

RECORD OF PROCEEDINGS

**UPPER YAMPA WATER CONSERVANCY DISTRICT
EXECUTIVE COMMITTEE MEETING
FRIDAY, APRIL 27, 2018 (11:00 AM)
3310 CLEARWATER TRAIL, STEAMBOAT SPRINGS**

MINUTES

Ken Brenner, chairman, called the meeting of the Executive Committee to order and declared a quorum present. In addition to Ken Brenner, the Executive Committee members present were Tom Sharp (by telephone), Doug Monger and Webster Jones. General Manager Kevin McBride was also present. General Counsel Bob Weiss was present by video link and conference phone. Scott Grosscup, special water counsel, participated by phone on the Stagecoach contract agenda item.

The following agenda was proposed:

AGENDA

- (1) 11:00 am Call to Order;
- (2) Approval of Meeting Agenda;
- (3) Stillwater Ditch Special Use Permit; action item
- (4) 11:20 am Stillwater Reservoir Operations Contract with Bear River Reservoir Co; action item
- (5) 11:40 am Stagecoach Contract Form;
- (6) 12:00 pm Stagecoach Contract Timeline and Extension;
- (7) 12:20 pm Tri State Negotiations;
- (8) 12:40 pm Executive Session with Bob Weiss, legal counsel, under CRS § 24-6-402(4)(b) to discuss legal issues on Stagecoach Contracting and Stillwater Ditch Special Use Permit. Mere presence or participation of an attorney at an executive session of the local politic body is not sufficient to satisfy the requirements of this subsection (4).
- (9) Adjournment.

The agenda was unanimously approved with the change that item 5 was moved to the first item since Scott Grosscup was available by telephone.

There was no public comment.

RECORD OF PROCEEDINGS

Stagecoach Contract Form The template water supply contract contained in the Executive Committee materials was reviewed. Among other things, the Executive Committee discussed the various pools set forth in the contracts and whether there should be a differential in pricing for water from more firm pools. The abatement provisions in the contract were also discussed. There was discussion of the allotment provisions under C.R.S. 37-45-121 through 125 and whether these should be included within the contract. It was agreed that the language in Section 8.4 regarding Morrison Creek Reservoir was unnecessary and should be removed. Special counsel Grosscup will revise the contract and it will be reviewed at the May board meeting. General Manager McBride was authorized to send a draft of the contract to the Steamboat Ski & Resort Corporation who may be the first purchaser of Stagecoach water under the new contract form. Counsel Weiss recused himself due to conflict of interest.

Stillwater Ditch Special Use Permit The Executive Committee reviewed the materials contained in the packet regarding the Stillwater Ditch special use permit (SUP). Counsel Weiss reported that the Forest Service had requested that the District apply for a special use permit because the ditch had been expanded in 1986. The District staff was recommending that the District proceed with the special use permit application even though there is conflicting information in the file regarding this matter. Counsel Weiss was directed to work with District Engineer Rossi to revise the SUP application for review and possible approval by the Board at the May meeting.

Stillwater Reservoir Operations Contract with Bear River Reservoir Co. The District has been performing certain operations at Stillwater Reservoir, which is owned by the Bear River Reservoir Company under an unwritten agreement. The Executive Committee reviewed a proposed agreement between the District and Bear River to formalize this arrangement. The District's duties would be limited to operating the outlet works release of water, keeping records of those releases and observing and recording readings from the seepage parshall flumes adjacent to the outlet. The District would have no inspection or maintenance obligations. General Manager McBride wanted to make sure that the frequency of operations on a weekly basis was limited. Director Sharp wanted to confirm that there were appropriate indemnity provisions in the agreement. Counsel Weiss agreed to work with District Engineer Rossi to finalize the agreement and have it ready for review by the Board at the May meeting.

Stagecoach Contract Timeline and Extension Counsel Weiss reported that the proposed agreements from the Town of Hayden, Alpine Mountain Ranch Metropolitan District, Tree Haus Metropolitan District, Dakota Ridge Home Owners Association and the Stahls had all been returned. Counsel Weiss reported that he had spoken to Jeff Houpt, who is representing the Mount Werner District in water matters, who had indicated that he was aware of the proposed agreement but had not yet been requested to review it. The City of Steamboat Springs has not yet formally responded to the District's proposed interim pricing agreement. These agreements have previously been authorized by the Board. Chairman Brenner will sign the agreements that have been executed and they will be returned to the contract parties.

RECORD OF PROCEEDINGS

Counsel Weiss, as Counsel for the District, stated that in his opinion discussion of the matter announced to go into executive session (items 4-6) constitute privileged attorney/client communications. He was therefore recommending that no further record be kept of the executive session. It was moved and seconded, and was unanimously agreed to go into Executive Session under provision C.R.S. §24-6-402(4) (b) to discuss with counsel legal issues relating to Tri-State Negotiations. There was no executive session discussion on Stagecoach Contracting and Stillwater Ditch Special Use Permit. Mere presence or participation of an attorney at an executive session of the local public body is not sufficient to satisfy the requirements of this subsection (4). The Executive Session commenced at approximately 12:39PM and concluded at approximately 1:22PM.

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 concerns for the record. No one stated any concerns.

Following the executive session it was moved, seconded and approved unanimously to recommend to the Board that a committee of the Board be appointed to negotiate with Tri State regarding the Stagecoach Tri State contract.

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



Kevin McBride, District Secretary/Manager

STATEMENT FROM ATTORNEY REGARDING ATTORNEY-CLIENT PRIVILEGE

The undersigned Robert G. Weiss 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 Stagecoach Tri State contract constituted a privileged attorney-client communication in the opinion of the undersigned attorney.

Date: 6/21/2018



Robert G. Weiss, Counsel

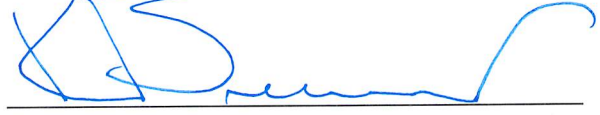
STATEMENT FROM CHAIR OF EXECUTIVE SESSION REGARDING ATTORNEY-CLIENT PRIVILEGE

RECORD OF PROCEEDINGS

The undersigned chairman hereby attests, pursuant to CRS Section 24-6-402(2)(d.5)(II)(B), that all of the executive session was not recorded and was confined to the topics authorized for discussion in an executive session pursuant to subsection (4) of CRS Section 24-6-402.

Date: _____

6/21/18



Ken Brenner, Chairman