Subcommittee by K. Brenner, H. Kirkpatrick. Regular reports provided to UYWCD BOD as necessary.</li> <li>• IBCC negotiations will be monitored proactively. The UYWCD needs to formalize organization approach to ensure that Yampa Basin interests and science to assist with the 2020-2026 Colorado River Interim Guidelines Renegotiations</li> <li>• UYWCD is actively monitoring CWCB and State Water Plan activities through attendance and representation at regional planning groups.</li> <li>• Legislative Activities are being monitored through Colorado Water Congress State Affairs Committee, and UYWCD Board Member Reports. Updates provided to UYWCD BOD at regular UYWCD BOD meetings.</li> <li>• General Manager will propose a plan and schedule for the continued development of UYWCD positions on state-wide, Big River issues following presentation of Risk Analysis study at UYWCD July BOD meeting.</li> </ul>	<p><b>Invite Regional/State Experts to give public presentations on Big River Issues: Demand Management, CO River Compact Interim Guidelines</b></p>	<ul style="list-style-type: none"> <li>• External affairs</li> <li>• Legal</li> <li>• Board</li> </ul>	<ul style="list-style-type: none"> <li>• Public Expression/Notification of formal UYWCD Position on Big River, Regional, and State-Wide Water Issues. Formal Position may not always be necessary.</li> </ul>	<p align="center"><b>New Task Recommended by Committee</b></p>
1.2	<p><b>Prevent out-of-District transfers of water that could have adverse impacts for the District and its constituents</b></p> <ul style="list-style-type: none"> <li>• Legal Staff is monitoring resumes and reports are provided to UYWCD BOD at regular UYWCD BOD meetings</li> <li>• Legal staff reviews all UYWCD water contracts. Most 2020 activity has been focused on Yampolo agricultural contracts. Proposed CWT Stagecoach contract will be reviewed before presented to UYWCD BOD for authorization.</li> <li>• Legal staff is engaged in activities in 1.1 as needed and at the request of UYWCD General Manager.</li> </ul>	<p><b>Lobby legislature, in response to Big River Issues (State and Federal Representatives).</b></p>	<ul style="list-style-type: none"> <li>• External affairs</li> <li>• Legal</li> <li>• Board</li> </ul>	<ul style="list-style-type: none"> <li>• Continued collaboration with Colorado River District on Water Horse project opposition.</li> <li>• UYWCD Special Counsel provides reports/updates on water resumes and pertinent water law items at regular UYWCD BOD meetings.</li> <li>• Smaller events planned for the 2nd half of 2021 will allow UYWCD staff direct interaction with State of Colorado water policy managers.</li> </ul>	<p align="center"><b>Planning</b></p>
<b>2. District's infrastructure is safe and maintained, or improved as needed, to serve the needs of the District.</b>					
2.1	<p><b>Ensure sufficient funds to maintain and/or improve our infrastructure</b></p> <ul style="list-style-type: none"> <li>• 2020 Budget for O&amp;M activities is adequate to date.</li> <li>• 2020 Budget for capital activities is adequate for Stagecoach and Yampolo Reservoirs. 2020 budget for capital improvements for the Stillwater Ditch has been expanded as part of approved budget amendment.</li> <li>• Facilities reserves included in 2020 approved budget</li> <li>• Facilities maintenance and improvement plan implementation is ongoing with progress reports provided by District Engineer at UYWCD BOD regular meetings. Reports are included in public materials distributed for UYWCD BOD meetings.</li> </ul>	<p><b>Funds designated for new facilities/project construction, including Water Quality funds in update of 30-year maintenance plan for Stagecoach.</b></p>	<ul style="list-style-type: none"> <li>• Facilities</li> <li>• Finance</li> <li>• Board</li> </ul>	<ul style="list-style-type: none"> <li>• 2021 Budget for facilities O&amp;M is adequate to date.</li> <li>• 2021 Budget for capital improvements is adequate to date.</li> <li>• Facilities reserves are included in annual approved budget.</li> <li>• Capital Projects are underway for 2021.</li> <li>• Planning for 2022 capital projects to begin Summer of 2021.</li> </ul>	<p align="center"><b>Implementing, Complete</b></p>
2.2	<p><b>Initiate or support efforts to address algae and other water quality issues in Stagecoach Reservoir</b></p> <ul style="list-style-type: none"> <li>• UYWCD staff and board members continue to be active participants in the Watershed Group. The UYWCD is the fiscal agent for water quality study grant. UYWCD Director Halliday is the project manager for the Nutrient and Water Quality Study.</li> <li>• UYWCD continues to participate in the baseline long term water quality monitoring effort through Routt County Department of Health as a fiscal partner. UYWCD staff maintain a working relationship with USGS regional staff.</li> <li>• UYWCD continues water quality monitoring as part of 401 water quality certification. Next round of data collection for 401 requirements scheduled as required. New WQ Data collection in 2020in response to CDPHE rule making process.</li> <li>• CPW monitoring efforts at Stagecoach State Park are ongoing in 2020. UYWCD District Engineer is in direct communication with Stagecoach State Park Manager and CPW water quality staff.</li> <li>• Temperature string deployment and DO monitoring continues uninterrupted at Stagecoach Dam in 2020. Monthly data reports filed with FERC by District Engineer.</li> </ul>	<p><b>Engage with CPW to develop long-term Water Quality monitoring program and Media/Public Outreach campaign at Stagecoach Reservoir. Water Quality monitoring program should include necessary actions/responses.</b></p>	<ul style="list-style-type: none"> <li>• Planning?</li> <li>• Facilities</li> <li>• Board</li> <li>• Finance</li> </ul>	<ul style="list-style-type: none"> <li>• Upper Yampa River Basin Nutrient and Water Quality USGS Study Complete.</li> <li>• Successful delisting of Stagecoach Reservoir from CDPHE Reg 93 Lead Standard.</li> <li>• CPW WQ testing program at Stagecoach Reservoir is ongoing.</li> <li>• Morrison Creek Water and Sanitation District Mixing Zone Study completed with financial assistance from UYWCD.</li> <li>• Remaining WQ initiatives at Stagecoach planned, pending after action plan (multi-agency) for Muddy Slide Fire response.</li> <li>• All UYWCD regulatory water quality monitoring continues uninterrupted.</li> </ul>	<p align="center"><b>Implementing, Complete</b></p>

**UYWCD Strategic Plan - Supplemental Chart for 2021 and 2022 Internal Work Planning**

Objective		History and Past Work	Potential New Tasks	Department	2021 Work Efforts: All Completed and/or Implemented Work Tasks Will be Included in History and Past Work for 2022 Strategic Plan	Status of 2021 Potential New Tasks
2.3	<b>Ensure integrity and safety of dams</b>	<ul style="list-style-type: none"> <li>• FERC-required emergency action plan updates, reporting, and exercises are on schedule for 2020.</li> <li>• Stagecoach Dam 2020 annual inspections by FERC pending FERC Covid protocol requirements. Stagecoach Dam CDWR Dam Safety Inspection Scheduled for August 2020. Yamcolo Dam CDWR Dam Safety Inspection complete. UYWCD District Engineer and CDWR Dam Safety Division are coordinating on an update to the Yamcolo Dam seepage monitoring program.</li> <li>• Stagecoach Dam Part 12 inspection completed in 2019. Follow up item(s) responses filed with FERC June 2020.</li> <li>• UYWCD has contracted with AECOM for compliance with new FERC requirement for outside review of Owner's Dam Safety Plan. Review, report and recommendations to be filed with FERC in December 2020. UYWCD was an active participant in the Routt County Hazard Mitigation Plan development.</li> </ul>		<ul style="list-style-type: none"> <li>• Facilities</li> </ul>	<ul style="list-style-type: none"> <li>• FERC-required emergency action plan updates, reporting, and exercises are on schedule for 2021. Functional Exercise planned for 2022.</li> <li>• Stagecoach Dam 2021 annual inspections by FERC pending FERC Covid protocol requirements. Stagecoach Dam CDWR Dam Safety Inspection completed May 2021. Yamcolo Dam CDWR Dam Safety Inspection complete. UYWCD District Engineer and CDWR Dam Safety Division are coordinating on an update to the Yamcolo Dam seepage monitoring program.</li> <li>• Stagecoach Dam Part 12 inspection completed in 2019. Follow up item(s) responses filed with FERC June 2020.</li> <li>• Completed FERC Audit of Owner's Dam Safety Plan. UYWCD was an active participant in the Routt County Hazard Mitigation Plan development.</li> </ul>	<b>Complete, Implementing</b>
2.4	<b>Ensure safe work environment for all UYWCD employees and visitors</b>	<ul style="list-style-type: none"> <li>• Implementation of recommendation from 2014 safety review (safety procedures, equipment, documentation) is ongoing at all UYWCD facilities. Safety protocols have been modified in response to Covid development. UYWCD facilities staff designated as Critical Infrastructure Employees. Coordination with FERC staff has been modified to comply with additional request and reporting as determined by FERC Covid protocols. FERC Covid protocol updates ongoing in response to changing conditions.</li> </ul>	<b>Explore connectivity upgrades for all UYWCD facilities, including UYWCD offices.</b>	<ul style="list-style-type: none"> <li>• Facilities</li> <li>• Legal</li> </ul>	<ul style="list-style-type: none"> <li>• Stagecoach control systems upgrades started in June of 2021, planned completion by August, 2021. Connectivity and security upgrades included in updates.</li> <li>• Fiber optic connectivity to Stagecoach Dam possible in next 5 years, pending YVEA infrastructure installation.</li> <li>• Yamcolo monitoring equipment upgrades ongoing, remote monitoring connectivity planned for 2022.</li> </ul>	<b>Complete, Implementing</b>
2.5	<b>Maintain Stagecoach as a public recreation facility</b>	<ul style="list-style-type: none"> <li>• CPW Stagecoach master plan infrastructure improvements continue in 2020 with substantial electrical power infrastructure upgrades at Stagecoach State Park. UYWCD staff coordinated with CPW on permitting and project development for planned upgrades. Construction scheduled for summer of 2020.</li> <li>• CPW provides regular updates of annual activities through communications with the District Engineer.</li> </ul>	<b>Schedule meetings with CPW in January of 2021 to begin renegotiation of Stagecoach lease. Establish CPW-UYWCD Lease Negotiation Committee.</b>	<ul style="list-style-type: none"> <li>• Facilities</li> </ul>	<ul style="list-style-type: none"> <li>• First meetings with CPW representatives completed.</li> <li>• UYWCD General Counsel currently reviewing legal standards updates to CPW-UYWCD Lease agreement.</li> </ul>	<b>Implementing</b>



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<b>3. District is financially sustainable and able to meet its stated goals.</b>						
3.1	<p><b>Develop short- and long-term financial planning to support District goals</b></p>	<ul style="list-style-type: none"> <li>● Annual budget by department approved for 2020. New projects approved by the Board in 2020 recognized and incorporated through a budget amendment. 2021 budget development cycle to begin in August 2020. Year-to-date budget statutory deadlines met and year-to-come planned on-schedule.</li> <li>● Accurate accounting and financial reporting is a continuous process performed by the UYWCD staff. Budget comparisons and financial information reported to UYWCD BOD by the Chief Accountant at regular meetings. Additional financial reports are provided to BOD and staff as appropriate.</li> <li>● Contract negotiations for Yamcolo and Stagecoach Reservoir water storage agreements are one of the highest priorities of the UYWCD. UYWCD staff, BOD, and legal counsel have dedicated significant hours and resources to these efforts in 2020.</li> <li>● Completion of a state-wide search of a new auditor. New auditor specialized in local government auditing. Service costs under budget.</li> <li>● The Chief Accountant led the District's first audit executed entirely online. The audit was extensive and very detailed, as expected with a new auditor, first year audit.</li> <li>● Annual audit of 2019 financials completed successfully, with very minor adjustments. Audit of 2020 financials scheduled, adhering to BOD's decision in September 2020 to either rehire Mayberry &amp; Co or search for another auditor.</li> <li>● Improvements to accounting procedures are currently being implemented through a full review and restructure project with the assistance of an outside consultant. UYWCD deployed beta version of account system in July 2020. New system to be fully operational and adopted as standard procedure by August 2020. In response to Covid development, implemented fully online banking procedures and internal processes with double authentication verification in adherence of separation of financial roles as required by audited best practices and by District bylaws.</li> <li>● Migration of daily banking to MVB complete, all WF checking accounts closed.</li> <li>● Upon change in Management, signatory privileges of all District bank accounts updated.</li> <li>● UYWCD documentation of formal financial policies is part of revised accounting procedures and legal requirements of UYWCD.</li> <li>● Potential future decrease in tax revenues based on changes in energy industry have been identified and reported by the Chief Accountant multiple times. Assessment of future impacts to the UYWCD will be re-examined as new information is available.</li> <li>● Migration of Accounting systems to match new budget structure, complete.</li> <li>● Financial analysis of District's cost centers with 2019 audited financials, complete.</li> <li>● Cost-based water price analysis with 2019 audited actuals, complete.</li> <li>● District-wide pricing model to be finalized after permanent replacement of UYWCD General Manager complete.</li> </ul>	<p><b>Develop Long-term financial planning methodology (e.g. 5, 10, 20yr, determine assumptions)</b></p>	<ul style="list-style-type: none"> <li>● Finance</li> <li>● Board</li> <li>● All Departments</li> </ul>	<ul style="list-style-type: none"> <li>● Internal financial accounting systems and controls update complete</li> <li>● UYWCD Budget re-formatting for alignment with updated internal financial accounting system complete</li> <li>● Migrated payment systems from paper to fully electronic, including a double authentication process and double electronic signatures in compliance with bylaws and governmental accounting best practices requiring increased separation of roles.</li> <li>● Annual audit of 2020 financials completed successfully, with very minor adjustments. Audit of 2021 financials scheduled.</li> <li>● Stagecoach Reservoir Water Marketing Policy complete.</li> <li>● Yamcolo Reservoir Water Marketing Policy planned for fall of 2021.</li> </ul>	<b>Completed, Implementing</b>
3.2	<p><b>Clarify District's business model, including the propriety, tenure, and extent of use of tax revenue with respect to contract pricing</b></p>	<ul style="list-style-type: none"> <li>● 2020 approved budget was structured to identify facilities' direct and indirect operating costs.</li> <li>● Migration of Accounting systems to match new budget structure, complete.</li> <li>● Financial analysis of District's cost centers with 2019 audited financials, complete.</li> <li>● Cost-based water price analysis with 2019 audited actuals, complete.</li> <li>● District-wide pricing model to be finalized after permanent replacement of UYWCD General Manager complete.</li> </ul>	<p><b>Clarify financial structure of UYWCD budget incorporating tracking of revenue stream support of UYWCD facilities and programs.</b></p>	<ul style="list-style-type: none"> <li>● Finance</li> <li>● Board</li> </ul>		

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4. All in-basin beneficial vested water uses in the District are protected, consistent with policy statements above.					
4.1	<p><b>Formalize and consider expanding District's grant program</b></p>	<ul style="list-style-type: none"> <li>UYWCD was granted \$100,000 in Water Supply Reserve Funds from the Basin Roundtable in January 2020. Marketing efforts include collaboration with outside agencies, local publications, and advertisements through local media including print and radio. The Diversion Infrastructure Improvement Project has received an influx of interested applicants who plan to complete projects in the coming months.</li> <li>A streamlined application process for the Diversion Infrastructure Improvement Project is currently in place. Reimbursement procedures for matching WSRF monies will be established with the first payment request submitted in July 2020.</li> <li>UYWCD staff is collaborating with local working groups and outside agencies to identify potential projects that could benefit from UYWCD grant fund.</li> </ul>	<p><b>Continue Infrastructure grant program with expansion to local reservoirs and stream gaging. Define explicit funding amount for non-infrastructure grant program (\$50,000 per year).</b></p>	<ul style="list-style-type: none"> <li>Public</li> <li>\$50,000 Non-Infrastructure Grant Pilot Program authorized by UYWCD BOD.</li> <li>Approximately \$25,000 of grant funds awarded in first 6 months of 2021.</li> <li>Formal grant program administration to be determined as part of 2022 Strategic Planning process.</li> </ul>	<p align="center"><b>Implementing</b></p>
4.2	<p><b>Promote District's existing augmentation plans on Yampa and Elk Rivers</b></p>	<ul style="list-style-type: none"> <li>The first augmentation plan of 2020 was contracted in July. Communications Director is working with interested applicants on the Elk River.</li> <li>Website redesign is underway. Hive180 Marketing is in the development phase of the new website.</li> </ul>	<p><b>Study potential coverage for areas of need not serviced by existing plans. Outreach/Education presentations to local non-water industry business groups. Use area wide mailing w/RC Assessor tools for educational materials.</b></p>	<ul style="list-style-type: none"> <li>Public</li> <li>Areas identified as lacking Augmentation coverage: Morrison Divide area, Areas within UYWCD bounds downstream of the Elkhead Creek confluence.</li> <li>Lower basin entities are actively working towards augmentation supply solutions in response to over-appropriation designation.</li> <li>Outreach meeting with Routt County on 07/19/21.</li> <li>Additional outreach meeting planned for fall of 2021. •UYWCD staff attendance at IWMP neighborhood meetings in Craig, Hayden, Clark, and South Routt throughout June and July.</li> </ul>	<p align="center"><b>Planning, Implementing</b></p>
4.3	<p><b>Explore potential expansion or creation of augmentation plans that aid in protecting the beneficial uses of junior priority water rights not currently within boundaries of the existing augmentation plans</b></p>	<ul style="list-style-type: none"> <li>Internal discussions to clarify potential future needs are identified as an important topic for inclusion in the 2020 UYWCD BOD retreat in October.</li> </ul>	<p><b>Hold internal discussions to clarify potential future needs; engage DWR in discussions as needed</b></p>	<ul style="list-style-type: none"> <li>Planning</li> <li>The UYWCD is an active participant in the discussions related to the potential development of a new augmentation water supply plan for the lower Yampa River basin.</li> <li>Joint presentation with CDWR, CRD made to Moffat County Commissioners.</li> <li>UYWCD presentation to Routt County Commissioners.</li> </ul>	<p align="center"><b>Planning, Implementing</b></p>
4.4	<p><b>Protect productive agricultural water uses in the District</b></p>	<ul style="list-style-type: none"> <li>The Diversion Infrastructure Improvement Project offers funding for measuring devices that will help protect existing agricultural water rights in the District through record-keeping.</li> <li>Involvement from K.Brenner and H. Kirkpatrick in the Basin Roundtable and subsequent subcommittees including the Big River Subcommittee and Public Education, Participation, and Outreach (PEPO) Subcommittee and the Integrated Water Management Plan (IWMP) and its Stakeholder Engagement Subcommittee ensures a role for the District in updating the Basin Implementation Plan (BIP) and educating the public on key water issues in the basin.</li> </ul>	<ul style="list-style-type: none"> <li>Public</li> <li>Legal</li> <li>External Affairs</li> </ul>	<ul style="list-style-type: none"> <li>The UYWCD is actively pursuing the Coal Creek Diversion Project.</li> </ul>	<p align="center"><b>Planning, Implementing</b></p>
4.5	<p><b>Effectively communicate with local municipalities regarding long-term water supplies</b></p>	<ul style="list-style-type: none"> <li>UYWCD staff is engaged with local municipalities as a supportive technical advisor on possible instrumentation upgrades and data collection.</li> </ul>	<p><b>Adopt Stagecoach Water Pricing/Marketing Policy, Set schedule for existing municipal contract negotiations.</b></p>	<ul style="list-style-type: none"> <li>Public</li> <li>Planning</li> <li>Stagecoach Water Marketing Policy complete.</li> <li>Discussions with existing municipal storage contractors planned for August, 2021.</li> <li>Existing Municipal contract price declaration planned for November 2021.</li> </ul>	<p align="center"><b>Planning, Implementing</b></p>

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4.6	Enter into appropriate and financially prudent water allotment contracts for District water from Stagecoach Reservoir and/or Yampolo Reservoir for environmental and recreational beneficial uses	<ul style="list-style-type: none"> <li>Colorado Water Trust (CWT) engaged in discussion of HBs 1037, 1157. CWT engaged for Stagecoach water storage contract in 2020.</li> <li>Water Fund engaged as important funding partner for CWT storage contract for Stagecoach Reservoir in 2020.</li> <li>Other Stakeholder engagement</li> <li>ERC BOD discussions conducted at May 2020 BOD meeting.</li> </ul>		<ul style="list-style-type: none"> <li>Legal</li> <li>Board</li> </ul>	<ul style="list-style-type: none"> <li>CWT 2021 Contract complete.</li> <li>CWT ten-year Stagecoach Reservoir ERC agreement for CWCB Instream Flow Voluntary Loan program pending agency comments.</li> <li>CRD, Tri-State, UYWCD joint reservoir release modelling study complete. Final report due to project participants by August 1, 2021.</li> </ul>	Complete, Implementing
4.7	Increase flexibility of District's water rights portfolio in order to provide water for environmental and recreational purposes	<ul style="list-style-type: none"> <li>Colorado Water Trust (CWT) engaged with UYWCD in discussion of HBs 1037, 1157.</li> </ul>	<ul style="list-style-type: none"> <li>Legal</li> </ul>	<ul style="list-style-type: none"> <li>Clarify District policy for support of instream flows (see 4.8 below), Specifically: work with CWT, consultants to identify HB20-1157 mechanisms for UYWCD reservoirs.</li> </ul>		
4.8	Clarify District policy and role regarding the use of District water to support non-consumptive water uses	<ul style="list-style-type: none"> <li>Colorado Water Trust (CWT) engaged in discussion of HBs 1037, 1157. CWT engaged for Stagecoach water storage contract in 2020.</li> <li>Potentials for change cases will be explored by UYWCD staff in 2021.</li> <li>ERC BOD discussions conducted at May 2020 BOD meeting.</li> </ul>	<ul style="list-style-type: none"> <li>Legal</li> </ul>			
<p align="center"><b>5. Upper Yampa Basin water interests are represented at the local, regional and statewide levels on relevant policy, legislative, administrative, regulatory and judicial matters.</b></p>						
5.1	Ensure representation of District interests in local and state matters, including on the IBCC, Basin Roundtable, CWCB and Colorado River District	<ul style="list-style-type: none"> <li>Attendance of Colorado Water Congress Winter Summit in January 2020 by Directors and staff including K.McBride and H.Kirkpatrick</li> <li>Collaboration with Colorado River District on Risk Study modeling and a virtual production of the Yampa State of the River.</li> <li>Involvement from K.Brenner and H. Kirkpatrick in the Basin Roundtable and subsequent subcommittees including the Big River Subcommittee and Public Education, Participation, and Outreach (PEPO) Subcommittee and the Integrated Water Management Plan (IWMP) and its' Stakeholder Engagement Subcommittee ensures a role for the District in updating the Basin Implementation Plan (BIP) and educating the public on key water issues in the basin.</li> </ul>	<ul style="list-style-type: none"> <li>Formalize UYWCD participation and responsibilities for UYWCD representation at outside group (decide what groups/efforts to participate in, set expectations for reporting back to GM, UYWCD BOD).</li> </ul>	<ul style="list-style-type: none"> <li>External Affairs</li> </ul>	<ul style="list-style-type: none"> <li>First attempt at formalizing UYWCD staff and BOD roles at outside organizations initiated at January 20, 2021 UYWCD BOD meeting.</li> </ul>	Planning, Implementing
5.2	Increase District collaboration with Roundtable partners to advocate for Upper Yampa Basin interests	<ul style="list-style-type: none"> <li>Involvement from K.Brenner and H. Kirkpatrick in the Basin Roundtable and subsequent subcommittees including the Big River Subcommittee and Public Education, Participation, and Outreach (PEPO) Subcommittee and the Integrated Water Management Plan (IWMP) and its' Stakeholder Engagement Subcommittee ensures a role for the District in updating the Basin Implementation Plan (BIP) and educating the public on key water issues in the basin.</li> <li>H.Kirkpatrick serves on the technical advisory committee for the Yampa River Fund.</li> </ul>	<ul style="list-style-type: none"> <li>Formalize UYWCD participation and responsibilities for UYWCD representation at outside group (decide what groups/efforts to participate in, set expectations for reporting back to GM, UYWCD BOD).</li> </ul>	<ul style="list-style-type: none"> <li>External Affairs</li> </ul>		
<p align="center"><b>6. Adequate water supplies within the District in light of changing climate conditions, population shifts, and other changes.</b></p>						
6.1	Maintain and improve District's CDSS hydrology/water rights administration model	<ul style="list-style-type: none"> <li>CDSS model updates scheduled in coordination with BIP process.</li> </ul>	<ul style="list-style-type: none"> <li>UYWCD Staff will keep current on CDSS model updates through participation in BIP process.</li> </ul>	<ul style="list-style-type: none"> <li>Planning</li> </ul>	<ul style="list-style-type: none"> <li>The UYWCD staff was an active participant in the 2021 BIP CDSS/SateMOD update effort.</li> <li>StateMOD updates for Bear River Reach of Yampa system will be included in Coal Creek project flow analysis.</li> <li>The new State MoD Baseline model will be used as the foundation for multiple analysis efforts in 2021.</li> </ul>	Complete, Implementing

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6.2	Increase District's understanding of relevant potential effects of climate change, population growth, and demographics for District planning	<ul style="list-style-type: none"> <li>CDSS model updates to include paleo study comparison with climate change hydrology. District Engineer maintains regular contact with Paleo Hydrology working group.</li> </ul>	UYWCD will participate in the community Just Transition Program for West Routt and Moffat Counties, possibly in coordination with Steamboat Chamber of Commerce. Participate in Routt County Master Plan as warranted. Explore water-related opportunities to address climate change resilience.	Planning	<ul style="list-style-type: none"> <li>UYWCD staff met with Steamboat Chamber Economic Development staff to discuss strategies to incorporate water storage availability into future marketing and economic development campaigns.</li> <li>UYWCD staff have had multiple discussions with Moffat County representatives on the subject of water availability as a positive economic attribute.</li> <li>First step in addressing Climate Change resilience will be to advance the UYWCD knowledge of basin hydrology with the Soil Moisture network analysis to be completed by end of 2021.</li> </ul>	Implementing
6.3	Increase engagement with constituents and Upper Yampa Basin water interests in planning for long-term Yampa Basin water supply and use	<ul style="list-style-type: none"> <li>Collaboration with existing agencies and interest groups is ongoing by UYWCD staff and BOD.</li> </ul>	Schedule and coordinate an annual event for 2021 a part of the 2021 work plan, Annual UYWCD Yampa Canyon trip.	Public	<ul style="list-style-type: none"> <li>Multiple small events and event sponsorships scheduled for second half of 2021.</li> </ul>	Planning, Implementing
6.4	Expand Board's understanding of relevant issues and trends for District decision-making	<ul style="list-style-type: none"> <li>Regular discussions of pending legislation and interpretation of new legislation is ongoing by UYWCD staff and BOD.</li> <li>Collaboration with Colorado River District on Risk Study modeling.</li> </ul>		Board	<ul style="list-style-type: none"> <li>Perform Community/Constituent Survey of Water Resources Management Topics on Regular Basis</li> </ul>	New Task Recommended by Committee
7. Healthy reservoirs, streams and watersheds within the District in support of the policy statements above.						
7.1	Support water quality efforts in the District, and, where relevant, respond to concerns that arise, consistent with District's mission	<ul style="list-style-type: none"> <li>See 2.2</li> </ul>	Commission a Fire-Hazard Risk Study for the Yamcolo and Stagecoach contributing watersheds with USFS, NRCS and Rocky Mountain Restoration Initiative as partners. Continue to monetarily support ongoing upper basin water quality monitoring program in partnership with local stakeholders and USGS.	<ul style="list-style-type: none"> <li>Planning?</li> <li>Facilities</li> <li>Board</li> </ul>	<ul style="list-style-type: none"> <li>Fire-Hazard risk confirmed with Muddy Slide Fire.</li> <li>UYWCD staff participants in Muddy Slide Fire response efforts including public information officer meetings and fire activity updates.</li> <li>Additional activities TBD, pending after action plan (multi-agency) for Muddy Slide Fire response.</li> </ul>	Identified
7.2	Anticipate potential future role and responsibilities for the District to support water quality in the District	<ul style="list-style-type: none"> <li>Collaboration with existing agencies and interest groups is ongoing. UYWCD staff actively engaged with CDPHE, CPW, and Routt County on water quality concerns.</li> </ul>	Commission a Fire-Hazard Risk Study for the Yamcolo and Stagecoach contributing watersheds with USFS, NRCS and Rocky Mountain Restoration Initiative as partners.	<ul style="list-style-type: none"> <li>Planning?</li> <li>External Affairs</li> <li>Board</li> </ul>		Identified
7.3	Support efforts in the District to improve watershed management and forest health	<ul style="list-style-type: none"> <li>UYWCD staff is engaged in the Fish Creek Drainage forest health management plans as a supportive technical advisor on possible instrumentation upgrades.</li> </ul>	Commission a Fire-Hazard Risk Study for the Yamcolo and Stagecoach contributing watersheds with USFS, NRCS and Rocky Mountain Restoration Initiative as partners.	<ul style="list-style-type: none"> <li>Planning?</li> <li>External Affairs</li> <li>Board</li> </ul>		Identified

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7.4	Explore mechanisms to support use of District water rights for environmental purposes, e.g., in-stream flows	<ul style="list-style-type: none"> <li>UYWCD staff presented an in-depth discussion on in-stream flow and ERC possibilities at the May 2020 UYWCD BOD meeting. CWT-UYWCD partnership for ERC at Stagecoach Reservoir has been renewed by the District Engineer for 2020, with concrete plans to continue the exploration of legal mechanism available to the UYWCD and Yampa River Basin for future ERC and in-stream support. UYWCD staff will remain engaged in CWCB rule making processes and continued legal developments for HBs 1037 and 1157.</li> </ul>	Clarify District policy for support of instream flows (see 4.8 above), Specifically: work with CWT, consultants to identify HB20-1157 mechanisms for UYWCD reservoirs.	Board	<ul style="list-style-type: none"> <li>CWT 2021 Contract complete.</li> <li>CWT ten-year Stagecoach Reservoir ERC agreement for CWCB Instream Flow Voluntary Loan program pending agency comments.</li> <li>CRD, Tri-State, UYWCD joint reservoir release modelling study complete. Final report due to project participants by August 1, 2021.</li> </ul>	Complete, Implementing
8. District constituencies understand water issues in the Upper Yampa Basin and the role of the District in addressing them.						
8.1	Increase public understanding of the District's role and activities	<ul style="list-style-type: none"> <li>Hive180 Marketing is in the development phase for a new website.</li> <li>UYWCD awarded \$15,000 in grant funds to Yampatika for the development of a K-12 water education curriculum. UYWCD staff is reviewing the curriculum development on an ongoing basis.</li> <li>UYWCD sponsored a storage episode in the "Your Water Table" video series in collaboration with the Basin Roundtable. The series is currently in production.</li> <li>UYWCD filmed an educational video on the Yampa River Project with Colorado Water Trust.</li> <li>UYWCD is partnering with the Integrated Water Management Plan to produce an educational video on diversion assessments and improvements, which will include the Diversion Infrastructure Improvement Project. The video will be filmed in Fall 2020.</li> </ul>	Schedule and coordinate an annual event for 2021 a part of the 2021 work plan.	Public	Multiple small events and event sponsorships scheduled for second half of 2021.	Planning, Implementing
8.2	Improve Board collaboration, participation and representation with other organizations doing water-related work in the Upper Yampa Basin.	<ul style="list-style-type: none"> <li>UYWCD staff and directors are directly involved in the Basin Roundtable and subsequent subcommittees, the Integrated Water Management Plan (IWMP), the Yampa River Fund Technical Advisory Committee, the Upper Yampa Watershed Group, Colorado Water Trust, and are currently working to identify other collaboration opportunities for water-related work in the basin.</li> </ul>	Schedule and coordinate an annual event for 2021 a part of the 2021 work plan, WECO coordination to avoid duplicate efforts. Consider preparing/publishing an Annual Report as a community outreach effort.	Public	<ul style="list-style-type: none"> <li>UYWCD sponsorship and participation in WECO water fluency program in Yampa Basin.</li> <li>Annual Report planned for end of 2021.</li> </ul>	Implementing
8.3	Improve two-way exchange among constituents, stakeholders, Board and staff regarding District priorities and activities	<ul style="list-style-type: none"> <li>UYWCD strategic plan was released for public comment for a one month period ending December 2019. Public comments were compiled by UYWCD staff and the Board Governance Committee incorporated changes to the strategic plan as necessary.</li> <li>Outreach to outside organizations and interested constituents through email, periodic publications, and local media outlets is ongoing.</li> </ul>	Schedule and coordinate an annual event for 2021 a part of the 2021 work plan.	Public	Multiple small events and event sponsorships scheduled for second half of 2021.	Planning, Implementing
8.4	Increase local awareness of local water issues and resources	<ul style="list-style-type: none"> <li>See 8.1</li> </ul>		Public	Perform Community/Constituent Survey of Water Resources Management Topics on Regular Basis	New Task Recommended by Committee
9. Robust District water rights portfolio.						
9.1	Maintain and, where appropriate, perfect District's water rights	<ul style="list-style-type: none"> <li>Legal department is tracking upcoming due diligence, based on court decrees and Master Plan details.</li> <li>UYWCD Board is apprised of legal issues and relevant budget needs at all regular UYWCD BOD meetings.</li> </ul>	Diligence cycle efforts (2025 target date): Coal Creek project investigation, explore update to WR/WS Master Plan.	Legal	<ul style="list-style-type: none"> <li>Diligence cycle efforts underway with water rights analysis and Coal Creek project activities.</li> <li>Opposition to Yamcolo Reservoir WR abandonment filed with CDWR.</li> </ul>	Planning, Implementing

**UYWCD Strategic Plan - Supplemental Chart for 2021 and 2022 Internal Work Planning**

Objective		History and Past Work	Potential New Tasks	Department	2021 Work Efforts: All Completed and/or Implemented Work Tasks Will be Included in History and Past Work for 2022 Strategic Plan	Status of 2021 Potential New Tasks
9.2	Enhance District involvement/advocacy on water administration matters	<ul style="list-style-type: none"> <li>Updated water accounting system for Stagecoach Reservoir is 95% complete. Project completion by District Engineer pending finalization of Stagecoach reservoir Fill and Release Policies to be presented to UYWCD BOD for adoption at September UYWCD BOD meeting.</li> <li>The UYWCD continuously coordinates with Division Engineer's Office, partner Dam Owners, and contracted on dam releases.</li> <li>District Engineer has held multiple meetings (virtual) with the Division Engineer in 2020.</li> </ul>		Facilities		
9.3	Evaluate potential and conditional water rights	<ul style="list-style-type: none"> <li>Coal Creek Diversion project to be actively pursued in 2020.</li> </ul>	Diligence cycle efforts (2025 target date): Coal Creek project investigation, explore update to WR/WS Master Plan.	Legal	Diligence cycle efforts underway with water rights analysis and Coal Creek project activities.	Planning, Implementing
9.4	Explore small tributary storage projects within Upper Yampa Basin	<ul style="list-style-type: none"> <li>Coal Creek Diversion project to be actively pursued in 2020.</li> <li>Small Reservoir Study update identified as BIP project.</li> </ul>	Update Small Reservoir Study.	Planning	Small Reservoir study update planned for 2nd half 2021.	Planning
9.5	Pursue water projects that utilize/perfect District water rights and that provide water supply for consumptive and non-consumptive purposes	<ul style="list-style-type: none"> <li>Coal Creek Diversion project to be actively pursued in 2020.</li> <li>Small Reservoir Study update identified as BIP project.</li> </ul>	Update Small Reservoir Study.	Planning	Small Reservoir study update planned for 2nd half 2021.	Planning
9.6	Support in-stream flow rights to help firm the District's portfolio.	<ul style="list-style-type: none"> <li>See 4.6 and 4.7</li> </ul>		Board		
9.7	Explore increasing flexibility of use for District's stored water rights	<ul style="list-style-type: none"> <li>See 4.6 and 4.7</li> </ul>		Board		
<b>10. Robust staff, legal and administrative resources to ensure District's viability and ability to effectively serve its constituents.</b>						
10.1	Begin succession planning where appropriate		Conduct formal annual review of UYWCD General Counsel by UYWCD BOD. Consideration of term limits for BOD seats.	Board	<ul style="list-style-type: none"> <li>UYWCD BOD review of General Counsel complete.</li> <li>Consideration of term limits for BOD seats discussed with full UYWCD BOD and General Counsel.</li> </ul>	Complete
10.2	Regularly review and update Board goals and objectives					
10.3	Clarify District governance structure that promotes interaction, transparency, trust, and <i>esprit de corp</i> among Board, GM and staff	<ul style="list-style-type: none"> <li>Final governance recommendations from 360 Committee adopted by UYWCD BOD. Staffing and budgeting changes due to search for, and eventual replacement of UYWCD General Manager have implemented by UYWCD staff, consultant, and Hiring Committee.</li> </ul>				

**UYWCD Strategic Plan - Supplemental Chart for 2021 and 2022 Internal Work Planning**

Objective	History and Past Work	Potential New Tasks	Department	2021 Work Efforts: All Completed and/or Implemented Work Tasks Will be Included in History and Past Work for 2022 Strategic Plan	Status of 2021 Potential New Tasks
10.4	<p><b>Improve District organizational structure to maximize effectiveness, collaboration and teamwork</b></p>	<ul style="list-style-type: none"> <li>Recent new hires for Communications and Marketing Manager, Business Manager, and Ditch Rider have addressed staffing needs for UYWCD. Permanent replacement for General Manager pending UYWCD BOD action. All UYWCD staff job descriptions have been updated in 2020.</li> <li>Written policies and procedures are updated as needed by UYWCD staff.</li> <li>UYWCD staff is working with ER Council on compensation survey, conducting a review and seeking quotes for health insurance plan and reviewing personnel guidelines for compliance and consistency.</li> <li>UYWCD staff will be conducting an audit of personnel &amp; benefit files; will utilize ER Council as needed to confirm compliance.</li> </ul>		<ul style="list-style-type: none"> <li>UYWCD staff completed compensation survey in fall of 2020.</li> <li>UYWCD staff completed review and implemented new health insurance plan effective January 2021.</li> <li>UYWCD completed a personnel and benefit files audit in March of 2021 to ensure compliance.</li> <li>Review of and first draft of revised employee handbook completed. UYWCD staff working with ER Council for review and ensure compliance. General Counsel will review for consistency. Review by Board planned for September 2021.</li> <li>UYWCD staff is currently developing a record retention / document management policy. Completion planned by end of 2021 and staff implementation by early to mid 2022.</li> <li>UYWCD staff in process of reviewing current District policies and implementing new policies to ensure compliance. Completion planned by end of 2021/first quarter of 2022.</li> </ul>	Completed/Planning/Implementing
10.5	<p><b>Encourage opportunities for professional development</b></p>	<ul style="list-style-type: none"> <li>Staff training and professional development is a high priority for the UYWCD. Multiple UYWCD staff members have completed new training programs in 2020. The UYWCD General Manager will continue to work with staff to identify training opportunities for all staff in the remainder of 2020.</li> </ul>	<p><b>Identify training programs for individual staff members during annual employee reviews.</b></p>	<ul style="list-style-type: none"> <li>UYWCD staff have attended multiple training programs in 2021. Practice will continue for remainder of 2021.</li> </ul>	Implementing
10.6	<p><b>Ensure District continues to be represented by competent legal staff</b></p>	<ul style="list-style-type: none"> <li>Bob Weiss and Scott Grosscup are doing an excellent job of representing the UYWCD for the organization's legal needs.</li> </ul>	<p><b>Conduct formal annual review of UYWCD General Counsel by UYWCD BOD.</b></p>	<ul style="list-style-type: none"> <li>Legal</li> <li>UYWCD BOD review of General Counsel complete.</li> </ul>	Complete
10.7	<p><b>Demonstrate commitment to and capacity for public service and engagement with constituents</b></p>	<ul style="list-style-type: none"> <li>UYWCD staff has conducted outreach efforts including emails, phone calls, and in-person meetings with individuals involved in contract negotiations to increase transparency and address questions or concerns as they arise.</li> <li>UYWCD staff has identified and met with key constituents involved in water-related work around the basin to identify collaboration opportunities.</li> <li>UYWCD staff represents UYWCD at water-related events including the Yampa State of the River, Yampa Rendezvous, Yampa River Fest, and Community Agriculture Alliance Ag Week.</li> </ul>	<ul style="list-style-type: none"> <li>Implement 'low-hanging fruit' from 360 Assessment in 2019</li> <li>Refine job description and work plan, e.g., for new Marketing/Outreach position</li> </ul>		Complete/Active
10.8	<p><b>Create an Upper Yampa Basin records and archive repository</b></p>	<ul style="list-style-type: none"> <li>Records archive to be included in 2021 work plan with associated inclusion in 2021 budget.</li> <li>Staff responded to Open Records Requests of archived documentation, ranging from 1966 to present date.</li> </ul>	<p><b>Coordinate with local facility/entity to explore possibilities of cataloguing and preserving historic water resources records. CSU facility as model program.</b></p>	<ul style="list-style-type: none"> <li>Initial contact made with potential archive sites, further activities TBD.</li> </ul>	Planning
10.9	<p><b>Promote Retention of UYWCD staff</b></p>		<p><b>Offer financial support to UYWCD employees for the specific purpose of primary dwelling purchase in the form of housing stipend and/or low (or no-interest) loan.</b></p>	<ul style="list-style-type: none"> <li>Possible 2022 work effort.</li> </ul>	Identified







## BOARD COMMUNICATION FORM

**From:** Andy Rossi, General Manager

**Date:** 09/03/2021

**Item:** Preliminary 2022 Upper Yampa Water Conservancy District Budget

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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### **I. Issue and Background Information:**

The Upper Yampa Water Conservancy District (UYWCD) considers the upcoming year's budget in a multi-step process. The initial step in this process is to present, for review and discussion, a Preliminary UYWCD Budget at the September UYWCD Board of Directors' (BOD) Meeting. The presentation of the Preliminary UYWCD Budget in September is necessary to allow for UYWCD staff and BOD budget discussions before the Colorado Department of Local Affairs (DOLA) required deadline for Budget Officers to submit a proposed budget to the Governing Body (C.R.S. 29-1-105) and for the Governing Body to publish a "Notice of Budget" upon receiving proposed budget. (C.R.S. 29-1-106(1)) by October 15<sup>th</sup> each year. Following this October 15<sup>th</sup> deadline, the UYWCD traditionally adopts a final budget at the November UYWCD BOD meeting ahead of the DOLA deadline of December 15<sup>th</sup> for certification of a mill levy to county commissioners (C.R.S. 39-5-128(1)). Local governments levying property tax must adopt their budgets before certifying the levy to the county. On or before January 30<sup>th</sup> of each year, the UYWCD BOD shall cause a certified copy of the UYWCD Budget to be filed with DOLA (UYWCD Bylaws, C.R.S. 29-1-113(1)).

The Preliminary 2022 UYWCD Budget included as an attachment with this communication is a first DRAFT of a budget document to be modified by UYWCD BOD and staff recommendations before the Final 2022 UYWCD Budget is considered for adoption at the



November 17, 2021 UYWCD BOD meeting. Notable items included in the Preliminary 2022

UYWCD Budget are as follows:

- Increases in Stagecoach Reservoir Water Sales Revenues
- Continued tracking of Reserve Funds associated with UYWCD Facilities
- Adjustments to Interest Earned Revenues
- Preliminary estimates for Operating Expenses
- Preliminary estimates for proposed Capital Expenditures
- Increased expenditures for Engineering and Technical Analyses
- UYWCD staff health insurance benefits final costs updates.

Items to be modified pending further discussion and analysis before the Final 2022 UYWCD

Budget is presented on November 17, 2021 include, but are not limited to:

- Proposed UYWCD staff annual compensation will be finalized following staff performance reviews scheduled for October 2021
- Facilities operating expense cost modifications pending UYWCD facilities staff review of 2022 UYWCD facilities budget
- UYWCD Office Space Rent Adjustments
- Tax Revenue Estimates/Certification of Values
- Release of Stagecoach Dam Raise Wetlands Mitigation Encumbered Funds
- Additional recommended tasks.

Additional modifications to the 2022 UYWCD Budget in response to UYWCD BOD and staff recommendations are anticipated pending discussions planned for the October 20, 2021 UYWCD BOD meeting and retreat, updates and/or revisions to the UYWCD Strategic Plan, and any changes to UYWCD revenue sources.



**II. Summary:**

A Draft 2022 Budget is hereby submitted to the UYWCD BOD as required by DOLA.

**III. Staff Recommendation:**

Continue 2022 UYWCD Budget discussions and refinement at the October 20, 2021 UYWCD BOD meeting and retreat. UYWCD BOD and staff recommendations regarding the 2022 UYWCD Budget will be incorporated into a Final 2022 UYWCD Budget to be presented for adoption at the November 17, 2021 UYWCD BOD meeting.

**IV. Legal Issues:**

Compliance with budget submittal and noticing requirements.

**V. Consistency with Board Goals and Policies:**

UYWCD Strategic Plan Objective 3.1

**Attachments:**

Attachment 1: Preliminary 2022 Upper Yampa Conservancy District Budget

**DRAFT**

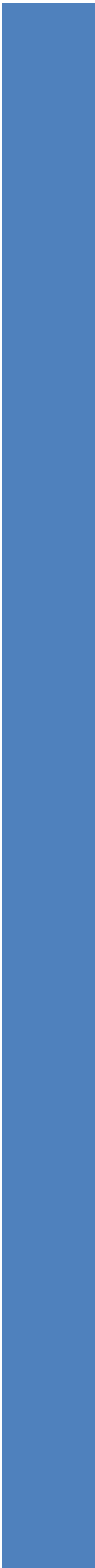
UPPER YAMPA WATER CONSERVANCY DISTRICT - 2022 BUDGET DRAFT, AS OF SEPTEMBER 15 2021

	2020 ACTUALS	2021 BUDGET	2022 BUDGET DRAFT	STAGECOACH	YAMCOLO	STILLWATER DITCH	GENERAL FUND	OPERATING	CAPITAL
<b>Fund Opening Balance including Encumbered Funds</b>	16,012,911	17,536,141	18,198,924						
<b>Encumbered Funds</b>	6,212,424	5,870,780	5,875,813	5,249,436	482,355	67,626	76,396		
Emergency Facilities Reserve	4,485,814	4,606,931	4,606,931	4,293,068	283,801	30,062			
Capital Maintenance Reserve	752,436	772,752	772,752	536,634	198,554	37,564			
Stagecoach Wetlands Mitigation Reserve	419,734	419,734	419,734	419,734					
Routt County Road #14 Contribution	500,000								
Tabor Reserve	54,440	71,363	76,396				76,396		
Capital Projects Development Fund	9,800,487	11,665,361	12,323,111				12,323,111		
<b>Revenues</b>									
<b>Facilities</b>									
Stagecoach Reservoir									
Power Sales	162,432	195,000	193,000	193,000				193,000	
Water Sales	162,197	118,288	181,012	181,012				181,012	
Yamcolo Reservoir									
Water Sales	167,913	167,937	167,937		167,937			167,937	
Stillwater Ditch & Reservoir Company	11,556	8,408	8,629			8,629		8,629	
Property taxes	2,644,690	2,520,875	2,720,454				2,720,454	1,702,145	1,018,309
Interest earned	124,735	31,045	11,300				11,300	11,300	
Other income	20,835								
Pass through income	72,761								
<b>revenues</b>	<b>3,367,118</b>	<b>3,041,552</b>	<b>3,282,332</b>	<b>374,012</b>	<b>167,937</b>	<b>8,629</b>	<b>2,731,754</b>	<b>2,264,022</b>	<b>1,018,309</b>
<b>Expenditures</b>									
<b>Operating</b>									
<b>Facilities</b>									
Stagecoach Reservoir	409,709	485,415	551,396	551,396				551,396	
Yamcolo Reservoir	116,440	150,543	143,970		143,970			143,970	
Stillwater Ditch & Reservoir Company	40,707	34,905	40,210			40,210		40,210	
Administration	262,197	329,216	328,940	124,997	36,183	9,868	157,891	328,940	
Board of Directors	125,671	114,232	112,371	42,701	12,361	3,371	53,938	112,371	
External Affairs	106,310	117,278	118,921	45,190	13,081	3,568	57,082	118,921	
Finance	103,206	154,304	151,989	57,756	16,719	4,560	72,955	151,989	
Legal	157,532	156,623	156,544	59,487	17,220	4,696	75,141	156,544	
Planning	53,869	95,053	282,474	107,340	31,072	8,474	135,588	282,474	
Grants, Scholarships & Public Information	133,030	288,346	295,594	112,326	32,515	8,868	141,885	295,594	
Treasurer fees	80,543	77,854	81,614				81,614	81,614	
Pass through expenses	84,681								
<b>Subtotal Operating</b>	<b>1,673,894</b>	<b>2,003,770</b>	<b>2,264,022</b>	<b>1,101,192</b>	<b>303,122</b>	<b>83,615</b>	<b>776,093</b>	<b>2,264,022</b>	
<b>Capital</b>									
Stagecoach Reservoir	59,361	177,500	87,500	87,500					87,500
Yamcolo Reservoir	38,276	70,000	92,500		92,500				92,500
Stillwater Ditch & Reservoir Company	72,357	125,000	102,500			102,500			102,500
Office Space		2,500							
<b>Subtotal Capital</b>	<b>169,994</b>	<b>375,000</b>	<b>282,500</b>	<b>87,500</b>	<b>92,500</b>	<b>102,500</b>			<b>282,500</b>
<b>expenditures</b>	<b>1,843,888</b>	<b>2,378,770</b>	<b>2,546,522</b>	<b>1,188,692</b>	<b>395,622</b>	<b>186,115</b>	<b>776,093</b>	<b>2,264,022</b>	<b>282,500</b>
<b>net income (loss)</b>	<b>1,523,230</b>	<b>662,782</b>	<b>735,809</b>	<b>(814,680)</b>	<b>(227,685)</b>	<b>(177,486)</b>	<b>1,955,661</b>		<b>735,809</b>
<b>Ending Fund Balance</b>	<b>17,536,141</b>	<b>18,198,924</b>	<b>18,934,733</b>						

Ken Brenner, President

Andy Rossi, Secretary

1,494,754,750		
1,820	1,139	0,681
2,720,454	1,702,145	1,018,309
	63%	37%



## AGENDA

**UPPER YAMPA WATER CONSERVANCY DISTRICT ANNUAL RETREAT AND  
SPECIAL BOARD OF DIRECTORS MEETING  
WEDNESDAY, OCTOBER 20, 2021 (9:00 AM)  
CATAMOUNT RANCH AND CLUB  
ONLINE MEETING: XXXXX**

AS RECOMMENDED BY THE STATE PUBLIC HEALTH ORDER AND THE CDC, THE UPPER YAMPA WATER CONSERVANCY DISTRICT REQUESTS THAT UNVACCINATED PEOPLE ATTENDING THE BOARD OF DIRECTORS MEETING AT THE MOUNTAIN VALLEY BANK COMMUNITY ROOM WEAR A MASK.

**MATERIALS FOR BOARD PACKET DUE: OCTOBER 11<sup>TH</sup> BY 5:00 PM**

**INSTRUCTIONS ON HOW TO JOIN A ZOOM MEETING FOLLOW THE AGENDA**

A Board of Directors meeting packet is available for public review on our website at <http://www.upperyampawater.com/board-of-directors/agendas/> by the Friday before the meeting. Amendments to the Agenda and new documents that are generated or submitted after the original posting of the meeting materials will be posted under "Additional Documents" on the website for the relevant meeting.

**QUESTIONS ON AGENDA AND/OR BOARD MATERIALS:** Members of the public or Board of Directors with questions on the agenda or meeting materials, including the consent agenda, are welcome to contact the General Manager at the District offices prior to the meeting. You may reach the General Manager at: [arossi@upperyampawater.com](mailto:arossi@upperyampawater.com) or (970) 871-1035 Ext. 2.

**MEETING PROCEDURE:** Comments from the Public are welcome at two different times during the course of the meeting: 1) Comments no longer than three (3) minutes on items **not** scheduled on the Agenda will be heard under Public Input and Comment; and 2) Comments no longer than three (3) minutes on all scheduled public hearing items will be heard following the presentation. Please wait until you are recognized by the President. With the exception of subjects brought up during Public Input and Comment, on which no action will be taken or a decision made, the Board may take action on, and may make a decision regarding, ANY item referred to in this agenda, including, without limitation, any item referenced for "review", "update", "report", or "discussion" whether or not listed as an "Action Item."

- (1) **9:00 PM** Establishment of Quorum and Call to Order
- (2) **9:00 PM** Approval of Agenda for Meeting **Action item**
- (3) **9:05 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) **9:10 PM** Consent Agenda **Action item**
  - a. Approval of the Minutes XXXXXXX
- (5) **9:30 PM** Current Status of Yampa Basin Water Resources
  - a. BIP Technical Update

- b. USGS WQ Study Results
- c. Additional Studies: Reservoir Release Study, Yampa River Hydrology Review and Needs Assessment, Coal Creek Flow Analysis

## **12:00 Lunch Break**

- (6) **1:00 PM** UYWCD SP and 2022 Budget Discussion
  - a. UYWCD Sub-District Community Meetings
  - b. UYWCD 2022 SP
  - c. UYWCD 2022 Budget
- (7) **3:00 PM** New Business (Limited to emergency matters that came up **Action item**  
During the course of the meeting)
- (8) **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.
- (9) **3:15 PM** Board Actions in Regard to Executive Session
- (10) **3:30 PM** Adjournment.





# BOARD COMMUNICATION FORM

(Not Privileged Communication)  
September 15, 2021 Board Meeting

**From:** Robert Weiss, legal counsel

**Date:** September 8, 2021

**Item:** Sickles West Acquisition

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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- I. Request/Issue and Background Information:** The Sickles West Property and Water Rights are under contract. The transaction is scheduled to close October 27, 2021. The Title Company has asked for a Board resolution authorizing the transaction.
- II. Summary and Alternatives:** The Board has previously approved this acquisition by motion. This Resolution is for the purpose of confirming the Board approval and meeting the requirements of the Title Company.
- III. Staff Recommendation:** Approve Resolution
- IV. Legal Issues:** See above
- V. Consistency with Board Goals and Policies:** See above.
- VI. Fiscal Impact:** Acquisition of Sickles Land and Water Rights previously approved for purchase price of \$80,000.

**Attachments:**

Resolution.

UPPER YAMPA WATER CONSERVANCY DISTRICT  
RESOLUTION NO. 2021-4

BOARD RESOLUTION  
APPROVING ACQUISITION OF LAND AND WATER RIGHTS  
(SICKLES WEST PROPERTY)

**WHEREAS**, the Board of Directors (“Board”) of the Upper Yampa Water Conservancy District (“District”) previously authorized the acquisition by the District of approximately 40 acres of vacant land located adjacent to the Stagecoach Reservoir known as the Sickles West property (the “Land”) and certain water rights known as Sickles Spring No. 1 and Sickles Spring No. 2 (“Water Rights”) for a purchase price of \$80,000; and

**WHEREAS**, the District has entered in to an agreement, as amended, to purchase the Land and Water Rights (“Agreement”), and;

**WHEREAS**, the Board desires to authorize the General Manager to execute, for and on behalf of this District and in its name, any and all documents required in connection with the purchase of the Land and Water Rights, and to take such other actions as the General manager deems necessary to close and consummate such acquisition.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the Upper Yampa Water Conservancy District, State of Colorado, that the General Manager of the District is hereby authorized, directed and empowered to execute, for and on behalf of this District and in its name, any and all documents required in connection with the purchase of the Land and Water Rights.

**RESOLVED FURTHER** that the General Manager, acting alone, is hereby authorized to do and perform such other acts, including amendments to the Agreement, as he shall deem necessary or advisable, to carry out the purposes and intent of this Resolution

**RESOLVED FURTHER** that any actions taken by General Manager prior to the date of this Resolution that are within the authority conferred herein are hereby ratified, confirmed and approved as the acts and deeds of this District.

**INTRODUCED AND APPROVED** this 15<sup>th</sup> day of September 2021.

UPPER YAMPA WATER  
CONSERVANCY DISTRICT

BY: \_\_\_\_\_  
Ken Brenner, President

ATTEST:

DISTRICT SEAL:

\_\_\_\_\_  
Andy Rossi, Secretary and General Manager

## **CERTIFICATION OF GENERAL MANAGER**

The undersigned, being the General Manager of the Upper Yampa Water Conservancy District, hereby certifies that the attached Resolution Approving Acquisition of Land and Water Rights is a true and correct copy of the original in the records of the Upper Yampa Water Conservancy District.

Effective the 15<sup>th</sup> day of September, 2021.

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Andy Rossi, General Manager





## BOARD COMMUNICATION FORM

**From:** Emily Lowell, District Engineer

**Date:** 09/01/2021

**Item:** Reservoir Water Status

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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**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 2021 water year to date.

**II. Summary and Alternatives:**

N/A

**III. Staff Recommendation:**

N/A

**IV. Legal Issues:**

N/A

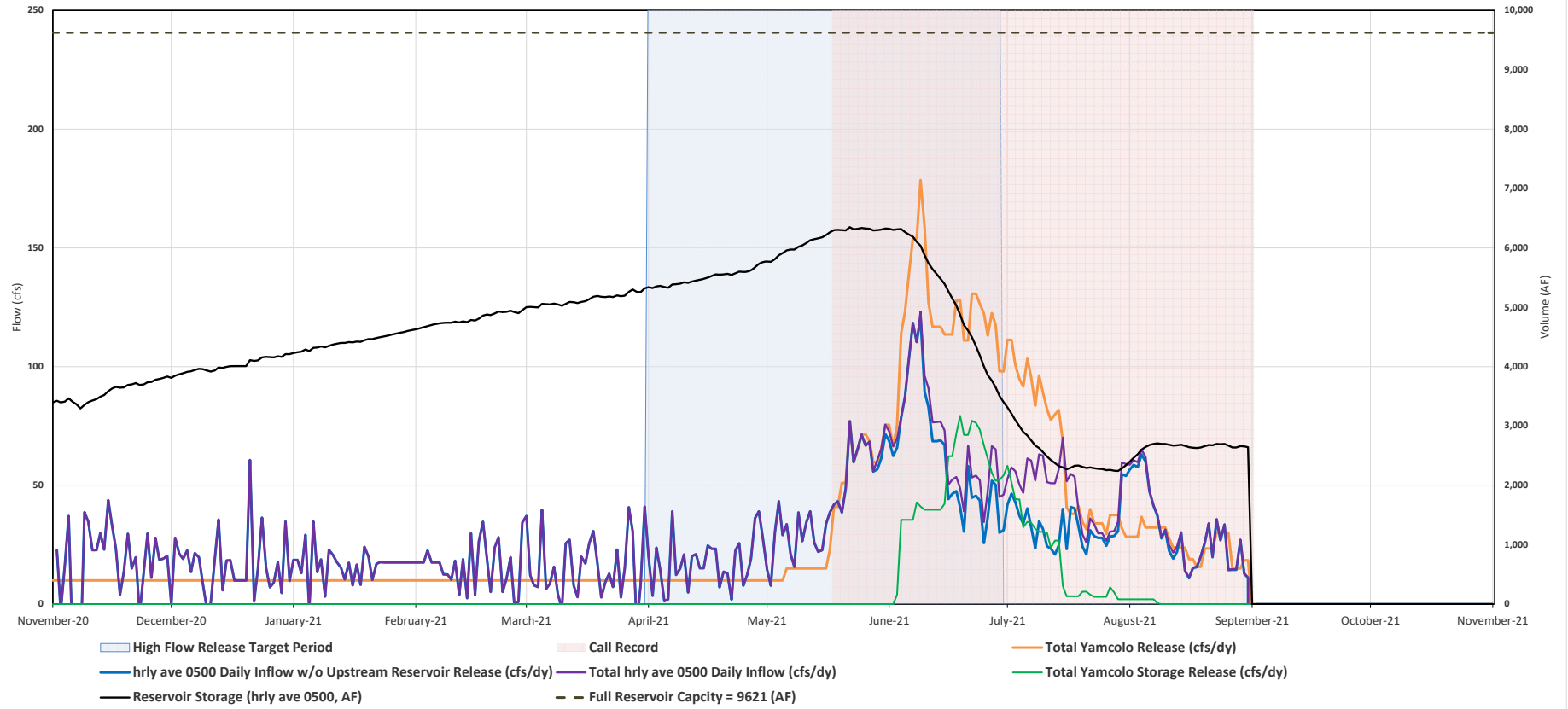
**V. Consistency with Board Goals and Policies:**

Policy Statement: 2

**Attachments:**

1. Yamcolo Water Storage Data (WY 2021)
2. Stagecoach Water Storage Data (WY 2021)

Yamcolo Reservoir: WY 2021 (Provisional Data)



# Stagecoach Reservoir Operations

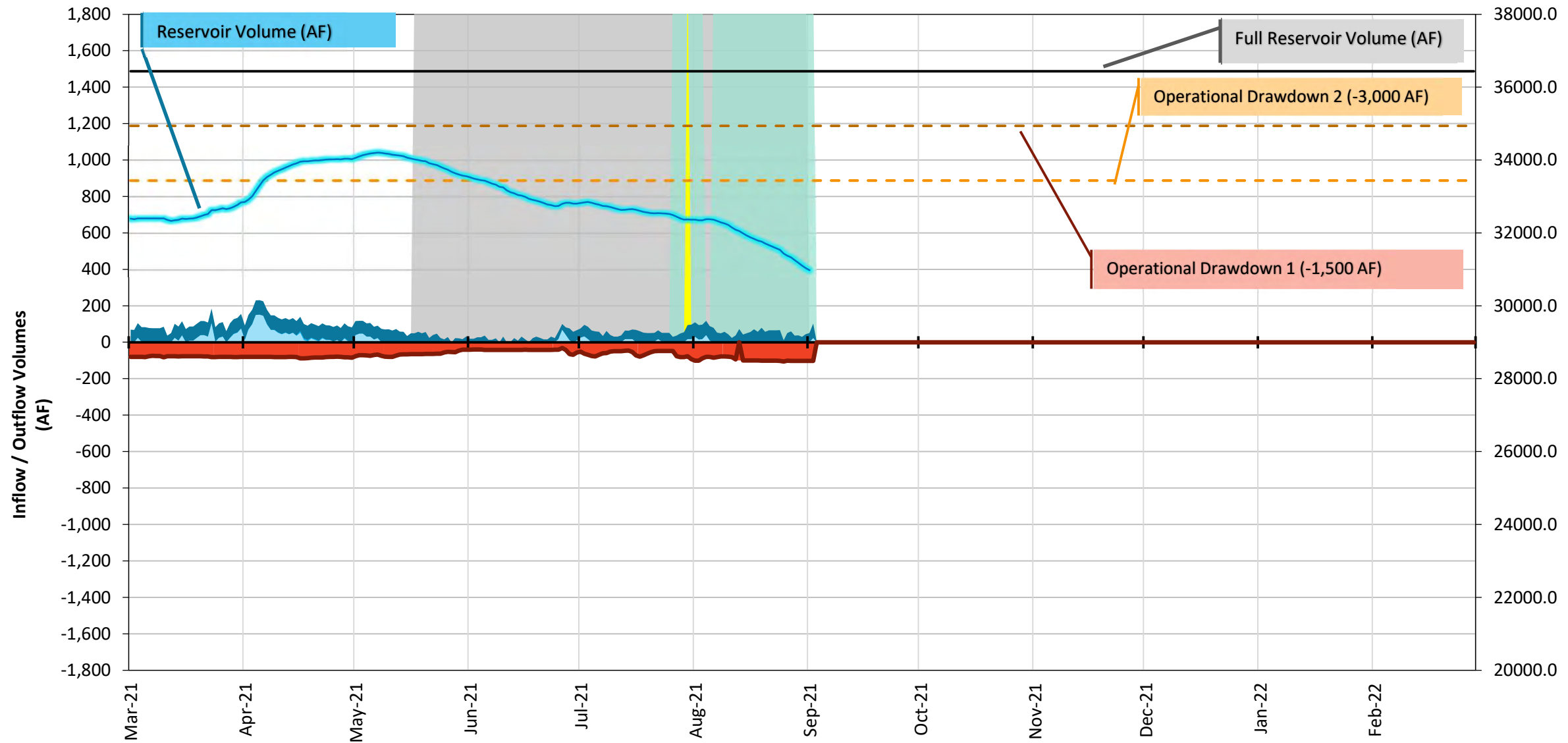
## Total Monthly Volume (AF)

Accounting Year 2021

<b>INFLOW</b>	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Total
Physical	2,939	3,778	1,770	887	1,778	1,868	152						13,170
Storable	631	1,399	230	145	189	109	23						2,726
Stored	612	1,326	230	145	189	109	23						2,633

<b>OUTFLOW</b>	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Total
Operator	-2,445	-2,460	-2,016	-1,304	-1,914	-2,955	-204						-13,299
Spill	0	0	0	0	0	0	0						0
Gage	-2,445	-2,460	-2,016	-1,304	-1,914	-2,854	-204						-13,198



- Administration on Yampa River (Yampa River below Stagecoach)
- Administration on Bear River (Yampa River above Stagecoach)
- Contract Water Released from Stagecoach Reservoir
- Reservoir Full Volume
- Reservoir Storage Content
- Operational Drawdown No. 1 = 1,500 AF
- Operational Drawdown No. 2 = 3,000 AF







## BOARD COMMUNICATION FORM

**From:** Emily Lowell, District Engineer

**Date:** 09/08/21

**Item:** Yampa and Elk River Augmentation Plans Service Contracts Update

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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### I. Request/Issue and Background Information:

The UYWCD is authorized to appropriate water rights and initiate and implement plans for augmentation for the benefit of water users within the UYWCD's boundaries. Water is available to provide contracts to UYWCD constituents to augment their out-of-priority depletions pursuant to the Augmentation Decrees of the District Court for Water Division No. 6, Case No. 06CW049 (Yampa River Supply) and 15CW3058 (Elk River Supply). The UYWCD's Board of Directors (BOD) has approved the marketing of such water and other UYWCD water supplies as may be used to complement the use of UYWCD Reservoirs' water supplies through a contracting program.

Information about the authorities approved by the UYWCD BOD, definitions of terms used for the UYWCD Augmentation Plans, and summary contract data are included with this communication for reference.

### II. Summary:

1. Authorities: The authorities approved by the UYWCD BOD under the Water Marketing Policies for the District's Augmentation Service Plans for the Yampa and Elk Rivers are as follows:

- a. The General Manager is delegated the authority of the Board to implement and administer this Policy and the issuance of the augmentation contracts made pursuant to this Policy for Small Applications and Small Commercial Applications as defined in this Policy, and authority for assignments of all contracts issued for both Small and Large Applications. The General Counsel shall assist in the negotiation and drafting of the contracts.
- b. The Board retains authority to approve Large Applications and Large Commercial Applications along with all other powers not specifically delegated.



## 2. UYWCD Augmentation Plan Definitions:

- a. “Large Applications”: A contract application to the UYWCD to augment uses, other than commercial or industrial uses, with a planned average daily diversion rate in excess of 112 gallons per minute (0.25 c.f.s.) or that identifies planned total annual diversions exceeding thirty (30) acre feet per year.
- b. “Large Commercial Applications”: A contract application to the UYWCD to augment commercial or industrial uses that either exceeds a planned average daily diversion rate of 15 gallons per minute or for which the following commercial (Equivalent Residential Unit) EQR ratings do not apply, or both:
  - Office = 0.6 EQR/1,000 square feet.
  - Warehouse – 0.30 EQR/1,000 square feet.
  - Retail Sales = 0.60 EQR/1,000 square feet.
- c. “Small Applications”: A contract application to the District to augment commercial or industrial uses with planned diversions not to exceed an average daily diversion rate of 15 gallons per minute and for which the diversion and depletion criteria detailed in paragraphs 9.A through 9.E of the Augmentation Decree apply, or to augment any other uses with planned diversions not to exceed 112 gallons per minute (0.25 c.f.s.) or that identifies planned total annual diversions not exceeding thirty (30) acre feet per year and for which the diversion and depletion criteria detailed in paragraphs 9.A through 9.E of the Augmentation Decree apply.
- d. “Small Commercial Applications”: A contract application to the UYWCD to augment commercial or industrial uses that does not exceed a planned average daily diversion rate of 15 gallons per minute and for which the following commercial EQR ratings apply:
  - Office = 0.6 EQR/1,000 square feet.
  - Warehouse – 0.30 EQR/1,000 square feet.
  - Retail Sales = 0.60 EQR/1,000 square feet.
- e. Uses:
  - i. “Commercial Use”: Water for motels, hotels, restaurants, office buildings, shops stores and other commercial facilities, military and nonmilitary institutions, and water for off-stream fish hatcheries.



- ii. “Domestic Use”: The use of water by individuals, cities, towns, public or quasi-public districts, private corporations, homeowners’ associations, or other entities used for all such indoor household purposes as drinking, food preparation, bathing, washing clothes and dishes, flushing toilets, and such outdoor purposes as watering lawns and gardens, excepting only the commercial, industrial and irrigation uses of water defined.
- iii. “Industrial Use”: Water used for fabrication, processing, washing, and cooling, and includes such industries as chemical and allied products, food, mining, paper and allied products, petroleum refining, and steel, including cooling system, cooling-system type, mining water use, public-supply deliveries, public-supply water use, self-supplied water use, and thermoelectric-power water use.
- iv. “Irrigation Use”: Water that is applied by an irrigation system to assist in the growing of crops and pastures or to maintain vegetative growth in recreational lands such as parks and golf courses including water that is applied for pre-irrigation, frost protection, chemical application, weed control, field preparation, crop cooling, harvesting, dust suppression, the leaching of salts from the root zone, and water lost in conveyance.
- v. “Livestock Use”: Water used to water domesticated livestock such as cattle or horses, such use shall require 11 gallons of water per day per head and is considered 100% consumptive.
- vi. “Recreation Use”: The use of water to replace the evaporative loss from ponds, reservoirs, stream channels, spas, pools, and similar water feature.

**III. Staff Recommendation:**

NA

**IV. Legal Issues:**

NA

**V. Consistency with Board Goals and Policies:**

UYWCD SP Goal 4.2

**Attachments:**

Attachment 1: Yampa and Elk River Augmentation Plans Service Contracts Data

**UYWCD Augmentation Plans Contract Summary**

**Yampa River Augmentation Plan**

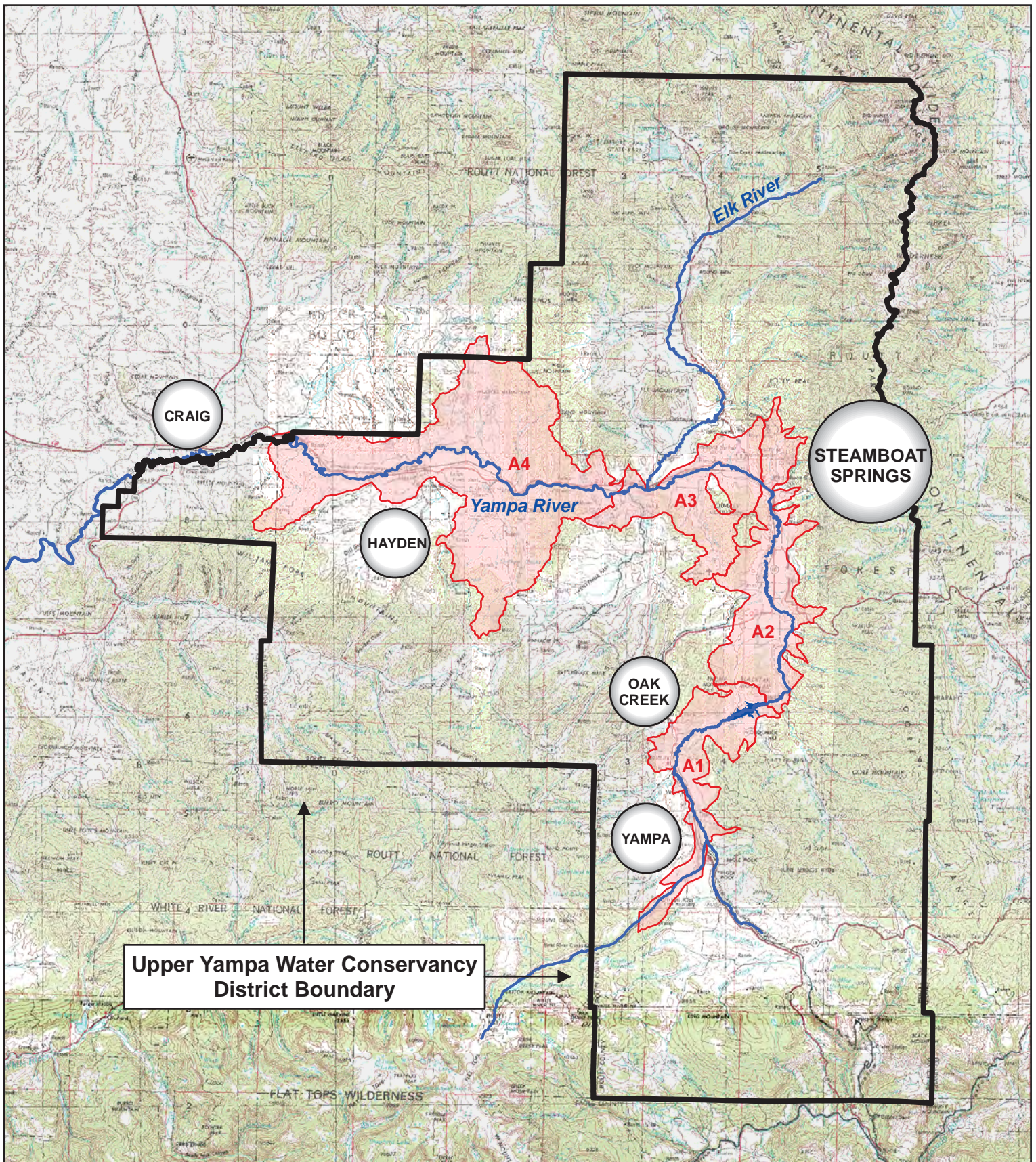
Contract ID	Contractor	Reservoir Source	Yampa River Service Area	Contract Volume (AF)	Application Type	Augmented Use	Contract Start Year	Contract End Year
A2-001	Dudley, Gayle	Stagecoach	A-2	2.16	Small	Recreation	2011	2051
A2-002	Walton Creek, LLC	Stagecoach	A-2	1.20	Small	Domestic, Irrigation, Recreation	2012	2052
A2-003	Amethyst Ranch, LLC No. 1	Stagecoach	A-2	0.40	Small Commercial	Commercial	2012	2052
A2-004	Rostermund, Elizabeth	Stagecoach	A-2	0.40	Small	Irrigation	2015	2055
A2-005	Amethyst Ranch, LLC No. 2	Stagecoach	A-2	0.80	Small Commercial	Commercial, Domestic, Irrigation	2014	2054
A2-006	Yampa Realty Holdings	Stagecoach	A-2	17.30	Small	Domestic, Irrigation, Recreation	2017	2057
A2-008	Stars	Stagecoach	A-2	1.20	Small Commercial	Irrigation, Livestock, Commercial, Recreation	2018	2058
A2-011	Broadnax	Stagecoach	A-2	3.00	Small	Domestic, Recreation	2021	2061
A2-012	Hubbell	Stagecoach	A-2	0.10	Small	Domestic, Irrigation	2021	2061
A2-013	Douglas Snyder Trust	Stagecoach	A-2	3.60	Small	Recreation, Livestock	2021	2061
A2-014	City of Steamboat Springs (Lufkin Well)	Stagecoach	A-2	0.20	Small Commercial	Commercial	2021	2061
A2-015	Head	Stagecoach	A-2	2.20	Small	Domestic, irrigation, Recreation	2021	2061
A2-016	Ferruginous LLC	Stagecoach	A-2	1.60	Small Commercial	Commercial, Domestic, Irrigation, Livestock	2021	2061
A2-017	CG 17 LLC	Stagecoach	A-2	0.20	Small	Domestic, Irrigation, Livestock	2021	2061
A3-001	Stone Yard LLC	Stagecoach	A-3	2.60	Small	Irrigation, Recreation	2015	2055
A3-007	Buku Land	Stagecoach	A-3	1.70	Small Commercial	Commercial, Irrigation, Livestock, Fire Suppression	2016	2056
A3-009	KTH Enterprises	Stagecoach	A-3	3.03	Small	Domestic	2020	2060
A3-010	Whitehaven	Stagecoach	A-3	0.50	Small	Domestic	2021	2061
A3-011	Asta, Amy & John	Stagecoach	A-3	0.50	Small	Domestic, Irrigation	2021	2061
A4-001	Flanders Ranch, LLC	Stagecoach	A-4	2.00	Small	Domestic, Irrigation, Livestock	2021	2061

Total Volume Stagecoach = 44.69 AF  
 Total Volume Yamcolo = 0 AF

**Elk River Augmentation Plan**


Contract ID	Contractor	Reservoir Source	Elk River Service Area	Contract Volume (AF)	Application Type	Augmented Use	Contract Start Year	Contract End Year

Total Volume STMBT Lake = 0 AF



Source: USGS 250k Map

**District Boundary**  
 Upper Yampa Water Conservancy District

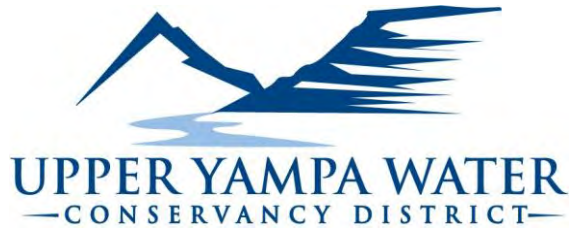
 District Service Area A  
 Case No. 06CW49



**Stagecoach Reservoir - 1 Year Water Storage Contracts**

<b>Contractor</b>	<b>Contract Volume (AF)</b>	<b>Application Type</b>	<b>Pool</b>	<b>Contract Term Start</b>	<b>Contract Term End</b>
Donham & Burgess	20	Agricultual	General Supply	8/4/2021	2/28/2022
Steamboat Golf Club, Inc.	20	Irrigation	General Supply	7/26/2021	2/28/2022
JBCG32 Revocable Living Trust (Jon Gibbs)	1	Agricultual	General Supply	9/5/2021	2/28/2022
Colorado Water Trust	1500	Environmental/Recreation	General Supply	7/7/2021	2/28/2022
<b>TOTAL</b>	<b>1541</b>				





## BOARD COMMUNICATION FORM

**From:** Holly Kirkpatrick

**Date:** 9/3/2021

**Item:** UYWCD Grant Disbursements

---

DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

---

**I. Request/Issue and Background Information:**

The attached Diversion Infrastructure Improvement Project Grant Report and Community Grant Funding Report will be included in each board packet to provide a full background of all grant disbursements. The Diversion Infrastructure Improvement Project Report tracks all disbursements throughout the life of the project. The Community Grant Funding Report tracks disbursements on an annual basis.

**II. Summary and Alternatives:**

To date, there is \$150,302.45 remaining of the allocated \$200,000 for the Diversion Infrastructure Improvement Project.

The Community Grant Funding Program has \$24,171.79 remaining for 2021.

Please see the attached reports for disbursement details.

**III. Staff Recommendation:** n/a

**IV. Legal Issues:** n/a

**V. Consistency with Board Goals and Policies:**

Goal 4, 7, and 8.

**Attachments:**

Attachment 1: Diversion Infrastructure Improvement Project Grant Report  
Attachment 2: Community Grant Funding Report

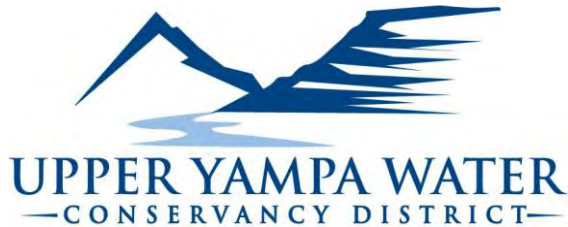


**Diversion Infrastructure Improvement Project Grant Funding**

Structure Name	Applicant	Disbursement Date	UYWCD Funding	WSRF Funding	Total Project Cost
Boor #3	John Redmond	9/15/2020	\$ 968.86	\$ -	\$ 1,937.72
Boor #4	John Redmond	9/15/2020	\$ 968.86	\$ -	\$ 1,937.72
Beaver Creek Parshall Flume	John Redmond	9/15/2020	\$ 446.86	\$ -	\$ 893.72
Creek Ranch Headquarters Pond	Creek Ranch Owners Association	11/4/2020	\$ 459.20	\$ 459.19	\$ 1,836.77
Dry Creek Ditch	Kathleen Barnes	11/4/2020	\$ 2,288.49	\$ 2,288.49	\$ 9,153.97
Kemmer Ditch	Riverbank Ranches LLC	11/4/2020	\$ 1,233.00	\$ 1,233.00	\$ 4,932.00
Lucas Ditch #1	Rick Milway	11/23/2020	\$ 724.40	\$ -	\$ 1,448.80
Lucas Ditch #2	Rick Milway	11/23/2020	\$ 550.75	\$ -	\$ 1,101.50
Welch & Monson Ditch	Catamount Metropolitan District	3/8/2021	\$ 803.01	\$ 803.00	\$ 3,212.03
Martin Springs Diversion	Deborah Martin	3/8/2021	\$ 1,086.77	\$ 1,086.77	\$ 4,347.07
Duquette Ditch	Duckels Construction, Inc	3/8/2021	\$ 2,131.26	\$ 2,131.25	\$ 8,525.02
Brinker Creek Ditch	Finger Rock Preserve, LLC	3/8/2021	\$ 1,079.75	\$ 1,079.75	\$ 2,504.50
Hamill Ditch	Jake Hamill	3/8/2021	\$ 932.70	\$ -	\$ 1,865.40
Utley Ditch	Jake Hamill	3/8/2021	\$ 584.75	\$ 584.75	\$ 2,339.00
Grouse Creek Ditch	Joe Roberts	3/8/2021	\$ 1,431.61	\$ 1,431.61	\$ 5,726.43
Morrison Creek Ditch #2	Margaret E. Hagenbuch Trust	3/8/2021	\$ 1,128.61	\$ 1,128.61	\$ 4,514.44
Larsen Ditch	Mark Foster	3/8/2021	\$ 1,442.78	\$ 1,442.78	\$ 5,771.12
Sage Creek Diversion	The Nature Conservancy	3/8/2021	\$ 1,498.44	\$ 1,498.44	\$ 5,993.75
Baxter Ditch	Baxter Ditch Association	6/29/2021	\$ 2,500.00	\$ 2,500.00	\$ 11,527.67
Dequine Ditch	Lou Dequine	9/8/2021	\$ 895.32	\$ 895.32	\$ 3,581.28
Dequine Ditch Alternate Point #1	Lou Dequine	9/8/2021	\$ 416.44	\$ 416.43	\$ 1,665.73
Yampa Pump#2	Julie Green	9/8/2021	\$ 246.96	\$ 246.96	\$ 987.83
Middle Creek Ditch	Middle Creek Ranch, LLLP	9/8/2021	\$ 1,652.38	\$ -	\$ 3,304.76
Steamboat Lake Golf Course Pond/Feeder Ditch	The Preserves at Pearl Lake Homeowners Association	9/8/2021	\$ 2,500.00	\$ 2,500.00	\$ 18,338.08
<b>Total Work Completed:</b>					<b>\$ 107,446.31</b>
<b>TOTAL DISBURSED:</b>			<b>\$ 27,971.20</b>	<b>\$ 21,726.35</b>	<b>\$ 49,697.55</b>
<b>DIIP FUNDS REMAINING:</b>			<b>\$ 72,028.80</b>	<b>\$ 78,273.65</b>	<b>\$ 150,302.45</b>

## 2021 Community Grant Funding

Project	Applicant	Date Approved	Amount Approved
Yampatika Water Education Program	Yampatika	11/20/2019	\$5,000
Stagecoach Reservoir Mixing Zone Study	Morrison Creek Water & Sanitation District	1/20/2021	\$15,828.21
Yampa River/Walton Creek Confluence Restoration Project	Yampa Valley Sustainability Council	5/19/2021	\$5,000
<b>TOTAL APPROVED:</b>			\$25,828.21
<b>TOTAL REMAINING:</b>			\$24,171.79



## BOARD COMMUNICATION FORM

**From:** Holly Kirkpatrick

**Date:** 9/3/2021

**Item:** UYWCD Diversion Infrastructure Improvement Project Funding Caps

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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### **I. Request/Issue and Background Information:**

The Diversion Infrastructure Improvement Project (DIIP) was established in 2020 as a two-tier structured grant program offering funding for the installation of headgates and measuring devices. UYWCD contributed \$100,000 and secured an additional \$100,000 through the Yampa/White/Green Basin Roundtable Water Supply Reserve Funds (WSRF) grant program for the two-year pilot project.

Tier one applications may receive a 50% reimbursement up to \$5,000. The structure for tier two applications was set up to work in conjunction with grant funding opportunities from other organizations on projects that offer multi-use benefits and exceed a total project cost of \$10,000. Tier two projects were not initially outlined with a funding cap like the tier one limit of \$5,000. It was originally suggested that tier two projects be funded at 25% of the total project cost through the DIIP.

### **II. Summary and Alternatives:**

To date, there have been no tier two applications received. However, some identified projects are in or have completed the planning/design phase and will be moving forward with construction in the coming months or years.

Initially, funding through WSRF was scheduled to expire in May 2022, making projects completed after that date ineligible for DIIP funding. Recent conversations with the Colorado Water Conservation Board (CWCB), who administers WSRF funding, have revealed the possibility to extend the funding deadline for up to three more years. With a possible extension, there is opportunity for the DIIP to fund multiple projects that fall into the tier two category.

### **III. Staff Recommendation:**

In an effort to fund as many projects as possible, UYWCD staff recommends capping the

funding for tier two projects at a 25% reimbursement up to \$50,000. This structure is similar to the tier one restrictions and will allow funds to be distributed equitably across projects.

**IV. Legal Issues:** n/a

**V. Consistency with Board Goals and Policies:**

Goal 4, 7, and 8.

**Attachments:**



# BOARD COMMUNICATION FORM

**From:** Scott Grosscup, legal counsel

**Date:** September 7, 2021

**Item:** Water Resumes for July and August

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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I have reviewed the water resumes for Water Divisions 5 and 6 in the month of July. August resumes are not yet available. I did not see any applications filed in July that would impact the District's water rights and do not recommend that the District file any statements of opposition.

**PENDING WATER CASES**

**STATUS OF OTHER WATER CASES**

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# BOARD COMMUNICATION FORM

**From:** Scott Grosscup, legal counsel

**Date:** September 7, 2021

**Item:** Water Court Cases Update

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DIRECTION  
 INFORMATION  
 MOTION  
 RESOLUTION

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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. 20CW3015** – This is an application for finding of reasonable diligence and to make absolute the Lake Catamount Refill right in the amount of 4,000 acre feet. The District entered into a stipulation approving to the form of Ruling of Referee containing terms and conditions to protect the District’s water rights. The proposed Ruling is awaiting action by the Water Referee.

**Case No. 20CW3019** – This is the diligence application filed by Public Service Company of Colorado for 52.5 cfs decreed to the Wessels Canal. We received a letter from PSCo directing us to review documents pertaining to its water rights plan. We will review and report at the board meeting.

**Case No. 20CW3020.** This diligence application filed by Public Service Company of Colorado is for Hinman Park Reservoir and the Saddle Mountain Pump Station. The District entered into a stipulation that incorporates prior terms between the Applicant and District. The Applicant is negotiation with the remaining opposers.

**Yamcolo Reservoir Objection to Abandonment** – We filed the Statement of Objection to the listing of the Yamcolo Reservoir First and Second Enlargement water rights on the Decennial Abandonment List. Next step is for the Division Engineer’s Office to respond to the Statement of Objection.

**Water Horse Resources** – The District has provided intervenors in the action by Water Horse Resources against the Utah State Engineer with information that may be used in their briefs opposing Water Horse’s motion for summary judgment.



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**From:** Gilbert, Graham [mailto:ggilbert@swlaw.com]

**Sent:** Wednesday, September 8, 2021 8:29 PM

**To:** Scott Grosscup <sgrosscup@balcombgreen.com>; Bob Weiss <bweiss@wvsc.com>; 'arossi@upperyampawater.com' <arossi@upperyampawater.com>; Peter Fleming <pffleming@crwcd.org>; Jason Turner <jturner@crwcd.org>

**Subject:** Water Horse Resources: Case Update

Hi Everyone,

Here is a brief update regarding the Water Horse Resources case. I have attached the most recent docket. If you ever want to see the filings, please let me know.

- Water Horse has opposed Motions to Intervene filed by the Wayne County Water Conservancy District, Kane County Water Conservancy District, and Utah Division of Water Resources.
- Washington County Water Conservancy District and the State Engineer filed a (i) Motion to Stay Water Horse's Motion for Summary Judgment pending resolution of the various Motions to Intervene and (ii) Rule 56(D) Motion to Defer Consideration (for discovery) of Water Horse's Motion for Summary Judgment. The parties stipulated to extend Water Horse's time to reply to the Defendant's/Intervenor's motions until September 27, 2021.

Best,

Graham

EIGHTH DISTRICT COURT - MANILA  
DAGGETT COUNTY, STATE OF UTAH

WATER HORSE RESOURCES LLC vs. THERESA WILHELMSSEN

CASE NUMBER 210800001 Water Rights

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CURRENT ASSIGNED JUDGE

GREGORY LAMB

PARTIES

Plaintiff - WATER HORSE RESOURCES LLC

Represented by: MARK JAMES

Represented by: MITCHELL STEPHENS

Represented by: STEVEN J BUSHONG

Represented by: WAYNE F FORMAN

Represented by: GLENN E PORZAK

Represented by: GUNNAR J PAULSEN

Represented by: JORDAN PATE

Defendant - THERESA WILHELMSSEN

Represented by: NORMAN JOHNSON

Represented by: ZACK WINZELER

Intervenor - WASHINGTON COUNTY WATER CONS

Represented by: WENDY CROWTHER

Represented by: ZACK WINZELER

ACCOUNT SUMMARY

Total Revenue Amount Due:	375.00
Amount Paid:	375.00
Amount Credit:	0.00
Balance:	0.00

REVENUE DETAIL - TYPE: COMPLAINT - NO AMT S

Original Amount Due:	375.00
Amended Amount Due:	375.00
Amount Paid:	375.00
Amount Credit:	0.00
Balance:	0.00

CASE NOTE

PROCEEDINGS

01-26-2021 Filed: Complaint Petition for Judicial Review and Complaint  
01-26-2021 Filed: Exhibit A - Application and Exhibit B Order of State Engineer  
01-26-2021 Filed: Exhibit C - Water Horse Response to Request for more infor and Exhibit D - Request for Reconsideration  
01-26-2021 Case filed by efiler  
01-26-2021 Fee Account created Total Due: 375.00

01-26-2021 COMPLAINT - NO AMT S Payment Received: 375.00  
01-26-2021 Judge EDWIN T PETERSON assigned.  
01-26-2021 Filed: Return of Electronic Notification  
01-26-2021 Judge GREGORY LAMB assigned.  
02-23-2021 Filed: Substitution of Counsel  
02-23-2021 Filed: Return of Electronic Notification  
03-29-2021 Filed: Application and Certificates of Good Standing  
03-29-2021 Filed: Letter of Acknowledgment from Utah State Bar  
03-29-2021 Filed: Motion Pro Hac Vice Admission of Steven J. Bushong and  
Consent of Local Counsel  
Filed by: WATER HORSE RESOURCES LLC  
03-29-2021 Filed: Order (Proposed) Granting Pro Hac Vice Admission of  
Steven J. Bushong  
10-05-2020 Filed: Return of Electronic Notification  
03-29-2021 Filed: Application and Certificate of Good Standing  
03-29-2021 Filed: Letter of Acknowledgment  
03-29-2021 Filed: Motion Pro Hac Vice Admission of Wayne F. Forman and  
Consent of Local Counsel  
Filed by: WATER HORSE RESOURCES LLC  
03-29-2021 Filed: Order (Proposed) Granting Pro Hac Vice Admission of  
Wayne F. Forman  
03-29-2021 Filed: Return of Electronic Notification  
03-29-2021 Filed: Application and Certificate of Good Standing  
03-29-2021 Filed: Letter of Acknowledgment  
03-29-2021 Filed: Motion Pro Hac Vice Admission of Gunnar J. Paulsen and  
Consent of Local Counsel  
Filed by: WATER HORSE RESOURCES LLC  
03-29-2021 Filed: Order (Proposed) Granting Motion for Pro Hac Vice  
Admission of Gunnar J. Paulsen  
03-29-2021 Filed: Return of Electronic Notification  
03-29-2021 Filed: Application and Certificates of Good Standing  
03-29-2021 Filed: Letter of Acknowledgment  
03-29-2021 Filed: Motion Pro Hac Vice Admission of Glenn E. Porzak and  
Consent of Local Counsel  
Filed by: WATER HORSE RESOURCES LLC  
03-29-2021 Filed: Order (Proposed) Granting Motion for Pro Hac Vice  
Admission of Glenn E. Porzak  
03-29-2021 Filed: Return of Electronic Notification  
03-30-2021 Filed order: Order Granting Motion for Pro Hac Vice Admission  
of Glenn E. Porzak  
Judge GREGORY LAMB  
Signed March 30, 2021  
03-30-2021 Filed order: Order Granting Motion for Pro Hac Vice Admission  
of Gunnar J. Paulsen  
Judge GREGORY LAMB  
Signed March 30, 2021  
03-30-2021 Filed order: Order Granting Pro Hac Vice Admission of Wayne F.  
Forman  
Judge GREGORY LAMB  
Signed March 30, 2021  
03-30-2021 Filed: Return of Electronic Notification  
03-30-2021 Filed: Return of Electronic Notification  
03-30-2021 Filed: Return of Electronic Notification  
03-30-2021 Filed order: Order Granting Pro Hac Vice Admission of Steven J.  
Bushong

Judge GREGORY LAMB

Signed March 30, 2021

03-30-2021 Filed: Return of Electronic Notification  
05-21-2021 Filed: Notice of Withdrawal of Appearance - Lisa A. Hogan  
05-21-2021 Filed: Return of Electronic Notification  
05-24-2021 Filed: Certificate of Service  
05-24-2021 Filed: Exhibit A - Letter  
05-24-2021 Filed: Return of Electronic Notification  
05-26-2021 Filed return: Return of Service Proof of Service of Summons on  
Teresa Wilhelmsen  
Party Served: THERESA WILHELMSSEN  
Service Type: Personal  
Service Date: May 25, 2021  
Garnishee:  
05-26-2021 Filed return: Return of Service Proof of Service of Summons on  
Teresa Wilhelmsen  
Party Served: THERESA WILHELMSSEN  
Service Type: Personal  
Service Date: May 25, 2021  
Garnishee:  
05-26-2021 Filed: Return of Electronic Notification  
06-15-2021 Filed: Answer State Engineers Response to Petition for Judicial  
Review and Complaint  
Answer Party: THERESA WILHELMSSEN  
06-15-2021 Note: Certificate of Readiness for Trial due 05/29/2022  
06-15-2021 Filed: Return of Electronic Notification  
06-15-2021 Filed: NOTICE OF EVENT DUE DATES  
06-15-2021 Filed: Return of Electronic Notification  
06-17-2021 Filed: Return of Electronic Notification  
06-25-2021 Filed: Motion to Intervene/Join Washington County Water  
Conservancy District  
06-25-2021 Filed: Return of Electronic Notification  
07-01-2021 Filed: Appearance of Counsel/Notice of Limited Appearance of  
Jordan Pate  
07-01-2021 Filed: Certificate of Service of Water Horse Resources, LLCs  
Initial Disclosures  
07-01-2021 Filed: Return of Electronic Notification  
07-01-2021 Filed: Return of Electronic Notification  
07-13-2021 Filed: Motion Water Horse Resources, LLCs Motion for Summary  
Judgment  
Filed by: WATER HORSE RESOURCES LLC  
07-13-2021 Filed: Return of Electronic Notification  
07-13-2021 Filed: Exhibit A - Plaintiffs Application to Appropriate Water  
from State of Utah  
07-13-2021 Filed: Exhibit B - Order Denying Plaintiffs Application to  
Appropriate Water from State of Utah  
07-13-2021 Filed: Exhibit C - Map of Upper and Lower Colorado River Basins  
07-13-2021 Filed: Exhibit D - Upper Colorado River Basin Compact  
07-13-2021 Filed: Exhibit E - Location Map from Flaming Gorge EIS  
07-13-2021 Filed: Exhibit F - Depletion Demand Schedules for Upper  
Colorado River Division States  
07-13-2021 Filed: Return of Electronic Notification  
07-13-2021 Filed: Order (Proposed) Granting Intervenor Washington County  
Water Conservancy Districts Motion to Intervene  
07-13-2021 Filed: Request/Notice to Submit for Decision Washington County

Water Conservancy Districts Motion to Intervene

07-13-2021 Filed: Return of Electronic Notification

07-19-2021 Filed order: Order Granting Intervenor Washington County Water Conservancy Districts Motion to Intervene  
Judge GREGORY LAMB  
Signed July 19, 2021

07-19-2021 Filed: Return of Electronic Notification

07-20-2021 Filed: Motion to Intervene/Join (Central Utah Water Conservancy District)

07-20-2021 Filed: Return of Electronic Notification

07-20-2021 Filed: Appearance of Counsel/Notice of Limited Appearance Wendy Bowden Crowther and Zack L. Winzeler

07-20-2021 Filed: Return of Electronic Notification

08-03-2021 Filed: Opposition to Central Utah Water Conservancy Districts Motion to Intervene

08-03-2021 Filed: Return of Electronic Notification

08-05-2021 Filed: Notice of Change of Firm Affiliation

08-05-2021 Filed: Return of Electronic Notification

08-10-2021 Filed: Reply Central Utah Water Conservancy Districts Reply Memorandum Supporting Motion to Intervene

08-10-2021 Filed: Request/Notice to Submit

08-10-2021 Filed: Return of Electronic Notification

08-11-2021 Filed: Answer Intervenor Washington County Water Conservancy Districts Answer to Petition for Judicial Review and Complaint  
Answer Party: WASHINGTON COUNTY WATER CONS

08-11-2021 Filed: Return of Electronic Notification

08-13-2021 Filed: Motion to Intervene/Join KANE COUNTY WATER CONSERVANCY DISTRICT MOTION TO INTERVENE

08-13-2021 Filed: Return of Electronic Notification

08-16-2021 Filed: Motion to Intervene/Join WAYNE COUNTY WATER CONSERVANCY DISTRICT MOTION TO INTERVENE

08-16-2021 Filed: Return of Electronic Notification

08-18-2021 Filed: Motion to Intervene/Join Utah Division of Water Resources and Utah Board of Water Resources

08-18-2021 Filed: Return of Electronic Notification

08-26-2021 Filed: Motion Rule 56(d) Motion to Defer Consideration of Plaintiff Water Horse Resources, LLCs Motion for Summary Judgment by Defendant Teresa Wilhelmsen and Intervenor Washington County Water Conservancy District  
Filed by: WASHINGTON COUNTY WATER CONS

08-26-2021 Filed: Motion to Stay Proceedings on Plaintiff Water Horse Resources, LLCs Motion for Summary Judgment Pending Resolution of Pending Motion to Intervene by Defendant Teresa Wilhelmsen and Intervenor Washington County Water Conservancy District  
Filed by: WASHINGTON COUNTY WATER CONS

08-26-2021 Filed: Return of Electronic Notification

08-27-2021 Filed: Memorandum in Opposition to Kane County and Wayne County Water Conservancy Districts Motions to Intervene

08-27-2021 Filed: Return of Electronic Notification

09-01-2021 Filed: Memorandum in Opposition to Utah Division of Water Resources and Utah Board of Water Resources Motion to Intervene

09-01-2021 Filed: Return of Electronic Notification

09-03-2021 Filed: Reply Supporting Kane County and Wayne County Water Conservancy Districts Motion to Intervene

09-03-2021 Filed: Return of Electronic Notification

09-03-2021 Filed: Request/Notice to Submit KANE COUNTY AND WAYNE COUNTY WATER CONSERVANCY DISTRICTS MOTIONS TO INTERVENE

09-03-2021 Note: An order needs to be submitted on the motion to  
intervene.  
09-03-2021 Filed: Return of Electronic Notification  
09-03-2021 Filed: Motion (Stipulated) to Extend Time  
Filed by: WATER HORSE RESOURCES LLC  
09-03-2021 Filed: Order (Proposed) Granting Motion to Extend Time  
09-03-2021 Filed: Return of Electronic Notification

**NEW BUSINESS**

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## EXECUTIVE SESSIONS

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Executive session under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, Contract Negotiations and \_\_\_\_\_. 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.

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 \_\_\_\_\_. This session will be recorded, and a copy of the recording maintained for not less than 90 days.



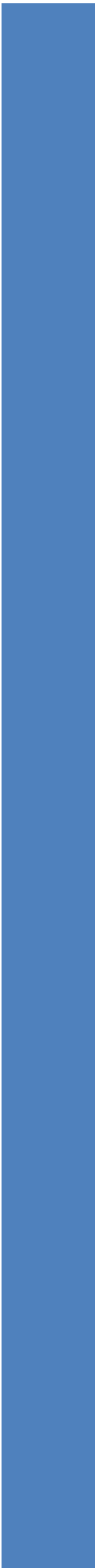
**BOARD ACTIONS IN REGARD TO EXECUTIVE SESSION**

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**DETERMINATION OF NEXT MEETING(s) AGENDA(s)**

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# AGENDA

**UPPER YAMPA WATER CONSERVANCY DISTRICT  
BOARD OF DIRECTORS MEETING  
WEDNESDAY, NOVEMBER 17, 2021 (12:00 PM)  
MOUNTAIN VALLEY BANK COMMUNITY ROOM  
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO  
ONLINE MEETING: XXXXX**

AS RECOMMENDED BY THE STATE PUBLIC HEALTH ORDER AND THE CDC, THE UPPER YAMPA WATER CONSERVANCY DISTRICT REQUESTS THAT UNVACCINATED PEOPLE ATTENDING THE BOARD OF DIRECTORS MEETING AT THE MOUNTAIN VALLEY BANK COMMUNITY ROOM WEAR A MASK.

**MATERIALS FOR BOARD PACKET DUE: NOVEMBER 8<sup>TH</sup> BY 5:00 PM**

## INSTRUCTIONS ON HOW TO JOIN A ZOOM MEETING FOLLOW THE AGENDA

A Board of Directors meeting packet is available for public review on our website at <http://www.upperyampawater.com/board-of-directors/agendas/> by the Friday before the meeting. Amendments to the Agenda and new documents that are generated or submitted after the original posting of the meeting materials will be posted under "Additional Documents" on the website for the relevant meeting.

**QUESTIONS ON AGENDA AND/OR BOARD MATERIALS:** Members of the public or Board of Directors with questions on the agenda or meeting materials, including the consent agenda, are welcome to contact the General Manager at the District offices prior to the meeting. You may reach the General Manager at: [arossi@upperyampawater.com](mailto:arossi@upperyampawater.com) or (970) 871-1035 Ext. 2.

**MEETING PROCEDURE:** Comments from the Public are welcome at two different times during the course of the meeting: 1) Comments no longer than three (3) minutes on items **not** scheduled on the Agenda will be heard under Public Input and Comment; and 2) Comments no longer than three (3) minutes on all scheduled public hearing items will be heard following the presentation. Please wait until you are recognized by the President. With the exception of subjects brought up during Public Input and Comment, on which no action will be taken or a decision made, the Board may take action on, and may make a decision regarding, ANY item referred to in this agenda, including, without limitation, any item referenced for "review", "update", "report", or "discussion" whether or not listed as an "Action Item."

- (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 **XXXXXX**

- b. Financials
  - i. Approval of Disbursements
  - ii. Budget Comparison
- (5) **12:XX PM** Report of District Engineer
  - a. Update on Reservoir Water Status
  - b. Update on Capital Projects
- (6) **XX:XX PM** Report of General Manager
  - a. UYWCD Employee Handbook **Action Item**
  - b. UYWCD 2022 Budget **Action Item**
  - c. Existing Stagecoach Reservoir Storage Contracts **Action Item**
- (7) **XX:XX PM** Public Information Updates
  - a.
- (8) **XX:XX PM** Board Member Reports
  - a.
- (9) **XX:XX PM** Report of General Counsel
  - a.
- (10) **XX:XX PM** Pending Water Cases
  - a. Water Resumes
  - b. Status of Other Water Cases
- (11) **XX:XX PM** New Business (Limited to emergency matters that came up **Action item**  
During the course of the meeting)
- (12) **XX:XX 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) **XX:XX PM** Board Actions in Regard to Executive Session
- (14) **XX:XX PM** Determination of Next Meeting(s) Agenda(s)
- (15) **XX:XX PM** Adjournment.