

AGENDA
UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD OF DIRECTORS MEETING
WEDNESDAY, APRIL 24, 2019 (1:30 PM)
MOUNTAIN VALLEY BANK COMMUNITY ROOM
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO

- (1) *1:30 pm* Establishment of Quorum and Call to Order;
- (2) *1:35 pm* Consent Agenda; action item
 - a) Approval of Disbursements
 - b) Budget Comparison
 - c) Bylaw Change for Posting
 - d) Approval of the minutes of the January 23, 2019; February 20, 2019; and March 20, 2019 Board Meetings
- (3) *1:55 pm* Approval of Agenda for Meeting; action item
- (4) Public Input and Comment;
- (5) *2:00 pm* Report of the General Manager; action item
 - a) Yampa Basin Rendezvous
 - b) Stagecoach Firming
 - c) Instream Flow Bill, HB-1271
 - d) Water Pricing and Contract Negotiations
 - e) 360 Review – Create Special Committee action item
- (6) *3:40 pm* Report from General Counsel;
 - a) Water Resumes
 - b) Status of other Water Cases, if any
- (7) *3:55 pm* Executive Session with Bob Weiss, legal Counsel, under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, and 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).
- (8) *4:15 pm* 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.” action item
- (9) New Business;
- (10) Adjournment.

CONSENT AGENDA





BOARD COMMUNICATION FORM

From: Karina Craig

Date: April 16, 2019

Item: Financial Reports: Cash Disbursement and Budget Comparison Reports

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information:

The Cash Disbursement Report contains reconciled disbursements incurred through credit card or check payments. Disbursements include legal and engineering services, and other operating and capital expenditures.

The 2018 financials reported are unaudited. The 2018 books will be audited after the office is fully moved in – after office furniture arrives, and all documentation can be unpacked and properly filed.

The Budget Comparison report was run on April 1st. Additional transactions for the month of March are expected.

2019 Projections include adjusted water prices per contracts:

- YIA pricing negotiated in March 2019 for the current water year, at \$12.00/AF
- Adjustments per published Denver-Aurora-Lakewood CPI Index for the semi-annual period ending December 31 of 2018.

The annual District *budget* is prepared in the second half of each year, with the most recent index available at that time; the CPI for the period closing in the month of June.

The CPI index specified in water contracts is first available sometime after the new year starts. Thus, income projections for contracts with such CPI provision will vary from budgeted amounts. The projections in the budget comparison report have been updated accordingly.



- The contract with Ski Corporation, which was signed towards the end of last year and had not been included in the budget, has been added to the projections.

The net effect is a net budget variance of an additional revenue in water sales of \$17,971.86; as follows:

WATER SALES	2019 BUDGET		2019 Projections		Budget Variance
		\$/AF		\$/AF	
Stagecoach		\$403,144		\$427,790	\$30,330
Stagecoach Pools		\$397,460		\$427,790	\$30,330
Agricultural (Individual Irrigators)		\$16,000		\$16,000	
Municipal		\$57,820		\$57,820	
"New contracts"		\$19,140		\$19,140	
Tristate		\$304,500		\$304,500	
Steamboat Springs Ski Corporation			\$121.32	\$30,330	\$30,330
Augmentation		\$5,684		\$0	\$0
	\$198	\$5,684			
Yamcolo		\$133,410		\$121,052	-\$12,358
YIA	\$15.98	\$47,940	\$12.00	\$36,000	-\$11,940
Municipalities	\$84.62	\$85,470	\$84.21	\$85,052	-\$418
Total		\$536,554		\$548,842	\$17,972

II. Summary and Alternatives:

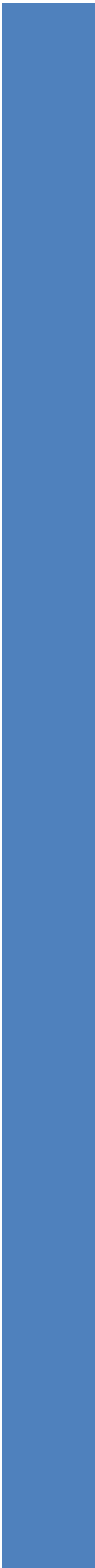
III. Staff Recommendation: Accept reports

IV. Legal Issues:

V. Consistency with Board Goals and Policies:

Attachments:

- Attachment 1: Cash Disbursement Report
- Attachment 2: Budget Comparison Report
- Additional Attachments: none.



Upper Yampa Water Conservancy District
Cash Disbursement Report
As of April 16, 2019

Date	Name	Memo	Amount
12/18/2018	Colorado Mountain College	CMC Excel Course, Eddie Rogers	150.00
12/18/2018	US Postal Service	Admin: Office - cert mail	23.70
12/19/2018	Restaurant.	Board: meeting supplies	165.00
12/22/2018	Dog & Bone	Phone supplies	109.90
12/22/2018	SmartVault	Software, interphase with quickbooks	34.60
01/04/2019	CrashPlan Code42	Admin: Software - Cloud Backup	2.49
01/04/2019	NDS Northwest Data Services	Admin: Computer Services - Monthly LabTech and Virus Checker	77.25
01/09/2019	Colorado Mountain College	CMC Excel Course, Matt Blankenship.	150.00
01/10/2019	City Market	Admin: office Supplies and meetings	43.79
01/10/2019	City Market	Board: mtg supplies	18.37
01/11/2019	BlueJeans	Admin: Office - Video conferencing	149.90
01/11/2019	Intuit	Admin: Office supplies	123.47
01/11/2019	ACE Hardware	Stagecoach; roof deicer, snow shovel, propane, pump kit drill, screen patch, trash cans for SC seed storage	231.75
01/11/2019	CDC Civil Design Consultants	YC Spillway Erosion Repair	886.00
01/11/2019	Flat Tops Ranch Supply	SC annual maint: fuel line, heat tape, deicer, valve	101.70
01/11/2019	Mount Werner Water.	Oct-Dec office rent, postage & misc expenses	5,500.21
01/11/2019	Mueller Construction	Yamcolo Flow Measurement	21,389.06
01/11/2019	Snell & Wilmer LLP	September Legal Services: Million Utah filing	940.50
01/11/2019	Director Fees	Director Fees	3,200.00
01/11/2019	TMMI Powered by GrayMatter	training for Eddie-March 5th training	2,495.00
01/14/2019	Intuit	Admin: Office supplies	37.70
01/14/2019	City Market	Board: mtg supplies	6.46
01/14/2019	City Market	Board: mtg supplies	18.37
01/15/2019	Snell & Wilmer LLP	December Legal Services: Million Utah filing.	213.75
01/15/2019	Western Slope Health Care	Health Insurance	2,960.04
01/16/2019	NCEES	PE Civil Water Resources and Environmental Exam	350.00
01/22/2019	SmartVault	Software, interphase with quickbooks	34.60
01/22/2019	City Market	Board: mtg supplies	46.78
01/22/2019	Restaurant.	Board: mtg supplies	200.00
01/22/2019	Restaurant.	External Affairs: mtg	88.00
01/31/2019	LogMeIN	IT Services: Software renewal	365.74
01/31/2019	Hotel	External Affairs: Meetings	64.18
01/31/2019	Quickbooks Payroll Service	January Payroll	29,304.11
01/31/2019	Expense Reimbursements	Mileage, Phone, Travel and Training	193.74
01/31/2019	Internal Revenue Service	Federal Payroll Taxes	11,207.68
02/01/2019	ICMA	Retirement Accounts	7,821.89
02/01/2019	Metlife	Dental & Life Insurance	1,007.88
02/01/2019	Western Slope Health Care	Health Insurance	10,363.33
Subtotal			100,076.94

Upper Yampa Water Conservancy District
Cash Disbursement Report
As of April 16, 2019

Date	Name	Memo	Amount
02/01/2019	ACE Hardware	Stagecoach; roof deicer, gloves, pipe, fittings	171.83
02/01/2019	BlueChannel, Inc.	IT Services: Domain name registration thru 4-28-2020	50.00
02/01/2019	CenturyLink	SC Telephone. ACC# 970-736-2437 903B	138.94
02/01/2019	DLT Solutions	AutoCAD Software Renewal	1,440.60
02/01/2019	Jeffrey D Erickson, Lynx	SC O&M: snowplowing November, December	1,360.00
02/01/2019	NDS Northwest Data Services	IT Services	140.00
02/01/2019	Verizon Wireless	SC cell phones	103.79
02/01/2019	Zirkel Wireless, LLC	Internet Service: 3/1/2019 to 3/31/2019	59.00
02/01/2019	CenturyLink	Office Telephone. ACC # 970-871-1035-239B.	261.51
02/01/2019	Colorado Water Congress CWC	Sustaining Membership Yearly Dues. Member ID 2683. Jan 1 2019 to Dec 31 2019	2,960.00
02/01/2019	Colorado Water Congress CWC	CWC 2019 Annual conference: Brenner	650.00
02/02/2019	Hotel	External affairs; lodging	335.26
02/04/2019	CrashPlan Code42	Admin: Software - Cloud Backup	2.49
02/04/2019	Restaurant.	Board: meeting supplies	33.00
02/04/2019	NDS Northwest Data Services	Admin: Computer Services - Monthly LabTech and Virus Checker	77.25
02/05/2019	NORCAN Hydraulic Turbine, Inc	35% Downpayment for Wear Rings. Stagecoach Pwr.	2,982.47
02/05/2019	Yampa Valley Tire Pros & Express Lube	SC Yamcolo Annual Maint: Chevy brakes	601.39
02/05/2019	AECOM	Planning: Stagecoach Firming 2018 10-18 to 2018 12-28	41,772.99
02/05/2019	Conoco Universal WEX	Fuel; Stagecoach Power, Stagecoach Water, Yamcolo, Five Pine Mesa Ditch	396.20
02/05/2019	Napa	SC Annual Maint: F250 light bulbs	4.14
02/05/2019	Resource Engineering	Master Plan	6,188.00
02/05/2019	Steamboat Pilot CMNM	Advertising legal notice	98.40
02/06/2019	US Postal Service	Admin : postage Mueller	4.05
02/07/2019	Amazon	Admin: Office supplies - notebooks	35.99
02/08/2019	Advanced Copier Solutions, Inc.	Savin Printer. January	465.49
02/08/2019	Balcomb & Green, P.C.	January Legal Services: Master Plan, General Matters, MWW	4,236.00
02/08/2019	YVEA	Stagecoach Powerhouse & Shed; electrical bill	383.62
02/08/2019	Ferguson-High Country Plumbing	SC annual maint: pipe, coupling	67.51
02/13/2019	City Market	Meeting supplies	38.06
02/13/2019	Amazon	Admin: Office supplies - pencils	48.16
02/14/2019	US Postal Service	Mailing of payment check to Canada	1.15
02/20/2019	City Market	Admin and Board supplies	36.91
02/20/2019	Restaurant.	Board: lunch	127.18
02/22/2019	SmartVault	Software, interphase with quickbooks	34.60
02/22/2019	RingCentral	888-519-3464. Fax 2-22-19 to 2-21-20.	155.88
02/23/2019	Amazon	Admin: Office - Boxes	124.22
02/26/2019	Internal Revenue Service	Federal Payroll Taxes	11,054.68

Subtotal

76,640.76

Upper Yampa Water Conservancy District
Cash Disbursement Report
As of April 16, 2019

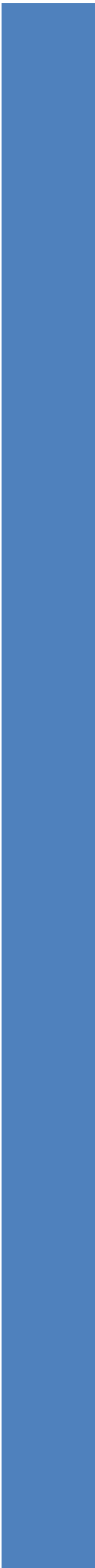
Date	Name	Memo	Amount
02/28/2019	Quickbooks Payroll Service	February Payroll	28,917.31
02/28/2019	Expense Reimbursements	Mileage, Phone, Travel and Training	275.44
02/27/2019	Metlife	Dental & Life Insurance	1,007.88
02/27/2019	Western Slope Health Care	Health Insurance	10,363.33
02/27/2019	ICMA	Retirement Accounts	7,786.66
02/27/2019	Budget Conferencing Inc. - PGI	Conference Call services	165.33
02/27/2019	CBI - Consensus Building Institute	Board: Annual Retreat - Ryan Golten	2,495.00
02/27/2019	CenturyLink	SC Telephone. ACC# 970-736-2437 903B	146.91
02/27/2019	Colorado Water Congress CWC	Colorado River Project 2019 Activities	2,200.00
02/27/2019	GCR Tires & Service	SC Yamcolo Annual Maint: F250 tires	722.56
02/27/2019	Jeffrey D Erickson, Lynx	SC O&M: January Snow Plowing	1,500.00
02/27/2019	Resource Engineering	Master plan diligence	5,069.50
02/27/2019	Scott Myller, Architect	New office design	4,800.00
02/27/2019	Staples	Admin and Board supplies	143.12
02/27/2019	Timber Line Electric & Control	SC O&M: Programming	335.00
02/27/2019	Verizon Wireless	SC cell phones	108.79
02/27/2019	Weiss & Van Scoyk	Legal Services, General Matters, Yamcolo Legal Services	9,367.00
02/27/2019	CenturyLink	Office Telephone. ACC # 970-871-1035- 239B.	256.72
02/27/2019	Flat Tops Ranch Supply	Snow plow bag, torch kit, tarp	134.96
02/28/2019	US Postal Service	Admin : postage Aecom	4.05
03/05/2019	CrashPlan Code42	Admin: Software - Cloud Backup	9.99
03/05/2019	NDS Northwest Data Services	Admin: Computer Services - Antivirus Protection	109.75
03/08/2019	Workplace Resource	MVB office furniture partial payment	20,838.36
03/08/2019	Mountain View Car Wash	SC Yamcolo Annual Maint: Chevy	17.00
03/08/2019	YVEA	Electrical Bill, Stagecoach Powerhouse and Shed	423.52
03/08/2019	Zirkel Wireless, LLC	Internet Service: 4/1/2019 to 4/31/2019	59.00
03/11/2019	NDS Northwest Data Services	IT Services	12,724.68
03/14/2019	US Postal Service	Admin : postage Workplace	4.05
03/15/2019	Hotel	Lodging, Training, Dam Operator	721.84
03/16/2019	CenturyLink	Office Telephone. ACC # 970-871-1035- 239B.	247.30
03/16/2019	CNA Surety	Policy # 0601 58101758. Effective dated 5/7/19 to 5/7/20	100.00
03/16/2019	Conoco Universal WEX	Fuel; Stagecoach Power, Stagecoach Water, Yamcolo, Five Pine Mesa Ditch	369.31
03/16/2019	Resource Engineering	Water Resource Engineering: SC Firming	4,663.50
03/16/2019	NDS Northwest Data Services	IT Services	542.50
03/11/2019	Wells Fargo	Bank Fees	28.09
03/19/2019	Ken Brenner	Director Fees and Travel reimbursements	1,901.72
03/31/2019	Quickbooks Payroll Service	March Payroll	30,352.27
03/31/2019	Expense Reimbursements	Mileage, Phone, Travel and Training	485.00
03/31/2019	Metlife	Dental & Life Insurance	1,007.88

Subtotal

150,405.32

Upper Yampa Water Conservancy District
Cash Disbursement Report
As of April 16, 2019

Date	Name	Memo	Amount
03/31/2019	Western Slope Health Care	Health Insurance	10,363.33
03/31/2019	ICMA	Retirement Accounts	7,819.54
03/28/2019	Conoco Universal WEX	Fuel; Stagecoach Power, Stagecoach Water, Yamcolo, Five Pine Mesa Ditch	369.31
03/29/2019	CenturyLink	Telephone	146.91
Subtotal			18,699.09
Total			345,822.11



UPPER YAMPA WATER CONSERVANCY DISTRICT - MARCH 31, 2019 BUDGET COMPARISON REPORT

	2018 ACTUALS	2019 BUDGET	2019 YTD ACTUALS	2019 PROJECTIONS
Fund Opening Balance including Encumbered Funds	12,683,250	14,265,967	14,265,967	14,265,967
Encumbered Funds	919,734	919,734	919,734	919,734
Stagecoach Wetlands Mitigation Reserve	419,734	419,734	419,734	419,734
Routt County Road #14 Contribution	500,000	500,000	500,000	500,000
Unencumbered Funds	11,763,516	13,346,233	13,346,233	13,346,233
Revenues				
Facilities				
Stagecoach Reservoir				
Power Sales	129,492	200,000	19,260	200,000
Water Sales	505,201	403,144		427,790
Yamcolo Reservoir				
Water Sales	130,760	133,410		121,052
Stillwater Ditch & Reservoir Company	7,744	7,965		7,965
Property taxes	2,269,399	2,284,084	426,723	2,284,084
Interest earned	249,892	284,500	78,395	284,500
Other income				
	revenues	3,292,487	3,313,103	524,378
Expenditures				
Operating				
Facilities				
Stagecoach Reservoir - Power Generation	171,464	248,954	43,398	248,954
Stagecoach Reservoir - Water storage	279,481	266,927	45,301	266,927
Yamcolo Reservoir	132,698	144,594	25,291	144,594
Stillwater Ditch & Reservoir Company	12,524	45,065	2,465	45,065
Administration	138,905	203,198	62,862	203,198
Board of Directors	63,736	83,105	17,947	83,105
External Affairs	57,966	129,754	14,132	129,754
Finance	99,239	132,880	24,618	132,880
Legal	166,864	178,567	19,393	178,567
Planning	136,600	432,927	15,736	432,927
Grants, Scholarships & Public Information	39,021	257,588	28,748	257,588
Treasurer fees	72,507	73,786	12,807	73,786
	Subtotal Operating	1,371,005	2,197,345	312,697
Capital				
Stagecoach Reservoir - Power Generation	3,967	102,900	7,541	102,900
Stagecoach Reservoir - Water storage	27,462	62,900	0	62,900
Yamcolo Reservoir	302,537	108,900	11,444	108,900
Stillwater Ditch & Reservoir Company		40,300	0	40,300
Elk River Augmentation				
Office Space	4,800	130,000	1,894	130,000
	Subtotal Capital	338,766	445,000	20,879
	expenditures	1,709,770	2,642,345	333,576
	net income (loss)	1,582,717	670,759	190,802
Ending Fund Balance	14,265,967	14,936,726	14,456,769	14,949,014



BOARD COMMUNICATION FORM

(Not Confidential and Privileged Attorney-Client Communication)

From: Robert Weiss, legal counsel

Date: April 17, 2019

Item: Notice of Meetings

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information: At the March meeting the Board asked to amend the Bylaws to provide that notice of meetings will be posted on the District website.

II. Summary and Alternatives: Move to amend Section 4 of the Bylaws as follows (change in **RED**):

SECTION 4 - Notice of Meetings.

(a) Not less than three (3) and not more than fifteen (15) days prior to the date of any regular meeting, and no less than twenty four hours (24 hrs) prior to a special meeting, the General Manager shall notify all Directors of the time, date, and place of such meeting, and (if a special meeting), the purpose for which it is called. Such notice may be by writing delivered in person, by FAX machine, by telephone, or by the US mails, or may be by email communication. The notice shall be directed to each Director at the address, FAX number, and/or email address which he or she has provided to the General Manager. It is the Directors' responsibility to provide and revise their address, FAX number, and email address to the General Manager of the District as and when changed. In addition, the District shall post written notice of the meeting **on the District website and** in the designated posting place of the District no less than 24 hours prior to holding of the meeting.

(b) Where possible, notices of all meetings shall include or be accompanied by an agenda stating the specific items of business expected to be considered. If a consent agenda is to be utilized at the meeting, a copy of the consent agenda shall be included with the notice.

(c) Notice of all regular and special meetings also shall comply with the Open Meetings Law.

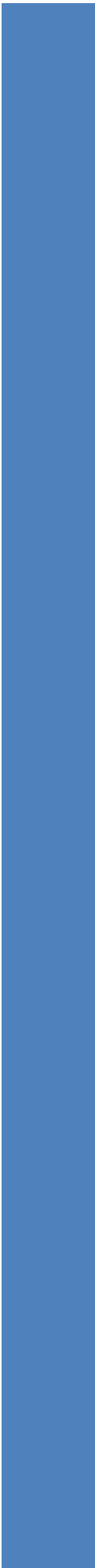
III. Staff Recommendation: Staff concurs with this change.

IV. Legal Issues: The District is required to designate a physical posting location annually. Website posting is not required by statute.

V. Consistency with Board Goals and Policies: This change is consistent with the Board's goal of promoting transparency and public participation.

VI. Fiscal Impact: None

Attachments: None



RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT BOARD OF DIRECTORS MEETING JANUARY 23, 2019 1:30 PM MOUNTAIN VALLEY BANK COMMUNITY ROOM 2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO

MINUTES

Chairman Ken 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, Ken Brenner, Ron Murphy, Stephen Colby, Tom Sharp, Webster Jones. General Manager Kevin McBride, District Engineer Andy Rossi, Office Manager Karina Craig, Administrative Assistant Barbara Wilson, and General Counsel Bob Weiss were also present.

Members of the public present included Andy Mueller and Peter Fleming, Colorado River District; Jackie Brown, Tri-State Generation & Transmission; Erin Light and Scott Hummer, Colorado Division of Water Resources; Claire Sollars, Colorado Water Matters; Nicole Seltzer, River Network; Greg Glunz, AECOM; and Lyn Halliday, Environmental Solutions Unltd., Upper Yampa River Watershed Group.

Ryan Golten, Consensus Building Institute; Andrea Parker, AECOM; and Scott Grosscup, Balcomb & Green attended parts of the meeting by phone.

The following agenda was proposed:

AGENDA

- (1) 1:30 pm Establishment of Quorum and Call to Order;
- (2) Consent Agenda; action item
 - a) Approval of Disbursements;
 - b) Approval of the minutes of November 14, 2018 Board Meeting and the December 19, 2018 Board Meeting;
- (3) 1:40 pm Approval of Agenda for Meeting; action item
- (4) Public Input and Comment;
- (5) 1:45 pm Colorado River Management Drought Contingency Planning; Andy Mueller, General Manager and Peter Fleming, General Counsel, Colorado River District
- (6) 2:45 pm Integrated Water Management Plan; Nicole Seltzer action item
- (7) 3:00 pm 2018 Budget Comparison; action item
- (8) 3:10 pm Election of Officers;
- (9) 3:20 pm Report of the General Manager;
 - a) Office Update;
 - b) Stagecoach Firming;
 - c) Non-consumptive Water Pricing; action item

RECORD OF PROCEEDINGS

- d) February 20, 2019 Work Session Agenda;
- e) Contract Negotiations;
- (10) 4:20 pm Report from District Engineer
 - a) Reservoir Water Status;
 - b) UYWCD Water Order Procedures;
 - c) Williams Fence Agreement; action item
 - d) Yampa River Basin Water Quality Study; action item
- (11) 4:40 pm Report from General Counsel;
 - a) Water Horse; action item
 - b) Board Appointments; action item
 - c) Water Resumes; action item
 - d) 16CW3016 Diligence Case; action item
 - e) Response on Yampa Call by Division Engineer;
 - f) Status of other Water Cases, if any;
- (12) Executive Session with Bob Weiss, legal Counsel, under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, and 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).
- (13) New Business;
- (14) Adjournment.

An informal conversation with Andy Mueller and Peter Fleming of the Colorado River District began at 1:00 pm. Some of the topics he discussed were: overuse in the lower basin, water levels and releases at Lake Mead and Lake Powell, components affecting interstate calls, demand management discussions; compact obligations, from the four upper basin states, and equitable apportionment within the state. Also discussed were operational challenges of the Lake Powell turbines relative to water levels and inflows, power production, funding, upriver reservoirs operations, and programs supporting native fish populations,

The meeting was called to order at 1:30 pm.

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

Meeting Agenda

Director Brenner requested item 8 (b) be added to the agenda to discuss who should represent the District at the River District meeting in three or four weeks.

Director Monger moved to approve the amended agenda. Director Redmond seconded the motion which was unanimously approved.

Public Comment There were no comments at this time.

Integrated Water Management Plan (IWMP) Nicole Seltzer, Science and Policy Manager for River Network, presented. Ms. Seltzer reviewed that she had already updated the Board in October about the scope of work, which is available on the Yampa/White/Green Roundtable website. The IWMP is awaiting approval of a grant request from the CWCB. There was clarification that the

RECORD OF PROCEEDINGS

UYWCD Board has approved \$10,000 for three years, totaling \$30,000, for the project. Director Monger clarified that if the CWCB did not fund the project, the project would go away, and the District's contribution would go away as well.

Ms. Seltzer asked the Board if they would like updates at the District Board meetings. There was general consensus that Director Brenner's reporting to the board would be enough.

Director Jones made a motion that Director Brenner represent the District in the IWMP committee. Director Murphy seconded the motion which was unanimously approved.

2018 Budget Comparison

General Manager McBride presented a memorandum written by Karina Craig detailing changes in summary budget line items. Also, a memorandum from the District Engineer detailing Yamcolo Capital expenditures was presented and reviewed. A budget amendment was requested. Director Monger said that going forward the budget should not be amended for small dollar changes. He mentioned as an example, that the County approves an operating budget, a capital budget, and a personnel budget.

Director Sharp moved to amend the 2018 budget on the three items presented; legal expenses from \$163,000 to \$166,864, Yamcolo Capital from \$292,500 to \$302,537, Office Space, capital, from \$500,000 to \$6,000 and to appropriate the increased funding. Director Colby seconded the motion which was unanimously approved.

Election of Officers

Director Sharp moved that the existing Board president (Ken Brenner), Vice-president (Doug Monger), and the Executive Committee (Ken Brenner, Doug Monger, Web Jones, Tom Sharp, and John Redmond) extend their term for one year. Director Woodmansee seconded the motion which was unanimously approved.

Appointment of Representative to the Colorado Water Conservation Board (CWCB)

Director Sharp moved that should Director Brenner apply to represent the District at the Colorado Water Conservation Board, for the General Manager to write a letter of support indicating that the current motion of support was passed by the Board. Director Jones seconded the motion, which was unanimously approved.

RECORD OF PROCEEDINGS

Western slope Steering Committee

Director Sharp made a motion to appoint Director Redmond as representative to the River District Western Slope Advisory Committee. Director Colby seconded the motion which was unanimously approved. There was discussion and agreement to reimburse Director Redmond's expenses at the per diem rate. The General Manager was asked to send a letter to the Advisory Committee.

Report of the General Manager

Office Update – The new office lease with Mountain Valley Bank was reviewed and discussed. The \$500,000 that was budgeted in 2018 would be allocated over several years. Director Jones asked if the District is taking advantage of the District's tax-exempt status with the construction project. Director Brenner asked Manager McBride to find out. Director Jones asked Manager McBride to look into State Bid pricing for furniture needs.

Stagecoach Firming – The AECOM "Stagecoach Reservoir Firming Project Board Work Session" document was reviewed and discussed. Andrea Parker with AECOM was present on the phone and said AECOM is working on item 1.1 of the project outline. Ms. Parker would like to have insight from the Board on the questions presented at December work session. There was general agreement that the General Manager would make the first attempt to answer the questions and that the Directors would consider possible responses at the February Board meeting.

Non-consumptive Water Pricing-

Director Sharp mentioned that the Board had decided at the October 2018 Board retreat that a policy for non-consumptive water pricing ought to be developed. With that in mind, Director Sharp had sent information to board members, and was asking Directors to provide their opinion.

Directors Brenner and Sharp agreed that pricing ought to be a percentage of the new M&I pricing. The 2018 M&I pricing was \$118.13, adjusted to \$121.91 for 2019.

Director Brenner said other, external parties, will have comments. He said the Board should develop a written proposal as a starting point. Director Sharp suggested a bullet point outline for discussion.

There was agreement that staff would bring a bullet point outline of topics that need board discussion as a start for development of a non-consumptive water price policy. Director Sharp stated he wished to have this developed by June 1st, 2019.

Director Brenner mentioned that the River District has priced their non-consumptive water at the same price as their agricultural water.

RECORD OF PROCEEDINGS

Director Brenner thinks the community expects, and he hopes, that the ERC water is affordable, administrable, and useful to District constituents.

There was discussion of discounts being available if the ERC water could reach the City of Craig, the Town of Hayden, or the Hayden Power Plant, or the City of Steamboat. Director Jones asked if take or pay would be wise in these types of contracts. Director Sharp said it would be a good topic for further discussion. Directors Sharp and Jones agreed a one year term contract might be the best.

There was agreement that a range of decision points would be brought to the next board meeting for discussion.

February 20, 2019 Work Session Agenda-

Ms. Ryan Golten summarized the purpose here is to give prepare a 360 assessment of the District in the coming weeks, and to bring the findings to the February 20, 2019 Board meeting.

A committee whose members are Ken Brenner and Bob Woodmansee was appointed at the last Board meeting to guide the Assessment process. A document with a proposed approach for the 360 Review was presented and reviewed.

Counsel Weiss commented that as he understands it this is not a personnel matter. Interviews would be oral and notes would be confidential. The 360 Assessment report would be reviewed in open session and it would be of public record.

Director Monger moved to approve moving forward with the 360 assessment of the District with CBI and to authorize the expenditure of the \$20,076, and that it might require a budget amendment at a later time. Jim Haskins seconded. There was unanimous approval of the motion.

Contract Negotiations-

Director Sharp spoke on behalf of the Price Negotiating Committee. He summarized recent meetings with contractees interested in new or renewing contracts into the near future. The committee has met with the City of Steamboat Springs, Tristate, Yamcolo Irrigators Association and individual irrigators. Meetings and negotiations are ongoing.

Report from the District Engineer

Reservoir Water Status –

A report from the District Engineer with information about Yamcolo Reservoir, Stagecoach Reservoir and the Yampa River, was included in the meeting packet. There was no discussion during the meeting.

RECORD OF PROCEEDINGS

UYWCD Water Order Procedures-

Background information and a draft letter regarding water order procedures was presented, reviewed and discussed.

William Fence Agreement –

An agreement was presented and reviewed. Engineer Rossi discussed the location the agreement will be affecting. Counsel Weiss summarized information he had written in the communication form.

Director Monger moved to approve the proposed agreement between Pamela and Steven Williams, Trustees of the Steven J. Williams Living Trust and the District, Director Jones seconded the motion, which was unanimously approved.

Yampa River Basin Water Quality Study –

Ms. Lyn Halliday spoke on behalf of the Upper Yampa River Watershed Group. She thanked the Board for its current and past support. She described projects currently undertaken by the Group, and sources of funding. The Watershed Group is asking the Board for the distribution of a \$5,000 contribution for the project that was included in the 2019 approved annual budget.

Director Monger moved to approve a \$5,000 contribution to the Upper Yampa Watershed Group. Director Redmond seconded; the motion was unanimously approved.

Report from General Counsel

Water Horse –

Special Counsel Grosscup discussed a memo he had written regarding the status of the case. The applicant has until early February to respond to questions from the Utah State Engineer.

Regarding the budget, he was asking for an additional \$2,500 in case Water Horse produced any new documents and so Mr. Grosscup could review them and report at the next Board meeting.

Director Sharp moved to approve an additional expenditure, not to exceed \$2,500, for review of documents that might be provided by the Water Horse applicant. Director Woodmansee seconded the motion, which was unanimously approved.

Board Appointments –

Counsel Weiss described the upcoming Board application process.

Water Resumes-

Counsel Grosscup presented a Memorandum regarding his recent review of the Division 6 and 6 Water Resumes. The information was reviewed and discussed. Counsel Weiss stated Mr. Grosscup would be presenting updates such as this on regular Board Meetings. Director Sharp said directors should be notified of anything that impacted the District's water rights, policies, or structures.

16CW3016 Diligence Case- There was no discussion. The topic would be addressed during Executive Session, as appropriate.

RECORD OF PROCEEDINGS

Response on Yampa Call by Division Engineer-

Counsel Weiss asked the Board for direction. Director Sharp stated his opinion that no further action would be needed until Division Engineer's office issued a statement indicating whether it considers the basin over-appropriated, or not. It was his opinion that, at that time, the District could assess what steps might be appropriate.

Status of other Water Cases- There was no discussion.

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 Sharp moved, Director Woodmansee seconded, and it 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 Water Resumes, Water Cases, and 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 5:40 PM. and concluded at about 6:10 PM.

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.

Director Sharp made a motion to approve de Catamount Stipulation as discussed by the Board with Counsel Grosscup during Executive Session. The motion was seconded by Director Woodmansee and unanimously approved.

Determination of future meetings The scheduled date for the next Board meeting was confirmed, being Wednesday February 20, 2019 at 1:30 PM, at Mountain Valley Bank Community Room, 2220 Curve Plaza, Steamboat Springs, CO.

The meeting was adjourned at 6:15 PM.

RECORD OF PROCEEDINGS

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

_____ Date: _____
Kevin McBride, District Secretary/Manager

STATEMENT FROM ATTORNEY REGARDING ATTORNEY-CLIENT PRIVILEGE

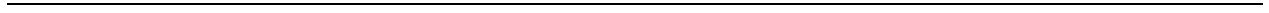
The undersigned Robert G. Weiss hereby attests, pursuant to CRS Section 24-6-402(2)(d.5)(II)(B), that the portion of the executive session that was not recorded and which related to Water Resumes, Water Cases, and Contract Negotiations constituted a privileged attorney-client communication in the opinion of the undersigned attorney.

_____ Date: _____
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: _____
Ken Brenner, Chairman



RECORD OF PROCEEDINGS

**UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD OF DIRECTORS WORK SESSION MEETING
WEDNESDAY, FEBRUARY 20, 2019 1:30 PM
MOUNTAIN VALLEY BANK COMMUNITY ROOM
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO**

MINUTES

Chairman Ken Brenner called the meeting to order and declared a quorum present. In addition to Chairman Brenner, the Board members present were Bob Woodmansee, Jim Haskins, John Redmond, Ron Murphy, Stephen Colby, Tom Sharp and Webster Jones. Director Monger 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 Andrea Parker, Ashley Moffat, Dave Merritt, Scott Fifer, Kari Dequine Harden, Jerry Smith, Andi Schaffner, Ryan Golten, Jackie Brown, Scott Hummer, and Erin Light.

The following agenda was proposed:

AGENDA

- (1) *1:30 pm* Establishment of Quorum and Call to Order;
- (2) Approval of Agenda for Meeting; action item
- (3) Consent Agenda;
- (4) *1:35 pm* Work Session;
Work session procedure: The Board will give direction to staff at work sessions for the presentation of action items at future Board of Directors Meetings, no motions will be considered. Public comment will be accommodated at the discretion of the Board of Directors majority.
 - a) *1:35 pm* 360 Review
 - b) *3:00 pm* Stagecoach Firming Task 1 – AECOM
- (5) Public Input and Comment;
- (6) *4:00 pm* Environmental-Recreational Contract policy discussion
- (7) *4:30 pm* Report of the General Counsel
 - a) Resume Review
 - b) Water Horse
 - c) City of Steamboat Springs 17CW3043
 - d) Diligence Application 16CW3016
- (8) *5:00 pm* Executive Session with Bob Weiss, legal Counsel, under CRS § 24-6-402(4)(b) to discuss legal issues on legal cases. 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) New Business;
- (10) Adjournment.

RECORD OF PROCEEDINGS

Work Session.

360 Review –

Ms. Ryan Golten presented high level findings from the UYWCD 360 Stakeholder Assessment. It was reviewed and discussed. Ms. Golten reported individuals involved were very enthusiastic about the project and the results expected. Interviews were constructive, and people were forward looking. Strengths and opportunities for improvement were reviewed and discussed.

Chairman Brenner asked directors if they were satisfied with the process and tone of the assessment; did it provide the information that they wished to have. The public was invited to comment. Ms. Jackie Brown commended the District for undertaking the review. Ms. Erin Light inquired how the document and findings would be used.

Director Woodmansee commented there are some issues and some of those issues are problems. He was proposing the first step; to clearly and define what the problems are, and to then follow a systems approach to address them. Director Haskins commented that some of the feedback provided by interviewed parties were of the “what can you do for me” approach. Mr. Haskins stated his opinion that several of the issues were, on the contrary, a two way street. He continued, the District has constraints and they need to be identified and stated clearly. Our staff sometimes go above and beyond to respond to public requests and not everyone might be aware of that. Director Jones said the assessment represents an opportunity and a challenge. The first task, he stated, ought to be strategic planning, as well as setting priorities, before the new position is hired.

Director Colby said he was very encouraged with the strength and the way people see the District. He thinks we’ve made a lot of strides but there is always room for improvement, including communicating more about the Stagecoach Firming project, perhaps through articles in the paper, acknowledging we are starting or progressing into the project. Mr. Colby agreed with Director Jones that the new position needs to be clearly defined before hiring.

Director Sharp said he appreciates the thorough approach of the assessment. He spoke of contract negotiations, some of which involved pricing which had not changed for some thirty years, such that proposed price increases raised concerns. It is valuable to see the potential areas of improvements. He continued; the District has financial support from tax revenues, power production, and water sales, and we have a responsibility towards transparency. This can be tricky, he referred to the nature of pricing negotiations. He thought the assessment was helpful.

Director Murphy pointed out that the District’s business is to sell water. It seems to him the majority of people want either recreational or wildlife use of water; however, they are not the majority of who purchase water. Director Redmond said it would be interesting to place the feedback geographically. He sees the District transitioning to what he sees as day-to-day operations – water sales and managing the reservoirs- to capturing more of what is going on in the water environment in the basin and the state.

RECORD OF PROCEEDINGS

Director Brenner spoke. He was not that surprised about what he heard through the assessment. The bigger question is, he said: what are we going to do about it. The community at large, we have a constituency that sees the Yampa as a very unique river, and that values our river very much. People want to see more of that reflected on how we approach the job of being a public servant. We are not the convener, that always tries to be the central focus, yet there is a need for that from someone. There are many other entities that are trying to do that. He sees it's very important that we set-up some subcommittees to accomplish this work. How we function internally and how we can be more efficient with our meetings, is another area that would be good to focus on. It's important, he said, that Directors be part of that Public Face. Directors in numerous boards are trending towards being a lot more interactive with constituents and members of the public.

Stagecoach Firming Task 1 - AECOM –

Andrea Parker presented an update on efforts related to the development of a Purpose and Need statement for the Stagecoach Firming Project. Some of the topics discussed included: Yampa River StateMod Model, M&I and SSI Demands, Non-Consumptive Demands and System Resiliency. A summary of recommendations was presented as well. General Manager McBride stated a Purpose and Need Draft would be presented at the next Board meeting.

Public Comment Kari Dequine Harden spoke on behalf of her family. Her property has been with her family for 50 years. Ms. Dequine Harden spoke of her father, Mr. Dequine, wanting to leave the property for generations to enjoy. Mr. Dequine wanted a conservation easement however he couldn't get one because of the firming project unknowns. This has been hanging over the property for over 10 years. Mr. Dequine would like to be involved with the project, part of the conversation. The ideal situation, from her perspective, would be get the conservation easement and have the reservoir go away. General Manager McBride mentioned that he has been in touch with Mr. Dequine on a regular basis.

Environmental-Recreational Contract Policy Discussion

This item was tabled until the next Board meeting.

Report from General Counsel

Resume Review – Special Counsel Scott Grosscup stated he had reviewed the Water Resume for Divisions 5 and 6 and there were no new issues to report.

Water Horse – Special Counsel Grosscup stated the applicant submitted a 12-page letter and 230 pages of what they state is supporting information to their claim, for the Utah State Engineer to approve the export of water they are proposing. River District representatives are drafting a short letter of response to the Utah State Engineer, conveying that the Applicant's counsel did not address many of the questions that were raised, especially water availability concerns and feasibility; and no new information was provided, rather the new information provided was wholly irrelevant.

RECORD OF PROCEEDINGS

A new budget was proposed for this project, Mr. Grosscup said the deadline to respond is March 18, 2019.

City of Steamboat Springs 17CW3043 – Mr. Grosscup stated. The UYWCD had opposed the application by the City of Steamboat and its claim for augmentation plan for Casey's pond. A proposed ruling has been provided.

Diligence Application 16CW3016 – There was no discussion.

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 Sharp moved, Director Redmond seconded, and it 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 legal cases. 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 5:10 PM. and concluded at about 5:40 PM.

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.

Director Sharp motioned the District to draft and send letter to Mr. Lou Dequine, with minor adjustments as needed, from the General Manager and the General Counsel. Director Colby seconded the motion, which was unanimously approved.

Director Sharp moved to authorize the stipulation between City of Steamboat Springs and UYWCD regarding Casey's pond, case number 17CW3043. The motion was seconded by Director Woodmansee and unanimously approved.

Determination of future meetings The scheduled date for the next Board meeting was confirmed, being Wednesday March 20, 2019 at 1:30 PM, at Mountain Valley Bank Community Room, 2201 Curve Plaza, Steamboat Springs, CO.

The meeting was adjourned at 5:45 PM.

RECORD OF PROCEEDINGS

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

_____ Date: _____
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 legal cases constituted a privileged attorney-client communication in the opinion of the undersigned attorney.

_____ Date: _____
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: _____
Ken Brenner, Chairman



RECORD OF PROCEEDINGS

**UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD OF DIRECTORS MEETING
MARCH 20, 2019 1:30 PM
MOUNTAIN VALLEY BANK COMMUNITY ROOM
2220 CURVE PLAZA, STEAMBOAT SPRINGS, CO**

MINUTES

Chairman Ken Brenner called the meeting to order and declared a quorum present. In addition to Chairman Brenner, the Board members present were John Redmond, Bob Woodmansee, Doug Monger, Jim Haskins, Ken Brenner, Ron Murphy, Stephen Colby, Tom Sharp, and Webster Jones. General Manager Kevin McBride, District Engineer Andy Rossi, Administrative Assistant Barbara Wilson, and General Counsel Bob Weiss were also present.

Members of the public present included Clinton Whitten, National Resources Conservation Service; Craig Preston, Colorado Parks and Wildlife; Erin Light, Colorado Division of Water Resources; Lyn Halliday, Environmental Solutions Unltd. and Upper Yampa River Watershed Group; Frank Alfone, Mount Werner Water District; Kelly Romero-Heaney, City of Steamboat Springs; Jeff Clyncke, Kevin Krausgrill, Anne Clyncke, Gary Clyncke, Tyler Snyder, Al Snyder, Jay Whaley, Jerry Smith, and Andi Schaffner, water storage contract holders;

Ryan Golten, Consensus Building Institute; and Scott Grosscup, Balcomb & Green, attended parts of the meeting by phone.

The following agenda was proposed:

AGENDA

- (1) *1:30 pm* Establishment of Quorum and Call to Order;
- (2) Consent Agenda;
 - a) Resolution for Posting Place action item
- (3) Approval of Agenda for Meeting; action item
- (4) Public Input and Comment;
- (5) *1:40 pm* 360 Review;
- (6) *2:00 pm* Report of the General Manager;
 - a) Contract Negotiations Update Yamcolo Irrigators Association action item
 - b) Environmental-Recreational Contract (ERC) pricing
 - c) Office Update
 - d) Stagecoach Firing
 - e) Super Mini Grant
 - f) New Hire Job Description Draft & Discussion
- (7) *4:00 pm* Report from District Engineer;

RECORD OF PROCEEDINGS

- a) Reservoir Water Status
- b) South Shore Parking Lot Proposal
- (8) 4:30 pm Report from General Counsel;
 - a) Water Resumes
 - b) Status of other Water Cases, if any
 - c) Settlement Dequine, case 2016cw3016 action item
 - d) Board Appointments
 - e) Instream Flow Bill action item
- (9) 5:00 pm Executive Session with Bob Weiss, legal Counsel, under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, and 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).
- (10) New Business;
- (11) Adjournment.

Consent Agenda Director Jones made a motion to approve the consent agenda, Resolution for Posting Place. Director Woodmansee seconded the motion which was unanimously approved.

There was general support for Counsel Weiss to bring a proposal to the Board for the April Board meeting for adding the District's website as a Posting Place in the District's Bylaws.

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

Public Comment Frank Alfone, General Manager for Mount Werner Water District (MWW) spoke and acknowledged the past good relationship with the District. He also recognized the District staff for their understanding during the remodel of MWW offices. Also Mr. Alfone thanked the Board for including MWW in the 360 review process.

360 Review Ryan Golten, Consensus Building Institute (CBI), joined the meeting by phone and referred to the memo included in the Board packet. Ms. Golten also reviewed the "5 Buckets" as outlined in the memo for the Next Steps from the previous Board Meeting. The Upper Gunnison River Water Conservancy District Mission and Values document was briefly discussed.

Director Brenner suggested two sub-committees be formed:

1. Board governance
2. Strategic Planning; Mission and values

RECORD OF PROCEEDINGS

There was general agreement that strategic planning was needed for the District and that the Upper Gunnison River Water Conservancy District Mission and Values document was a good place to start in developing this. Director Brenner will continue to work on adapting this document for the District. Director Sharp noted that he continues to disagree with the need for sub-committees.

There was general agreement from the Board for additional funding for CBI not to exceed \$20,000.

Director Monger moved to table the creation and appointments of sub-committees. Director Jones seconded the motion which was unanimously approved.

Director Brenner will bring formal proposals for formation of sub-committees to the next Board meeting.

Directors Jones, Brenner, and Woodmansee volunteered for the Board Governance sub-committee. Counsel Weiss reminded the Board that committee members need to be appointed by the Board. In addition, any meeting involving more than two Board members will be considered a public meeting which will require legally posting the meeting and creating the necessary documentation including Minutes.

Report of the General Manager

Contract Negotiations Update Yamcolo Irrigators Association – Director Sharp requested guidance from the Board about how the District should move forward with the pricing negotiations with the Yamcolo Irrigators Association (YIA). The District and YIA have different opinions on what percentages should be included in costs to administrate the reservoir.

Al Snyder, YIA negotiator, presented a PowerPoint. YIA members: Jay Whaley, Tyler Snyder, and Andi Schaffner, presented and discussed topics including cost analysis, irrigation efficiency, future costs of water, and public relations.

Director Jones briefly left the meeting at 3:00 pm.

Director Brenner asked the Board for direction and discussion followed.

Director Sharp made a motion for the District to approve the pricing for the 2019 YIA at \$12/af and \$13/af for purposes of the 2020 starting price if the YIA contract is amended. The 3000/af for Individual Irrigators would be \$11/af beginning 2020, except for 500/af of Early Termination water of Individual Irrigators would be \$10/af. If we cannot agree to negotiations regarding to defining administrative costs, defer to 2041. Director Brenner seconded the motion which was unanimously approved.

RECORD OF PROCEEDINGS

The 2019 YIA offer of \$12 was communicated to YIA in the meeting and will be confirmed in an e-mail to YIA by the General Manager which will need to be accepted by YIA prior to the end of March or arbitration will be triggered.

Environmental-Recreational Contract (ERC) pricing– General Manager McBride reviewed Director’s Sharp’s first draft on the ERC and requested feedback.

Responses to ERC pricing follow:

- Director Haskin: A percentage higher. 70-80% but don’t go lower. Maybe even go higher.
- Director Jones: More affordable. Should be subject to curtailment. The District needs protection for upcoming dry years.
- Director Murphy: Yearly rates same as M&I rate. No distance charges.
- Director Woodmansee: Place ecological and hydrological functioning of the river first then base the price on agriculture water price.
- Director Redmond: He agrees with Director Jones and make sure the District is covering its costs.
- Director Colby: He agrees with Director Jones. 70-80% of M&I, adjustment based on firmness. No contract longer than three years until we have a firmer reservoir.
- Director Monger: 70-80%. The District needs to differentiate between long and short-term contracts. Higher price for more firm water and maybe a little longer, possibly five years. Also consider the alternatives that are out there. Reservoir is an Enterprise Fund and the question is where is this discount coming from? Maybe it’s appropriate for it to come from property taxes since 80% of our money comes from City property taxes.
- Director Brenner: He would like public comments. If price needs to drop as low as 50% he is OK with that. He suggested public meetings and possibly meeting for an hour before scheduled Board meetings.
- General Manager McBride: We need to hear from stakeholders and current buyers such as the Colorado Water Trust (CWT). Also explore ideas like subleasing. He will start getting ideas drafted.

Kelly Romero-Heaney with the City of Steamboat Springs was invited to speak. Ms. Romero-Heaney appreciates the District engaging with stakeholders as there is not one entity in charge of the health of the River; it is a group that needs to work together. She suggests reaching out to the CWT as a resource.

Office Update - District Staff will be working from home for a few weeks until the new office is available. Phones will be forwarded. Estimated date for move-in is April 14th.

Stagecoach Firming – General Manager McBride briefly reviewed the draft purpose and need. AECOM will be moving towards researching alternatives including a no-action alternative and that

RECORD OF PROCEEDINGS

the permitting process will be its own public process, separate and distinct from what the District will undertake in any public information campaign of its own.

Super Mini Grant – General Manager McBride presented an initial draft of a grant proposal to increase funding opportunities for the District’s mini-grant program. That program cost shares (lesser of 50% or \$500 per device) headgate and measuring device installation or repair needed by the Division Engineer’s water commissioners. The initial proposal is for two years totaling \$50K (\$25K/yr) of UYWCD funds.

General agreement to change the District’s funding to \$50,000 annually. Director Monger asked that staff include administrative time as match in the grant request.

Director Sharp inquired if the river was over appropriated. Director Brenner stated that Division Engineer Erin Light has not determined this yet. There was general agreement that Counsel Weiss should be ready to advise the Board when this information becomes available.

Director Monger made a motion to proceed with Infrastructure Improvement Project based on the Draft presented. Director Sharp seconded the motion which was unanimously approved.

New Hire Job Description Draft & Discussion – General Manager McBride reviewed the draft job description. He stated the position is for a technical, marketing, and business skills person. Discussion followed. Director Woodmansee stated he thinks the District should be further along with the mission statement and goals prior to hiring. Director Brenner stated that the feedback from the 360 Assessment is the District should get “their ducks in a row” prior to filling this new position. Director Monger suggested keeping the search in-state.

Director Monger made a motion to approve the Communications Marketing Manager job description and for the General Manager to proceed to implement the hiring process. Director Jones seconded the motion. The motion was approved with Directors Woodmansee and Brenner voting against.

Report from the District Engineer

Reservoir Water Status – The current water storage status of Yamcolo and Stagecoach reservoirs were discussed.

South Shore Parking Lot Proposal – Stagecoach State Park Manager, Craig Preston, presented the proposal for building a new parking lot on the south shore of Stagecoach Reservoir.

Director Brenner requested a letter from Stagecoach Property Owners Association in agreement with this proposal if this project is on the District’s property.

Director Sharp requested staff research the four additional Stagecoach lots he thinks the District owns along the south shore of Stagecoach Reservoir.

RECORD OF PROCEEDINGS

Director Monger made a motion to allow the General Manager to sign-off on the applications for proceeding forward with the South Shore Parking Lot. Director Woodmansee seconded the motion which was unanimously approved.

Report from General Counsel

Special Counsel Scott Grosscup joined the meeting by phone.

Water Resumes – Nothing to report.

Status of other Water Cases – Counsel Grosscup updated the Board of the City of Steamboat and Mount Werner Water cases.

Settlement Dequine, case 2016CW3016 – Director Sharp made a motion to ratify the stipulation between the Dequine family as provided to the Board by case 2016CW3016 and to have Counsel proceed to obtain the decree from the court. Director Woodmansee seconded the motion which was unanimously approved.

Board Appointments – All three of the current Board members who reapplied: Directors Monger, Jones, and Woodmansee, were reappointed by the judge.

Instream Flow Bill – Director Colby made a motion for Counsel Weiss to write a letter that the Board of Directors would support the Voluntary Instream Flow Loan Bill HB19-1218 if section II, lines 6 through 15 of the proposed bill, were deleted. Director Monger seconded the motion which was unanimously approved.

Executive Session There was no Executive Session.

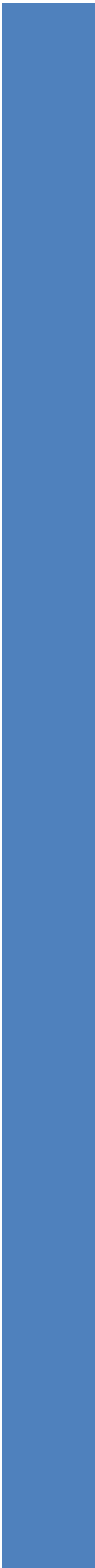
Determination of future meetings The scheduled date for the next Board meeting was confirmed, being Wednesday April 24, 2019 at 1:30 PM, at Mountain Valley Bank Community Room, 2220 Curve Plaza, Steamboat Springs, CO.

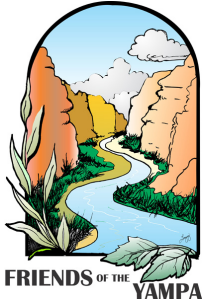
The meeting was adjourned at 6:15 PM.

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

Kevin McBride, District Secretary/Manager

Date: _____





Friends of the Yampa

www.friendsoftheyampa.com

PO Box 771654, Steamboat Springs, CO 80477

Mission: To protect and enhance the environmental and recreational integrity of the Yampa River and its tributaries thru stewardship, advocacy, education and partnerships.

April 16, 2019

Kevin McBride
District Manager
Upper Yampa Water Conservation District
2220 Curve Plaza Ste. 201
Steamboat Springs, CO 80487

RE: Sponsorship funding request for Yampa Basin Rendezvous 2019

Hello Kevin,

We at the Friends of the Yampa would like to ask the board of the Upper Yampa Water Conservation District if they would support the 2019 Yampa Basin Rendezvous conference with a financial sponsorship contribution. We are asking the UYWCD for \$250 as a Contributing Sponsor role.

You'll remember last year was our first year producing this water, snow and weather climate and science conference based here in Steamboat Springs. In fact, you represented the UYWCD at the event and presented during this inaugural, 2-day conference that had over 150 attendees over the 2-day Rendezvous.

In partnership with the Center for Western Weather Water Extremes out of Scripps Institution of Oceanography, Colorado Mountain College, Yampa Valley Sustainability Council and Steamboat Resorts we are doing it all over again. This year the Rendezvous will be held June 4 & 5 at Colorado Mountain College again.

Currently we are fine tuning our agenda, speakers and tours but we have secured Brad Udall as our keynote speaker who will talk to the Colorado River and its tributaries like the Yampa River, our future climate resiliency needs and the concept of the "hot drought" that he has been working on.

With your Contributing Sponsorship role of a \$250 donation, you'll be provided a 10x10 space at the conference for display if you wish, marketing recognition on poster and print ads, recognition on event screen, social media call outs and recognition in attendant emails.

Currently we have the Walton Family Foundation supporting the Rendezvous as our Title Sponsor and American Rivers as our Community Event Sponsor.

Thank you for your support in this and past, present and future efforts.

Kent Vertrees
President
Friends of the Yampa
970-846-7933

Yampa Basin Rendezvous: A Dialogue on Climate Projections and Building Community Resilience

*Organized by the Center for Western Weather and Water Extremes (CW3E),
Colorado Mountain College, Friends of the Yampa,
Yampa Valley Sustainability Council, and Steamboat Resorts
4-5 June 2019, Colorado Mountain College Steamboat Campus*



How will the Yampa River Basin experience the effects of the changing climate, and how can communities respond? This question will be at the forefront of the 2019 Yampa Basin Rendezvous. This 2-day event will provide an overview of the state-of-the-art regional climate projections and advances in the fundamental physical knowledge that are essential to the accuracy and usability of these projections. It will also cover the efforts of community members and organizations throughout the region that continue to work towards building resiliency in infrastructure, hazard preparedness, and other factors.

The Yampa River is one of the wildest remaining major tributaries of the Colorado River and supports a rich ecosystem, local agriculture and ranching, and a robust recreation industry. It also provides crucial water supplies to local stakeholders and locations as far removed as Arizona and Southern California. A multitude of environmental and societal factors are expected to be affected by climate change in the Yampa River Basin, and are pertinent to other watersheds around the American West.

During the second Yampa Basin Rendezvous, participants will examine the Yampa River Basin through the lens of climate change and community resilience. The Rendezvous will include morning talks by regional experts, discussion panels, afternoon field learning, and a community event. We will explore the science behind climate projections with a focus on the Yampa, learn how climate change is expected to impact various stakeholders in the Yampa, and learn what adaptation and mitigation plans are in place and where challenges remain. Through this dialogue with the local community, we hope to pair CW3E's research directions with the community's expertise on the challenges and successes of resilience planning and practices in the Yampa to identify how additional climate and weather information and research may be beneficial.

This event is an effort to connect graduate students, post-doctoral scholars, researchers, staff and faculty from the Center for Western Weather and Water Extremes (CW3E; cw3e.ucsd.edu) to river basins throughout the west, to pursue the mission and goals (listed below) of this new center. CW3E is based at the University of California San Diego's (UCSD) Scripps Institution of Oceanography and is building a regional community of scientists and engineers to work on western weather and climate problems.



YBR Mission: The YBR strives to be an opportunity for reflection, communication, appreciation, and collaborative, interactive learning about the Yampa Basin ecosystems, environment, weather, climate, people, and culture and their intersections, for members of the Yampa Basin community as well as all the communities downstream who rely on the Yampa's water.

YBR Goals: Connect students, researchers, institutions, and community members who live and work in the Yampa River Basin to share knowledge regarding climate variability and change that has impacts on the environment, people and the economy. Build community and encourage collaborative problem-solving and planning, and provide an opportunity for citizens and visitors to be informed about the state of the Yampa Basin and the people and plans in place and in process to protect it.

2019 YBR Steering Committee Members:

Sarah Jones, *Yampa Valley Sustainability Council*

Matt Jost, *Colorado Mountain College*

Marty Ralph, *Center for Western Weather and Water Extremes, UC San Diego*

Mike Sierks, *Center for Western Weather and Water Extremes, UC San Diego*

Nathan Stewart, *Colorado Mountain College*

Tony Urbick, *Steamboat Resorts by Wyndham Vacation Rentals*

Kent Vertrees, *Friends of the Yampa & Steamboat Powdercats*

Anna Wilson, *Center for Western Weather and Water Extremes, UC San Diego*

Logos go here





BOARD COMMUNICATION FORM

From: Kevin McBride

Date: April 18, 2019

Item: Stagecoach Reservoir Firming Project

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information:

To provide a status of Task 1 for the proposed Stagecoach Reservoir Firming Project:

Draft Purpose and Need Report

- A draft report has been prepared by the AECOM Team and is currently under review by the District Manager.
- The draft report contains some gaps that will be filled as more contracting information becomes available, modeling refinements are completed and if or how to apply SWSI 2019 data in Task 1 is determined.
- The draft report provides a structure for the Final Purpose and Need Report and to identify placeholders for remaining analysis and future updates associated with the Purpose and Need evaluation.
- Information pertaining to the Draft Purpose and Need Report will be presented at the May 15, 2019 Board meeting.

Draft Alternatives Report

- A Draft Alternatives Report (Initial Screen though Preliminary Alternatives) is currently being prepared by the AECOM Team and will be submitted to the District Manager the week of April 22 for review.
- Information pertaining to the Draft Alternatives Report will be presented at the May 15, 2019 Board meeting.



Task 1 Schedule Update

On-going contract negotiations and modeling refinement efforts and created delays in Task 1 in relation to developing the Purpose and Need Report. Subsequent delays pertaining to the Alternatives Report are anticipated since establishment of the Project Purpose and Need is required for screening alternatives. Revised schedule milestones are provided below resulting in a 4 month extension of the overall project schedule.

Purpose and Need

May 15, 2019 Board meeting

Final Report - Sept 6, 2019 (depends on status of contract, modeling and/or SWSI 2019)

Alternatives

Draft Report - April 26, 2019

May 15, 2019 Board meeting

Final Report - Oct 11, 2019

Permitting Strategy

Draft Report - Oct 25, 2019

Final Report – Nov 8, 2019

Budget Level Estimates

Draft Report - Nov 22, 2019

Dec 18, 2019 Board Meeting (combines permitting and budget estimates)

Final Report - Jan 17 2020

II. Summary and Alternatives:

N/A

III. Staff Recommendation:

N/A

IV. Legal Issues:

N/A

V. Consistency with Board Goals and Policies:

Yes – evaluating firming Stagecoach Reservoir to help achieve the District’s mission

Attachments:

None





BOARD COMMUNICATION FORM

From: _____ Kevin McBride _____

Date: _____ 4/18/2019 _____

Item: _____ **HB 1271** _____

X _____ DIRECTION
_____ INFORMATION
X _____ MOTION
_____ RESOLUTION

I. Request/Issue and Background Information:

This bill is being promoted by sponsors and the fact sheet includes the Colorado River District as a supporter.

II. Summary and Alternatives:

Support, don't support, modify as appropriate, or take no action

III. Staff Recommendation:

No Staff Position

IV. Legal Issues:

The bill in its current form allows the Colorado Water Conservation Board to obtain a court decreed plan for augmentation to augment decreed instream flow water rights using water rights changed for such use or decreed for augmentation.

V. Consistency with Board Goals and Policies:

TBD

Attachments:

Fact Sheet HB 19-1271

PLEASE SUPPORT HB 19-1271, Augmentation of Instream Flows

Rep. Jeni Arndt

Why Is this Bill Needed?

To provide certainty and direction to an existing mechanism to re-water streams. The Colorado Revised Statutes currently state that the Colorado water conservation board (CWCB) may initiate water court applications for augmentation plans. An augmentation plan is a legal mechanism, approved in water court, to increase the supply of water available for beneficial use.

For several years, the Colorado Water Trust, the CWCB, and Colorado Parks and Wildlife have been working with water users on the Cache la Poudre, including the City of Fort Collins, Cache la Poudre Water Users, the City of Greeley, Northern Water and the City of Thornton, to prepare a water court application for a plan for augmentation under which water users could make their water rights available to the CWCB to boost stream flows. During the course of preparing that application, it became evident that the statute did not address administrative questions of the Division of Water Resources, and so proponents worked with the State Engineer to clarify CWCB authority to augment stream flows. The State Engineer believes this bill addresses those concerns.

What Does the Bill Do?

HB 19-1271 further describes the CWCB's existing augmentation authority and clarifies that the CWCB may use a plan for augmentation to re-water streams with water rights that other water users voluntarily provide. The bill:

- Clarifies authority for Water Court to approve plans for augmentation for instream flow purposes;
- Maintains CWBC authority over instream flows;
- Affirms mechanism to use changed and quantified augmentation water rights to benefit the environment without injury to water rights; and
- Affirms procedures to include more changed and quantified augmentation water in the plans after they have been decreed.

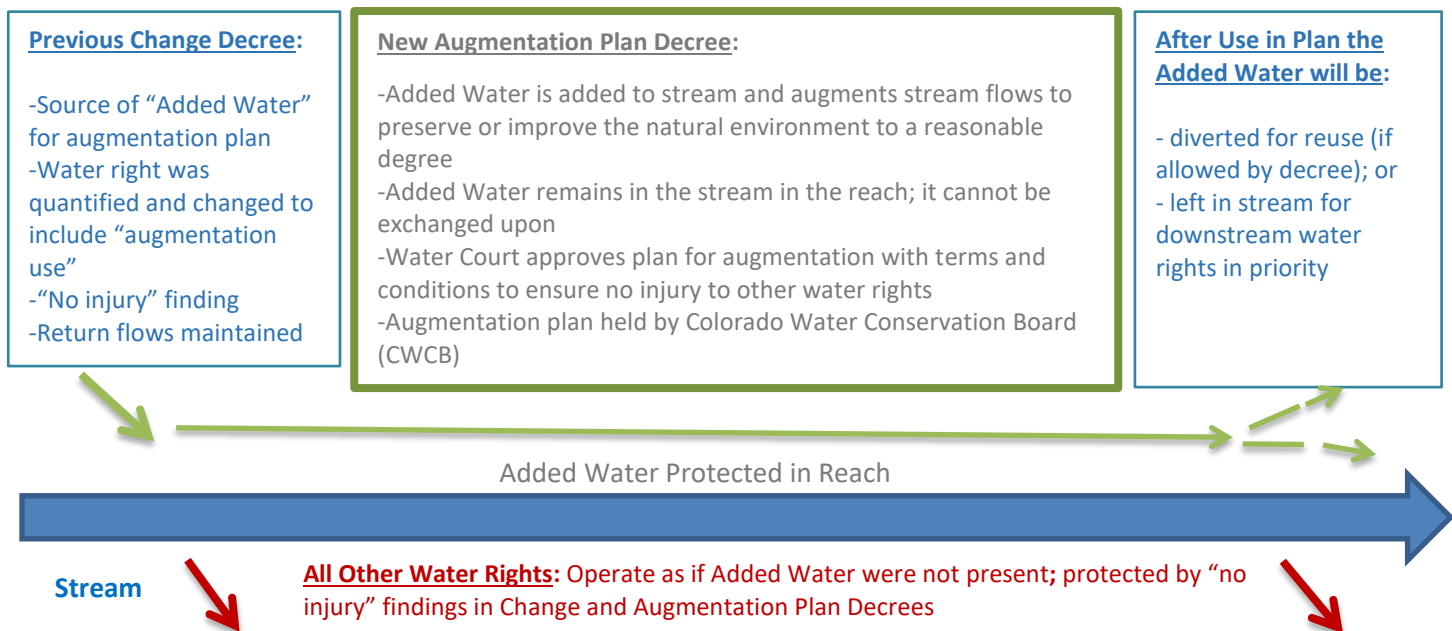
What Does the Bill NOT Do?

The bill guards against expansion of use and injury to other water rights by clarifying only that water rights for which historical consumptive use is quantified may be used for augmentation. The bill also requires terms and conditions to be imposed by the water court in the augmentation plan proceedings to prevent injury. The bill will:

- NOT injure other water rights because water added to the stream would be used pursuant to its change decree and the instream flow augmentation plan decree;
- NOT reduce use of other water or exchange potential;
- NOT amend existing decrees; and
- NOT affect return flows from changed water rights.

The graphic below depicts what will happen on the river when instream flows are augmented.

1. In a typical scenario, a municipality or water association with water rights that have been previously changed and quantified in water court for augmentation purposes. It can provide those water rights to the CWCB using a contractual arrangement on a temporary or more permanent basis.
2. Subject to terms and conditions of the water court decrees (e.g. volumetric limits, return flow replacement, etc.) the CWCB will measure and deliver the water to the stream to be transported through a reach to augment stream flow and preserve or improve the environment.
3. Downstream of the augmented reach, the water will be available to the municipality or water association for reuse if their decrees allow, or it will be left in the stream for downstream water use in priority.



Supporters of HB19-1271:

- Colorado Water Trust
- Department of Natural Resources
- Colorado Water Conservation Board
- Conservation Colorado
- City of Fort Collins
- Northern Colorado Water Conservancy District
- Northwest Colorado Council of Governments Water Quality/Quantity Committee
- The Nature Conservancy
- City of Greeley
- Colorado River District

Please vote YES on HB 19-1271

For more information, please contact Kate Ryan of the Colorado Water Trust at kryan@coloradowatertrust.org, (720) 204-5845, or proponents' legislative liaisons, Jennifer Cassell at jennifer.cassell@gmail.com, (785) 393-0472 or Ed Bowditch at edbowditch@aol.com, (303) 489-8680.

EXECUTIVE SESSION





BOARD COMMUNICATION FORM

From: Ken Brenner

Date: April 24, 2019

Item: Special Committee on Mission-Vision and Board Governance Planning

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information: At its March 20 meeting, the UYWCD Board requested to hear a proposal at its April meeting to establish a Committee to address key issues raised by the 360 Assessment. These include development of a Vision/Mission/Goals statement and certain Board Governance issues. The attached Charter defines the parameters for a Special Committee to develop proposals for Board review and action on both topics.

II. Summary and Alternatives: The Bylaws provide the following:

Special committees may be created upon motion or resolution adopted at any meeting of the Board of Directors. The number of members of such committees shall be provided in the motion or resolution creating the committee. The Directors who shall serve thereon shall be selected by vote of the Board of Directors, or, in default of such selection, shall be determined and appointed by the President. Authority of any such committee to act on behalf of or bind the Board shall only be delegated by Board motion or resolution. Any such committees can be dissolved by the Board. The President shall be an ex-officio member of all such committees and shall vote on committee actions only if necessary to break a tie vote of the other committee members or if there is a quorum only because of the President's attendance. The General Manager shall be an ex-officio member of each special committee, but shall have no vote thereon.

If the Board desires to form the Special Committee it can do so by motion.

Proposed Motion: Motion to form Special Committee to develop a Vision/Mission/Goals statement and certain Board Governance issues in accordance with Committee Charter dated 4/10/19. Committee members are Web Jones, Bob Woodmansee, Ken Brenner, and Kevin McBride.

III. Staff Recommendation: _____

IV. Legal Issues: N/A.

V. Consistency with Board Goals and Policies:

VI. Fiscal Impact: _____

Attachments: Special Committee Charter

DRAFT CHARTER

UYWCD Special Committee on Mission-Vision and Board Governance Planning

Purpose

At its March 20 meeting, the UYWCD Board requested to hear a proposal at its April meeting to establish a Committee to address key issues raised by the 360 Assessment. These include development of a Vision/Mission/Goals statement and certain Board Governance issues. This Charter defines the parameters for a Special Committee to develop proposals for Board review and action on both topics.

Scope

The Special Committee will have two mandates as set forth below. The Committee will not be empowered to make any decisions on behalf of the Board, but only to develop proposals for Board consideration.

1) Develop a draft Vision-Mission-Goals statement modeled on that of the Upper Gunnison River Water Conservancy District but specifically tailored to the UYWCD.

This statement will help assure alignment between the Board of Directors and the General Manager and the GM's staff. It will help explain to the public what the UYWCD stands for and plans to accomplish. It should include aspirational language (vision/mission) as well as more concrete goals to realize that vision and mission.

2) Propose updates to the UYWCD bylaws and any other governance procedures to address Board issues identified by the Assessment. *(Note this included Board input about strengths, challenges, and suggestions for improvement for the Board itself.)*

The Special Committee will consider the following in developing its proposal(s):

1. Efficiency and productivity of Board meetings, including agenda structure.
2. Inclusivity and openness to diverse perspectives at Board meetings.
3. Procedures for hearing more from staff at Board meetings.
4. Promoting diversity of experience/perspective on the Board to degree possible.
5. Addressing perceived and potential conflicts of interest as needed, including developing procedures for disclosure and recusal.
6. Supporting Board members' participation in other Basin water efforts.
7. Encouraging collaboration in Board meetings and external efforts.
8. In terms of Board operations and governance: clarify roles and responsibilities, including for the Executive Committee, in activities such as external affairs or

4/17/19

negotiations, and in providing guidance to staff; communications and decision-making protocols; addressing areas of conflict/concern as they arise.

9. Defining a procedure for bringing policy proposals to the Board for consideration.

Composition

The Special Committee shall consist of the following individuals:

- Web Jones, Board member
- Bob Woodmansee, Board member
- Ken Brenner, Board President (per the bylaws, the President shall be an ex-officio member of all such committees with specific exceptions for when he/she may vote)
- Kevin McBride, GM (per the bylaws, the General Manager shall be an ex-officio member of each special committee and shall not vote)

Timeframe/Work Plan

1. **Vision-Mission document.** The Committee will have two months to submit an initial proposal for Board review. After seeking and incorporating input from the Board, the Committee will submit a revised draft for preliminary approval. The Committee will propose and, with Board input, implement a process for gathering public/stakeholder comments over a 1-2 month period. The Special Committee will draft an updated version based on public input received, which it will present for Board review (and final input from the public). The Special Committee will make any relevant final edits and present a final draft before to the Board for adoption by the end of 2019.
2. **Bylaws/governance updates.** The Special Committee will have up to four months to submit proposals to the Board. The proposals may include complete recommendations and/or options with identified pros/cons and tradeoffs of each. The Special Committee will seek Board input and submit a revised draft(s) for board approval.

Collaborative Decision-Making

The Special Committee will seek consensus in developing recommendations for the Board by consensus. It will prioritize proposals likely to garner some degree of support from all Board members. In doing so, the Special Committee will be mindful of diversity of Board opinions articulated at past Board retreats and meetings on these topics. In the absence of a consensus recommendation, the Committee may propose more than one option for Board consideration, articulating pros/cons or tradeoffs of each.

Dissolution of the Work Group

The Special Committee will dissolve within 12 months unless otherwise determined by the Board in accordance with its bylaws.



1 The following was drafted using the Upper Gunnison River - Values, Vision, Mission Statement as a
2 template. Much of the Upper Gunny document has been retained, much has been reworked, some
3 discarded, and some new material has been added. This must be viewed as a preliminary working, straw
4 person, and “mind-prompting” document. Much work needs to be done on Action Items, On-going Tasks,
5 and Priorities!!!!
6
7

8 9 **UPPER YAMPA RIVER WATER CONSERVANCY DISTRICT MISSION AND VALUES**

10 11 **Mission Statement**

12
13 *(From Upper Gunnison)*

14 *To be an active leader in issues affecting the water resources of the Upper*
15 *Gunnison River Basin.*

16 17 **Straw person UYWCD Mission Statement**

18 To manage water related resources and provide community leadership in
19 water security for current and future generations during **co-occurring**
20 environmental, social, political, administrative, and economic changes in
21 the Upper Yampa River Basin

22
23 This mission statement reflects the following values held by the District’s Board of Directors following
24 recent guidance from survey and assessment reports. The Board recognizes the collaborative
25 community-based visioning efforts by stakeholders within the Upper Yampa River Basin (e.g., Routt
26 County Master Plan, Vision 2030, City of Steamboat Springs Master Plan???, Friends of the Yampa,
27 and others) that yielded key values held by citizens in the region related to agriculture and open
28 space, the economy, heritage, planning, recreation, resilience, and sustainability.
29

30 The Upper Yampa Water Conservancy District is unique (except County and municipal
31 governments) among organizations involved in Upper Yampa River water issues. It has existing
32 financial reserves and a tax base. It is a quasi-governmental organization with legal authority to
33 enable and fund collaborations, projects, incentive programs, and consultants. The Board can make
34 funding decisions, within legal constraints, without soliciting outside resources.
35

36 The Board recognizes that effective water management requires a holistic perspective and attention to
37 the health and viability of the entire Yampa River watershed including its rivers and streams, riparian
38 areas, and uplands and the groundwater moving through the land and interacting with the surface
39 waters. The holistic perspective accounts for the **economic and socio-cultural** needs of both current
40 and future generations. And the Board acknowledges collaboration, cooperation, and partnerships with
41 many institutions is required to achieve its goals.
42

43 The Upper Yampa Water Conservancy District shall conduct its affairs as public servants and at all
44 times appear professional, courteous and polite. We shall ensure transparency by complying with the
45 Open Meetings law and allow and encourage public participation in board meetings. The Board will
46 honor its fiduciary responsibilities, the duty of care, loyalty and obedience to the UYWCD.
47
48

49 **Values Statements.**

50

51 The Board regards irrigation, flood control, municipal and industrial uses, ecological needs,
52 recreational opportunities, and aesthetic values to be important matters for the District and the
53 public it serves and advocates achieving a balance among uses of water within the District to
54 minimize potential conflict among them.

55

56 The Board supports the concept that the Yampa River Basin and its healthy functioning upland,
57 riparian, river, stream, and wetland ecosystems are and will be the lifeblood of the county's
58 cultural, environmental, and thus, economic future.

59

60 The Board strongly opposes any new transfers of water from the Yampa River and its tributaries to
61 other basins because such transfers would interfere with existing beneficial uses of water, damage
62 economic stability, and reduce environmental quality within the District.

63

64 The Board strongly supports enactment of the doctrine of equitable apportionment rather than
65 prior appropriation to resolve allocation issues in the event of curtailment of water use through a
66 Colorado River Compact call.

67

68 The Board strongly supports ranching and irrigated agriculture in the District for its
69 economic, socio-cultural values, and potential positive environmental contributions to the
70 community.

71

72 The Board strongly supports providing adequate water supplies of high quality for municipal
73 and domestic purposes including drinking water, manufacturing, sensible landscaping, craft
74 brewing operations, and other consumptive uses.

75

76 The Board recognizes energy related industries require water and the economic welfare of the
77 Yampa River Basin is heavily influenced by those industries.

78

79 The Board strongly supports economically viable and responsible outdoor recreational activities
80 including esthetic enjoyment by residents and visitors, winter sports, water sports, fishing, and hunting.

81

82 The Board supports its role in partnerships protecting the healthy functioning of river, stream,
83 riparian, and upland ecosystems and hydrology.

84

85 The Board supports wise land use policies by local governments to protect the water resources of
86 the basin.

87

88 The Board is committed to managing and funding effective monitoring, protection and restoration
89 programs in order to maintain high water quality standards as a necessary part of a healthy economy
90 and environment in the District.

91

92 The Board accepts the preponderance of scientific evidence indicating that warmer temperatures are
93 already having effects in the District on quantity and timing of precipitation, evaporative losses, forest

94 and rangeland health and timing of spring peak runoff, and other effects that will increase in the future;
95 it is therefore necessary to adapt the Board’s planning assumptions to such changed conditions.
96

97 The Board believes that the District must participate locally and in statewide collaborative partnership
98 processes to address challenges such as **co-occurring** climate, environmental, social, political,
99 administrative, and economic changes, with projects and programs to address those challenges; and in
100 those statewide processes, the District must be a strong and consistent voice guarding against
101 inequitable and unmitigated damage to Western Slope interests.
102

103 The Board recognizes the need for collaborative efforts with partners to develop positions regarding
104 legislation that has a nexus with water.
105

106 The Board recognizes that education is not simply presentation of information, rather it requires
107 transfer of factual knowledge through interactive engagement and co-learning¹.
108

109 GOALS, ACTION ITEMS, ONGOING TASKS FOR 2019

110 **Introduction**

111
112
113 Goals are numbered for identification, but all goals have equal priority unless specifically noted
114 otherwise. The means to accomplish the Board’s goals are divided into two categories: Action Items and
115 Ongoing Tasks. Action Items are specific activities that are intended to be completed, or to have
116 substantial progress accomplished, within the year for which they are identified. Ongoing Tasks are
117 activities that the District staff is engaged in on a continuing basis from year to year. The Action Items
118 and Ongoing Tasks have been assigned a priority as follows: Priority 1 - Imperative in achieving the
119 principles outlined in the Mission Statement; Priority 2 - Strongly supports achievement of the Mission
120 Statement principles, but not imperative to the mission; Priority 3 - Supports achievement of the Mission
121 Statement, but to be done as time and budget allow.
122

123 **Goal 1. Protect existing and future decreed water uses within the Upper Yampa River Basin**
124 **from calls from senior water rights whose points of diversion are located downstream of**
125 **UYWCD boundary.**
126

127 **Action Items to Accomplish Goal 1.**

128
129 Develop a strategy for protection of present perfected rights to the beneficial and non-consumptive uses of
130 waters within the Upper Yampa Basin that could be impacted by a physical shortage of water in the
131 Colorado River system. [Priority 1]
132

133 **Ongoing Tasks to be Performed in Pursuit of Goal 1.**

134
135 a) Continue to identify ways to improve administration spreadsheet reliability. [Priority 2]
136

¹ **Co-learning** aims at the collaborative construction of knowledge, in which co-learners are able to expand their social networks, integrate open learning with collective research and co-author collaborative productions. (<https://www.igi-global.com/dictionary/inquiry-based-learning-on-the-cloud/52568>)

137 b) Continue to participate in and monitor activities relating to the Colorado River Compact of 1922 and the
138 Upper Colorado River Basin Compact of 1948, particularly any State of Colorado proposed actions in
139 response to intrastate shortage allocations, the seven state shortage criteria and the Drought Contingency
140 Plan. [Priority 1]
141

142 c) Watch for opportunities to acquire senior water rights. [Priority 3]
143
144

145 **Goal 2. Support agricultural enterprises through favorable water pricing, infrastructure**
146 **modernization, and an array of conservation incentives.**
147

148 **Action Items to Accomplish Goal 2.**
149

150 a) Transparency, collaborative, and co-design based on actual, auditable enterprise costs of
151 operation.
152

153 b) Encourage use of mini-grants for gates and measuring devices.
154

155 c) Collaborative development of best management practices and conservation measures
156

157 **Goal 3. Develop working collaborations and partnerships with municipal water users to**
158 **ensure water resources are fair and equably distributed.**
159

160 **Action Items to Accomplish Goal 3.**
161

162 1) Develop and adopt policies relating to administration and utilization of the RICD
163 water right. [Priority 2]
164

165 2) Flesh out
166

167 **Goal 4. Develop working collaborations and partnerships with industrial water users to**
168 **ensure water resources are fair and equably distributed and where possible, meet other**
169 **beneficial use demands and environmental and recreation needs.**
170

171 **Action Items to Accomplish Goal 3.**
172

173 1) Flesh out
174

175 **Goal 5. Maintain, and where possible if feasible, improve and develop the water supply**
176 **(storage, conservation, upgraded land management practices) that is physically available in**
177 **individual sub-basins in the District.**
178

179 **Action Items to Accomplish Goal 5.**
180

181 a) Operate and maintain physical infrastructure of Stagecoach and Yamcolo reservoirs and dams
182 according to state-of-the-art practices for safety and operating standards.
183

- 184 b) Develop and prioritize an inventory of irrigation infrastructure needs and mini-grant priority in
185 the sub- basins of the District as reflected in the Watershed Management Plan, including strategies
186 to address future water shortages. [Priority 1]
187
- 188 c) Evaluate potential water conservation methods and costs that can be supported by cooperative
189 incentive programs. [Priority 1]
190
- 191 d) Continue AECOM feasibility assessment to determine a range of alternatives for “firming” or
192 enhancing Upper Yampa River system resilience. [Priority 1]
193
- 194 e) Review and compile research and demonstration studies results evaluating “best management
195 practices” on forestlands, rangelands, and riparian areas to improve water yield and water quality.
196 [Priority 1]
197
- 198 f) Investigate forest and rangeland groundwater hydrology for enhancing water supplies. [Priority 1]
199
200
- 201 g) Seek out and evaluate water projects and partnerships. [Priority 1]
202
- 203 h) Pursue partnership in water management opportunities with Colorado Parks and Wildlife. Cooperate
204 with CPW as they develop their Master Plan. [Priority 1]
205
- 206 i) Assist the municipal water providers in the District as requested in development of water
207 conservation plans. [Priority2]
208
- 209 j) Assist constituents in improving water supply and making the existing supply more reliable and
210 efficient by making funding for such activities available through the District Grant Program. [Priority 1]
211

212 **Ongoing Tasks to be Performed in Pursuit of Goal.**
213
214

- 215 f) Participate financially, in cooperation with other sponsors, in research to the extent that the study can
216 produce information useful to the District In accomplishing its goals. [Priority 1]
217
- 218 g) Develop and adopt policies relating to administration and utilization of the RICD
219 water right. [Priority 2]
220

221 **Goal 6 Protect existing water supplies for in-channel and flatwater recreational purpose and**
222 **improve public awareness of public access concerns.**
223

224 **Action Item to Accomplish Goal 6**
225

226 Work with all stakeholders to create maps and other tools (including signage) to identify existing public
227 access areas.
228

229 **Ongoing Task to be Performed in Pursuit of Goal 6.**
230

231 Continue to support the Yampa River Festival as an effort to promote the use of the
232 Recreational In-Channel Diversion (RICD) water right. [Priority 1]

233
234 **Goal 7 Improve instream water supplies for environmental purposes in a manner that is**
235 **consistent with the District’s overall responsibilities.**

236
237 **Action Item to Accomplish Goal 7**

238
239 a) Collaborate with stakeholders within local watersheds to identify, inventory and prioritize
240 environmental projects and programs for maintaining or improving the environmental quality of the
241 Yampa River Basin, including the probability of reduced flows due to natural or cultural impacts.
242 [Priority 1]

243
244 b) Identify any additional reaches within the Basin for riparian or aquatic assessment. [Priority 2]

245
246 c) Set pricing for Rec/Enviro water based on river health rather than financial gain. Similar to Ag.
247 Health rather than financial gain.

248
249 **Ongoing Tasks to be Performed in Pursuit of Goal 7.**

250
251 a) Coordinate with the Colorado Water Conservation Board and others on instream flow water rights
252 within the Yampa River Basin in support of environmental water use needs. [Priority 2]

253
254 b) Continue to work with others to adapt to diminishing water supplies due to climate change in order
255 to enhance the riparian environment. [Priority 1]

256
257 c) Collaborate with irrigators to explore possible exception to water administration practice that
258 requires stream dry up to place a call, with the objective of allowing an irrigator to leave water in the
259 stream for habitat protection without detriment to water rights.

260

d) With appropriate stakeholder, explore cooperative, administrative, and statutory means to permit
shepherding water, both locally to support item c) above and statewide to support demand
management as part of contingency planning.

~~e) Continue partnerships with Gunnison County, the City of Gunnison and Western State Colorado
University in improving the existing aquatic environment on lower Tomichi Creek. [Priority 2]~~

**Goal 8 Protect Water Quality in a manner that is consistent with the District’s overall
responsibilities, including protecting and encouraging the beneficial use of water within the
District.**

Ongoing Tasks to be Performed in Pursuit of Goal 8.

a) Inventory opportunities and facilitate solutions to address potential drinking water quality issues in
the District. [Priority 2]

- b) Contribute to and facilitate the USGS water quality monitoring program with multiple other local stakeholders. [Priority 1]
- c) Provide facilitation for the cooperative effort among the District, and the Yampa River water quality monitoring stakeholders to participate in the triennial review of basin water quality standards and other appropriate rulemakings. [Priority 1]
- d) Encourage use of the grant program for projects that improve the existing aquatic environment. [Priority 1]

Goal 9 Pursue education of and input from constituents (co-learning) within the District on the value of basin water resources, including development of engagement and outreach programs promoting the District and its activities.

Action Item to Accomplish Goal 9.

- a) Using the power of the Internet, develop a library of online interactive courses, learning modules, and virtual field trips. [Priority 1]
- b) Identify District stakeholders and clients. Work with learning specialists and educators in the District and elsewhere to develop and sustain water education and engagement programs that will be age and experience appropriate, e.g., pedagogy, andragogy, recognition of differing innovation adoption groups, etc. [Priority 1]
- c) Provide funding through ~~mini~~-grants to develop and sustain local water education and engagement programs. [Priority 1]
- d) Create overview presentations of District Vision, Mission, Goals, History, and Accomplishments based on materials in Appendix ? of the Strategic Plan and have available on District website and for public gatherings. [Priority 2]
- e) Develop and implement a social media and marketing strategy to raise awareness and increase participation in District events and planning processes [Priority 2]
- f) Initiate a speaker series of CSU, CU, and Federal and State water related scientists to establish linkages with major universities and agencies. This is a collaboration opportunity.

Ongoing Tasks to be Performed in Pursuit of Goal 9.

This section needs to be rewritten to tie to the above.

- a) Redesign and maintain the District website to keep the public advised of District activities and resources. [Priority 1]
- b) Maintain distribution of the brochure tied to the website and make sure the information is explained and easily accessed on the website. [Priority 1]
- c) Develop a more active relationship with local and regional media. [Priority 1]

- d) Participate in local events to create public awareness of the District. [Priority 3]
- e) Establish and evaluate the internship program and make recommendations based on the findings. [Priority 1]

Goal 10 Serve as an active and collaborative leader, locally and regionally, in addressing current and future impacts of ~~climate change~~ co-occurring environmental, social, political, administrative, and economic changes on water resources and watershed health.

Action Item to Accomplish Goal 10

- a) Maintain existing and develop new partnerships and collaboration networks with organizations and committees having shared interests, e.g., Basin Roundtable, IWMP, Watershed Management Committee, Friends of the Yampa, CRD, NRCS, USFS, CPW, etc.
- b) Continue to Actively participate in efforts to develop Risk Management Study related to additional development of Colorado River water from the Colorado River system.

Ongoing Tasks to be Performed in Pursuit of Goal 10.

- a) Conduct a coordinated analysis of challenges facing the Yampa River Basin from the already-changing regional climate in partnership with land management agencies, university faculty and stakeholder groups [Priority 1]
- b) Make information available to landowners and communities establishing 1) the need for implementation of “best management practices” in uplands, riparian repair, and river-corridor enhancement, and 2) the availability of grant funds to do such work. [Priority 1]
- c) Provide funding for projects to demonstrate agricultural diversity while consuming less water without diminishing water quality. [Priority 1]
- d) Identify leadership gaps and needs in the basin, in collaboration with existing organizational leaders, and fund them, e.g., *Upper Yampa River Water Coalition*.
- e) Participate in local headwaters climate change research and activities. [Priority 2]
- f) Coordinate with the counties, local municipalities and local power providers on climate change resolutions, solutions and programs to adapt to climate change within the District and the State. [Priority 2]

Goal 11 Annually update the Strategic Management Plan during the budget process.

Administrative Tasks. [Priority 1]

- a) Update Strategic Plan at each Annual Retreat and incorporate changes, if needed, into the budget planning and adoption cycle.
- b) Continue to improve budget spreadsheets.

- c) Continue to utilize technology to its greatest advantage in performing District activities and achieving District goals.
- d) Continue to enhance data availability for both the public and District employees by expanding internet and intranet capabilities.
- e) Continue to encourage employee and Board member professional development opportunities through funding commitments to training.
- ~~e) Provide administrative oversight and management for any Water Supply Reserve Fund projects that the District sponsors.~~
- f) Develop an orientation program with senior staff and Education Committee for new board members. [Priority 1]

Goal 12 Protect Upper Yampa Basin water resources, and local uses of those resources, from new or expanded trans mountain diversions, or other statewide plans or projects that would impinge on those water resources and uses.

Ongoing Tasks to be Performed in Pursuit of Goal 12.

- a) Pursue the water banking concept aggressively with relevant other state and regional organizations. [Priority 1]
- b) Continue to actively monitor the implementation of Colorado’s Water Plan and express questions or concerns to the YGW Basin Roundtable. [Priority 2]
- c) Continue to monitor the use of the Statewide Water Supply Initiative Report (SWASI) findings by state and local entities, Basin Roundtables and the Inter-basin Compact Committee, and the development of the 2016 update to SWASI. [Priority 2]
- d) Continue to participate in legislative and regulatory activities, including those of the Colorado Water Congress. [Priority 1]
- e) Continue to actively oppose any new trans basin diversion or expansion of any existing trans basin diversion from the Yampa River Basin. [Priority 1]

Goal 13. Develop short-term and long-term financial plans to support Goals 1 to 12.

Action Items to Accomplish Goal 13.

Develop funding priorities for storage projects, incentives for conservation programs, promotion and adoption of “best management practices” on forestlands and rangelands, and education/engagement programs. [Priority 1]

Tasks to Accomplish Goal 13

- a) Evaluate existing financial reserves and trends
- b) Carefully assess existing revenues – taxes, contracts and pricing
- c) Realistically assess future revenues, especially, if coal and coal fired power plants disappear
- d) Realistically assess future of agriculture and agricultural practices in the District – ownership, demographics, and subsidies
- e) Assess effects of Gallagher and Tabor
- f) Identify and prioritize funding for competing projects.
 - 1) Stagecoach Firming – realistic assessment of purpose and need; costs and sources of funding; opportunity costs; environmental risk assessment; permitting risk assessment; cost of community engagement
 - 2) Conservation programs
 - 3) Incentives for adopting best management practices for ecosystem management and restoration
 - 4) Collaboration and coordination efforts
 - 5) Education/engagement/co-learning efforts

Goal 14 Governance

To be developed to meet Mission and Goals successful

REPORT FROM COUNSEL



BOARD COMMUNICATION FORM

From: Scott Grosscup, legal counsel

Date: April 15, 2019

Item: Water Resume Review

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information: I reviewed the Water Resumes for Water Divisions 5 and 6 for water court filings in the month of April and did not identify any water applications that would impair or injure the District's water rights. Thus, I do not recommend the District file any statements of opposition at this time.

There is one application of interest, however. It is an application for finding of reasonable diligence filed by Tri-State Generation and Transmission for its Four Counties Rights and the Wessels Canal, Case No. 19CW3005. This case could raise questions about the need and demand for additional water for Tri-State's uses. Tri-State had entered the District's diligence application to see how the Division Engineer and others would treat the District's application. The Board may want to similarly enter the case for monitoring purposes.

BOARD COMMUNICATION FORM

From: Scott Grosscup, legal counsel

Date: April 17, 2019

Item: Water Court Cases Update

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

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. 16CW3016 – This is the District’s diligence application and to make absolute water rights stored in Stagecoach Reservoir. We have reached stipulations with all parties and have submitted a proposed Decree for the Water Judge. The trial that had been scheduled to begin April 1 was vacated and we are waiting for action by the Water Judge on the stipulated decree.

Case No. 17CW3043 – This is the application by the City of Steamboat Springs for an augmentation plan for Casey’s Pond. We are waiting on a proposed stipulation and ruling from the applicant who is working with the CWCB to determine the extent of the CWCB’s instream flow water right on Burgess Creek. I anticipate a proposed ruling in the next 30 days.

Case No. 18CW3020 – This is the application by the Mt. Werner Water & Sanitation District for new junior water rights at the Yampa Meadows Infiltration Gallery and plan for augmentation using water from Stagecoach Reservoir pursuant to a contract with the UYWCD. We have provided comments to the applicant on the form of proposed Ruling and are awaiting a revised Ruling and proposed stipulation that we can then present to the Board.

Water Horse Resources – Utah counsel (Graham Gilbert of Snell & Wilmer) submitted a letter reply to Water Horse’s submittal of supplemental information on March 15, 2019. Counsel informs us that the Utah Division of Water Rights tries to issue its findings within six months of the hearing. A decision is expected this fall or winter but may be sooner or later as the Division sees fit.



BOARD COMMUNICATION FORM

(Not Confidential and Privileged Attorney-Client Communication)

From: Robert Weiss, legal counsel

Date: April 17, 2019

Item: Executive session on personnel matter.

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information: Chairman Brenner has scheduled an executive session at the April 24, 2019 Board meeting for evaluation of District Manager. He asked me to prepare this Board communication form describing the legal requirements for executive sessions on personnel matters.

II. Summary and Alternatives: This is scheduled for Executive Session. However, under State law (see below) the employee who is the subject of the review may request the matter be held in an open session.

III. Staff Recommendation: This is a Board matter.

IV. Legal Issues: Colorado law (§ 24-6-402(4)(f)(I)) allows executive sessions for personnel matters except if the employee who is the 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.

V. Consistency with Board Goals and Policies: N/A

VI. Fiscal Impact: N/A

Attachments: None