

RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT BOARD OF DIRECTORS MEETING NOVEMBER 14, 2018 12:00 PM 3310 CLEAR WATER TRAIL, STEAMBOAT SPRINGS

MINUTES

Chairman Brenner called the meeting to order and declared a quorum present. In addition to Chairman Brenner, the Board members present were Bob Woodmansee, Doug Monger, Jim Haskins, John Redmond, Ron Murphy, Stephen Colby, and Webster Jones. Director Tom Sharp joined the meeting by phone. General Manager Kevin McBride, District Engineer Andy Rossi, Office Manager Karina Craig, and General Counsel Bob Weiss were also present. Members of the public present included Erin Light, Division Engineer and Scott Hummer, Water Commissioner, Colorado Division of Water Resources; Claire Sollars, Attorney, Colorado Water Matters; Jackie Brown, Natural Resource Policy Advisor, Tri-State Generation & Transmission; Kelly Romero-Heaney, Water Resources Manager, City of Steamboat Springs; and Albert R. Dowden and Russell Atha, Agate Creek Preserve.

Scott Grosscup, Attorney, Balcomb & Green, Special Counsel to the District participated in his part of the meeting by phone.

The following agenda was proposed:

AGENDA

- (1) 12:00 pm Establishment of Quorum and Call to Order;
- (2) Executive Session:
The specific citation to the provision of C.R.S. §24-6-402, subsection (4) that authorize(s) the UYWCD Board of Directors to meet in an executive session is set forth below. The topic of the executive session identifies the particular matter to be discussed in as much detail as possible without compromising the purpose for which the executive session is authorized.
 - a) Evaluation of District Manager §24-6-402(4)(f)(I). "Personnel matters except if the employee who is subject of the session has requested an open meeting, or if the personnel matter involves more than one employee, all of the employees have requested an open meeting."
- (3) 1:30 pm Consent Agenda; action item
 - a) Approval of Disbursements
 - b) Budget Comparison
 - c) Approval of the minutes of the September 6, 2018; September 12, 2018; September 19, 2018 and October 10, 2018 Board Meetings
- (4) 1:35 pm Approval of Agenda for Meeting action item
- (5) Public Input and Comment;
- (6) 1:40 pm Financial Report; action item
 - a) 2019 budget and Approval of Resolutions
- (7) 2:00 pm Report of the General Manager;
 - a) External Affairs
 - i) Drought Contingency Plan
 - ii) Roundtable IWMP action item
 - iii) IBCC/ Water Plan funding discussion

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- b) District Appointments to the Yampa/Green/White Roundtable action item
- c) New Hire Job Description action item
- d) Office Lease action item
- e) Contract Negotiations Scheduling
- f) Non-consumptive pricing
- g) Stagecoach FIRMING
- h) 2019 Proposed Board Meeting Calendar action item
- i) Holiday Party
- (8) 3:30 pm Report from District Engineer;
 - a) Reservoir Water Status, 2018 summary
 - b) Capital Projects Update
 - c) Upper Yampa Watershed Group/Roundtable Grant Application
- (9) 4:00 pm Report from General Counsel;
 - a) Yampa River Call
 - b) Annual Resolution Posting Place action item
 - c) Board Bylaws; Directors' Payment
 - d) Board Term Expirations/Applications (Monger, Jones, Woodmansee)
 - e) Stipulation on Master Plan Water Case
 - f) Other Water Case Updates
- (10) Executive Session with Bob Weiss, legal Counsel, under CRS § 24-6-402(4)(b) to discuss legal issues on Pending Court Cases, Yampa River Call, and Water Contract Negotiations. 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).
- (11) New Business;
- (12) Adjournment.

Executive Session

A motion was made, seconded and unanimously approved to go into Executive Session under CRS § 24-6-402(4)(f)(1) for evaluation of the District Manager. Manager McBride did not ask to have his review in open session. The Executive Session commenced at about 12:15 PM and concluded at about 1:45 PM. The Executive Session was electronically recorded. Manager McBride did not participate in the initial executive session discussion but participated in the last part of the 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 concerns for the record. No one stated concerns.

Consent Agenda Director Monger made a motion to approve the consent agenda, Director Woodmansee seconded the motion which was unanimously approved.

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

Public Comment Jackie Brown requested, as a member of the public, if the Board would consider placing the documents for the Board Meetings online. The board instructed to put the Board materials online.

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Kelly Romero-Heaney, Water Resources Manager, City of Steamboat Springs (City) said she was looking forward to discussing the items presented to the District through a letter from the City. Copies of the letter were distributed to the Board members.

Erin Light, Division Engineer, Colorado Division of Water Resources, discussed upcoming meetings for water users in the upper Bear River. Director Brenner commented that one of the goals of the meeting was to get written documentation about how water administration will occur in that area. Ms. Light stated another intent of those meetings is to receive input from water users.

Financial Report General Manager McBride presented the 2019 budget, including salary ranges. The 2019 budget was reviewed and discussed, including power revenues, water sales, expenses and capital items.

Director Monger moved to approve the 2019 Budget and pay ranges, to set the mill levy at 1.82 and to appropriate funds as budgeted. Director Woodmansee seconded the motion which was unanimously approved.

Report of the General Manager

External Affairs

Drought Contingency Plan - The Drought Contingency Plan was discussed. Director Monger suggested representatives from the River District might be able to attend a meeting to further discuss this topic. Director Brenner suggested that a discussion on the strategy on the Water Horse Resources Application be discussed also. It was generally agreed to include these topics on the January 2019 Board of Directors meeting.

Roundtable IWMP – The Integrated Water Management Project was discussed. Jackie Brown, chair of the project, presented information and discussion followed. Chairman Brenner summarized that the Board preferred that the District not be the project fiscal agent for now and to wait for the River District to respond to the Roundtable. The Board would reconsider it if the Roundtable made a proposal to the District.

Director Sharp made a motion that the District support the Integrated Water Management Project Board effort, and to contribute \$10,000 per year upon receipt of invoices, for the years 2019, 2020, 2021, and to decline fiscal agent services. Director Murphy seconded the motion which was unanimously approved.

IBCC/ Water Plan funding discussion- Manager McBride presented; he discussed water management and the need of future policy discussions.

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District Appointments to the Yampa/Green/White Roundtable

Director Sharp moved to appoint General Manager Kevin McBride to the Roundtable. Director Monger expressed his opinion it was important to have a Director at the Yampa Green White Round Table, seeing board policy would be discussed, and the fact that at the General Manager would in either case be attending the meetings as well. Director Monger moved the Board appoint The District Chairman, Ken Brenner as its representative. Director Haskins seconded the motion. A vote was taken. Chairman Brenner was appointed to be the District representative at the Roundtable. Director Monger expressed the Board's request for the General Manager to continue attending the meetings.

New Hire Job Description Director Redmond moved to proceed in the process to hire an External Affairs/Public Information person and to have a committee of Directors; Woodmansee, Jones, and Monger; to conduct interviews and make a recommendation to the full board. The position to start May 1st, 2019. Director Woodmansee seconded the motion which was unanimously approved.

Office Lease Director Jones moved to authorize entering into an agreement with the lease of Mountain Valley Bank and to authorize Counsel Bob Weiss and General Manager McBride to make any small changes to the lease as needed. Director Murphy seconded the motion which was unanimously approved.

Contract Negotiations Scheduling Director Sharp gave an update on the Contract Negotiations meeting schedules and discussion followed.

Non-consumptive Pricing Director Sharp presented a memorandum pertaining pricing of environmental-recreational (ER) water, in continuation of October retreat discussions and as the Board seeks to adopt a policy regarding such water. The Document was reviewed. A discussion ensued; some of the topics examined were contract terms, ability to deliver water, prorated pricing, discounts, firmness of yield, value of recreational water to the community, environmental benefits, location of water use relative to District boundaries. Chairman Brenner proposed and there was agreement that the item should remain as standing item in Board meeting agendas, for the near future. Chairman Brenner suggested the item be listed to include public comment. Director Sharp commented that as discussions continue, staff ought to receive a recommendation from the Board regarding ER water pricing, by the end of May 2019.

Stagecoach Firming Director Redmond recused himself and left the room. A handout from AECOM regarding firming water supplies into Stagecoach Reservoir was reviewed and discussed. Director Brenner asked that the December 19th meeting, which would include a working session regarding the topic, be posted as a Board of Directors special meeting; if Directors were interested they could attend, yet they would not be obliged to. It was proposed that the meeting be held at the building where the District's new offices will be located soon.

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2019 Proposed Meeting Calendar Director Sharp moved to approve the proposed Board meeting calendar for 2019. Director Haskins seconded the motion which was unanimously approved.

Holiday Party The event was set for December 13th, 6:00 PM., Aurum Food & Wine

Report from General Counsel

Annual Resolution Posting Place Director Monger moved to approve the District's designated posting place. Director Woodmansee seconded the motion which was unanimously approved.

Board Bylaws; Directors' Payment Counsel Weiss reviewed the District's Bylaws regarding Director's payment. Manager McBride recommended that if a District meeting is a publicly noticed meeting, then District staff will record attendance and no request for payment will be needed from Directors. For other meetings, Directors will have to request payment.

Board Term Expirations/Applications (Monger, Jones, Woodmansee) Counsel Weiss reviewed the Board appointment process and requested that Directors whose terms are ending and who are interested to reapply submit the appropriate forms.

Report from the District Engineer

Reservoir Water Status, 2018 Summary

There was no discussion of materials included in Board of Directors Meeting Information Packet.

Capital Projects The Yamcolo flow measuring device installation project is expected to be complete near the end of November. Stagecoach Reservoir intake gate stem guide repairs have been completed with a plan for more robust improvements next year. A small amount of work is left for wetlands mitigation in 2018.

Upper Yampa Watershed Group/Roundtable Grant Application Engineer Rossi will be presenting the grant application included in the Board of Directors Meeting Information Packet at tonight's Yampa-White-Green Roundtable meeting.

Report from General Counsel (cont.)

Yampa River Call A letter from the District to Erin Light, Division Engineer, Colorado Division of Water Resources was presented, reviewed, and discussed.

Director Sharp moved to authorize Chairman Brenner to sign the letter to the Division Engineer. Director Haskins seconded the motion which was unanimously approved.

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Stipulations on Master Plan Water Case and Other Water Case Updates Scott Grosscup, special counsel to the District, joined the meeting by phone. Mr. Grosscup presented a memo on the status of current District water court cases. The Water Horse Resources Application process was discussed.

Executive Session

Robert Weiss, as counsel for the District, stated that in his opinion discussion of the matter announced to go into executive session constitutes a privileged attorney/client communication. He was therefore recommending that no further record be kept of the executive session.

Director Monger made a motion to go into executive session. It was seconded by Director Woodmansee 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 Pending Court Cases, Yampa River Call, and Water Contract Negotiations. 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 about 4:41 PM and concluded at about 5:10 PM.

Director Monger moved to delegate approval of Stipulation of the Master Plan case to the Executive Committee. Director Woodmansee seconded the motion which was unanimously approved.

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 concerns.

Determination of future meetings The scheduled date for the next Board meeting was confirmed, being Wednesday December 19, 2018 at the Mount Valley Bank conference room.

The meeting was adjourned at 5:10 PM.

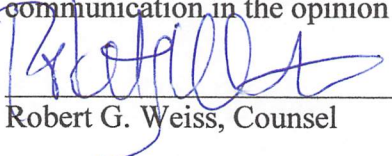
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I certify that the foregoing constitutes a true and correct summary of the proceedings at the above referenced meeting.


Date: 2/13/2019
Kevin McBride, District Secretary/Manager

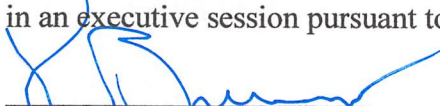
STATEMENT FROM ATTORNEY REGARDING ATTORNEY-CLIENT PRIVILEGE

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 Pending Court Cases, Yampa River Call, and Water Contract Negotiations constituted a privileged attorney-client communication in the opinion of the undersigned attorney.


Date: 1-23-2019
Robert G. Weiss, Counsel

STATEMENT FROM CHAIR OF EXECUTIVE SESSION REGARDING ATTORNEY-CLIENT PRIVILEGE

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: 1/23/19
Ken Brenner, Chairman