

RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING
WEDNESDAY, OCTOBER 20, 2021 (9:00 AM)
CATAMOUNT RANCH AND CLUB
30215 WATERS EDGE TRAIL
ONLINE MEETING:

<https://us06web.zoom.us/j/84755115102?pwd=Wk9GM09HNDNA3YzVDQ1R4NnByTUxrUT09>

MINUTES

Chairman Ken Brenner called the meeting to order and declared a quorum present. In addition to Chairman Brenner, the Board Members present were Jim Haskins, John Redmond, Ron Murphy, Lyn Halliday, Tom Sharp, Webster Jones and Nicole Seltzer. General Manager Andy Rossi, Public Information and External Affairs Manager Holly Kirkpatrick, Business Manager Deb Bastian, Chief Accountant Karina Craig, Dam Operator Eddie Rogers, Dam Operator Neal Obray and General Counsel Bob Weiss were also present. Members of the public present included Jackie Brown, Vice Chair, Colorado Water Conservation Board; Lisa Wade, Wilson Water Group; Julie Baxter, City of Steamboat Springs; Alyson Gould, Colorado Water Trust; Erin Light, Colorado Division of Water Resources; Frank Alfone, Mt. Werner Water & Sanitation District; Katie Duncan 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

8:30 AM Breakfast

- (1) **9:00 AM** Establishment of Quorum and Call to Order
- (2) **9:00 AM** Approval of Agenda for Meeting **Action item**
- (3) **9:05 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) **9:15 AM** Existing Stagecoach Municipal Contracts Amendment **Action item**
- (5) **10:00 AM** Colorado Water Trust 10-Year Stagecoach Reservoir Water Storage Contract **Action item**
- (6) **10:30 AM** New Business (Limited to emergency matters that came up during the course of the meeting) **Action item**
- (7) **10:35 AM** Executive Sessions:

RECORD OF PROCEEDINGS

- 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.
- (8) **11:15 AM** Board Actions in Regard to Executive Session

11:15 AM Lunch Break

- (9) **12:00 PM** Current Status of Yampa Basin Water Resources
- a. CWCB/State of Colorado Water Resources Matters Update – Demand Management
 - b. Yampa River Basin Technical Analyses Updates – BIP Update, Yampa River Hydrology Review, Yampa Storage Modeling, Coal Creek Flow Analysis
 - c. Upper Yampa River Basin Water Quality Study

3:15 PM Afternoon Break

- (10) **3:30 PM** UYWCD 2022 Strategic Plan Discussion
(11) **4:30 PM** Adjournment.

Chairman Brenner established a quorum and called the meeting to order at 9:05 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 public comment.

Existing Stagecoach Municipal Contracts Amendment. General Manager Rossi reviewed the contract amendments for the existing Stagecoach Municipal contracts that were developed by General Manager Rossi and General Counsel Weiss based on direction provided by the Executive Committee. Chairman Brenner asked if there was any public comment on this agenda item. Julie Baxter, City of Steamboat Springs, requested information to understand the pricing proposed. General Manager Rossi stated he would send this information for her review. Frank Alfone, Mt. Werner Water & Sanitation District, asked if the proposed amendment would be negotiable. General Manager Rossi stated that it would depend on what the request for change would be. Additional discussion followed. After public comment the Board reviewed and discussed the proposed amendment.

Director Sharp disclosed that he is the General Counsel for Mt. Werner Water and Sanitation District and Tree House Metropolitan District. However, he does not feel that there is a conflict of interest to vote on the draft. Chairman Brenner asked if any Director had issues with Director Sharp voting on the draft. No Director had an issue. Director Redmond moved to approve the draft proposed contract amendment for Stagecoach Reservoir. Director Haskins seconded the motion which was unanimously approved. General Manager Rossi stated that he

RECORD OF PROCEEDINGS

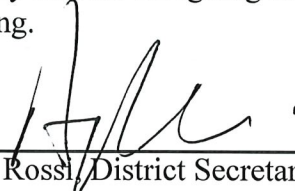
Yampa River Basin Technical Analyses Updates. Lisa Wade of Wilson Water Group and General Manager Rossi presented a summary of multiple flow modelling efforts in the Yampa River Basin.

Upper Yampa River Basin Water Quality Study. Lyn Halliday of the Upper Yampa River Watershed Group provided a summary of a planned Upper Yampa River Basin Water Quality Study.

UYWCD 2022 Strategic Plan Discussion. The Board reviewed and discussed the 2022 Strategic Plan. General Manager Rossi provided an overview of the Strategic Plan document and process. Director Sharp requested there be an increase in the per meeting attendance fee paid to Directors and that the Chairman of the Board receive a higher per meeting compensation rate. Staff and General Counsel were directed to research any statutory limits on compensation that can be paid to Directors for presentation at the November 17, 2021, Board of Directors meeting. General Manager Rossi requested Directors to email any further comments to him prior to the next Board meeting.

Director Sharp moved to adjourn the meeting at 4:07 PM. Director Murphy 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: 11/17/21

RECORD OF PROCEEDINGS

will take the draft amendment as presented and approved by the Board and reach out to municipal contractors affected with letter and call and the start process of soliciting feedback and for consideration of the offer on the table.

Chairman Brenner noted that Director Redmond left the meeting at 10:00 AM, for approximately 1 hour, to attend a previously scheduled meeting.

Colorado Water Trust 10-Year Stagecoach Reservoir Water Storage Contract. General Manager Rossi provided an overview of the process and proposed draft Environmental, In-stream, and Recreation Water Storage Contract (ERC) with the Colorado Water Trust (CWT) and referenced Director Sharp's comments on the proposal that was sent to the Board via email on October 17, 2021.

The Board reviewed and discussed paragraphs 3, 4 and 5 (Sections 13.2, 13.3 and 15.3.2.) of Director Sharp's email. After discussion, the Board agreed that General Counsel Weiss and Alyson Gould of the CWT will work together to amend the draft to:

1. Clarify the language in Section 13.2-Available Relief, that if the District is not paid for the contracted water it has the right to go to court to recover payment;
2. Acknowledge in Section 13.3-Award of Attorney's Fees & Cost, that it is within the discretion of the courts to determine the amount of fees to be awarded; and
3. In Section 15.3.2-Assignment, it is within the discretion of the District to approve an assignment of the contract and the phrase "provided that any withholding of consent or conditions be reasonable" can be stricken.

The Board then reviewed Director Sharp's comments noted in paragraph 1 and 2 (Sections 9.4 and 10) of his October 17, 2021, email. After discussion, the Board and CWT agreed with a clarification to Section 10-Legal Approvals that in the case of a reuse situation, the CWT will bear the burden of obtaining any required administrative and legal approval. The CWT also noted that the amount of Volume 1 water will be 100-acre feet. The Board further reviewed and discussed the recommended edits and proposed draft contract.

Director Haskins moved to approve paragraphs 2, 3, 4 and 5, with noted edits, of Director Sharp's October 17, 2021, email and to 100-acre feet for volume 1 and direct General Counsel Weiss to work with the CWT on a compromise to the language in Section 9.4 to be presented to the Board at the November 17, 2021, Board of Directors meeting. Director Seltzer seconded the motion. Directors Halliday, Haskins, Murphy, Seltzer, Jones and Brenner voted in favor. Director Redmond abstained and Director Sharp voted against. The motion passed.

New Business. There was no new business.

Executive Session. There was no Executive Session.

Board Action Regarding Executive Session. There were no Board actions.

Current Status of Yampa Basin Water Resources

CWCB/State of Colorado Water Resources Matters Update – Demand Management. Jackie Brown, Vice Chair, CWCB Board, provided an update on the Demand Management program and discussed the decision-making roadmap that was adopted at the September CWCB Board Meeting.