

RECORD OF PROCEEDINGS

UPPER YAMPA WATER CONSERVANCY DISTRICT ANNUAL RETREAT & SPECIAL BOARD OF DIRECTORS MEETING THURSDAY, OCTOBER 15, 2020 (9:00 AM)

Online Meeting:

<https://zoom.us/j/98463950224?pwd=TUNZOEhER0hUUkxmV0sxakY4bm84UT09>

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, John Redmond, Ron Murphy, Lyn Halliday, Tom Sharp, and Webster Jones. General Manager Andy Rossi, Communication/Marketing Manager Holly Kirkpatrick, Business Manager Deb Bastian, Chief Accountant Karina Craig, Dam Operator Matt Blankenship, Dam Operator Eddie Rogers and General Counsel Bob Weiss were also present. Members of the public present for some portion of the meeting included Kelly Romero-Heaney, City of Steamboat Springs; Jason Lacy and Sonja Macys, City of Steamboat Springs City Council; Dave Hunter, Steamboat Ski Corporation; Frank Alfone, Mt. Werner Water & Sanitation District; Mickey O'Hara & Alyson Gould, Colorado Water Trust; Erin Light, Colorado Division of Water Resources; Jerry Smith, Geovanny Romero, Kent Holt, Dave Bower, J Bock, Katie Duncan and Doug Robotham.

This meeting was held entirely by videoconference utilizing Zoom. The meeting agenda included instructions to the public describing the process to participate in the meeting and comment on agenda items.

The following agenda was proposed:

RETREAT AGENDA

- (1) 9:00 AM Start
- (2) 9:00-9:15 AM Welcome, Agenda Review, Expectations for the Day
- (3) 9:15-10:00 AM Board Member Break Out Sessions by Division Representation:
 - a) **Division 1**
 - i) UYWCD Board Members: Haskins, Monger, Murphy
 - ii) UYWCD Staff Moderator: TBD
 - b) **Division 2**
 - i) UYWCD Board Members: Brenner, Jones, Sharp
 - ii) UYWCD Staff Moderator: TBD
 - c) **Division 3**
 - i) UYWCD Board Members: Halliday, Redmond, Woodmansee
 - ii) UYWCD Staff Moderator: TBD

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- (4) *10:00-10:30 AM*) Break Out Session Summaries
- (5) *10:45-12:00 PM* Strategic Plan Update
- a) **2021 UYWCD Strategic Plan Committee Report:**
General Manger and Board President to present findings/Recommendations from Strategic Plan Committee and Staff on proposed revisions and updates to the UYWCD Strategic Plan.
- b) **2021 UYWCD Strategic Plan Review:**
Incorporation of Strategic Plan Committee Recommendations and Feedback from morning break-out session into 2021 UYWCD Strategic Plan
- c) **2021 Strategic Plan Schedule:** **Action item**
Adopt schedule for the finalization of 2021 Strategic Plan and 2021 UYWCD Budget

Lunch Break 12:00-12:30 PM

Special Board Meeting Agenda

- (1) **12:30 PM** Establishment of Quorum and Call to Order
- (2) **12:35 PM** Approval of Agenda for Meeting **Action item**
- (3) **12:40 PM** Public Input and Comment
The Board will make no decision nor take action, except to direct the General Manager. Those addressing the Board are requested to identify themselves by name, organization, if any, and address. Comments shall not exceed three (3) minutes.
- (4) **12:45 PM** Consent Agenda; **Action item**
- a) Approval of the minutes of September 17, 2020 Board Meeting
- b) Acceptance of minutes of September 23, 2020 and October 1, 2020 Strategic Plan Committee Meeting and approval of October 7, 2020 Strategic Plan Committee Meeting
- (5) **12:50 PM** Report of General Manager
- a) 12:50 PM Proposed Stagecoach Reservoir Water Pricing Policy
- b) 1:50 PM Steamboat Ski Corporation Request for Additional Stagecoach Water Contract **Action item**
- c) 2:05 PM Routt County Agreement **Action item**
- d) 2:10 PM Morrison Creek Letter of Support **Action item**
- e) 2:15 PM Stillwater Ditch Agreement Amend **Action item**
- (6) **2:20 PM** Pending Water Cases
- a) Water Resumes
- b) Status of other water cases
- (7) **2:30 PM** New Business (Limited to emergency matters that came up during the course of the meeting) **Action item**

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- (6) **2:35 PM** Executive Sessions:
- a) **Executive session under CRS § 24-6-402(4)(b) to discuss legal issues on Water Resumes, Water Cases, Contract Negotiations** and _____ (insert description) . Mere presence or participation of an attorney at an executive session is not sufficient to satisfy the requirements of CRS § 24-6-402(4)(b). Executive sessions to discuss legal matters are not recorded.
 - b) **Executive session under CRS § 24-6-402(4)(e)(I) for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators with respect to Stagecoach Municipal Water Contracts.** This session will be recorded, and a copy of the recording maintained for not less than 90 days.
- (7) **3:05 PM** Board actions regarding Executive Session **Action Item**
- (8) **3:25 PM** Determination of Next Meeting Agenda
- (9) **3:30 PM** Adjournment.

Annual Retreat

Chairman Brenner established a quorum and called the Annual Retreat to order at 9:12 AM.

Welcome, Agenda Review, Expectations for the day. General Manager Rossi welcomed all and reviewed the agenda and plan for today's meeting.

Board Member Break Out Sessions by Division Representation. Directors and staff participated in their assigned Division Break Out sessions.

Break Out Session Summaries. A representative from each Division presented a recap of the discussion held in their break out session.

Public Input and Comment. City of Steamboat Springs City Council President Jason Lacy commented on the City's concerns related to the Districts rate setting policy for water contracts. He referenced the City's letter sent to the District which outlined their analysis and concerns and that the District did not address many of the stated items. Lacy proposed an in-person publicly held meeting the City to discuss the District's the rate setting policy and address the City's concerns.

City Council Member Sonja Macys commented that this Council is focused on collaboration and sees the District as a strategic partner with a shared obligation in terms of ecosystem health and river function. The Council would like to discuss how to better partner on these issues along with the rate setting policy.

Public Member Jerry Smith voiced concern that water quality is not being addressed in terms of variability. There has been an increase in the use of chemicals to stop weed infestation in recent years due to foreign hay being used to feed cattle.

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Strategic Plan Upgrade. Chairman Brenner noted that the Strategic Plan Committee met several times to develop the draft that is being presented for review. The Board reviewed the draft document and presented comments. General Manager Rossi will incorporate the comments into a final Strategic Plan document, work plan and final budget to be presented at the November 19, 2020 Board Meeting.

Special Board Meeting

Chairman Brenner established a quorum and called the Special Board Meeting to order at 12:42 PM.

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

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

Consent Agenda. Director Haskins moved to approve of the consent agenda. Director Woodmansee seconded the motion which was unanimously approved.

Report of the General Manager

Proposed Stagecoach Reservoir Water Pricing Policy

General Manager Rossi provided an overview of the draft policy. He noted that the review today is for discussion and consideration purposes. Chairman Brenner asked if there was any public comment on length of contract.

Kelly Romero-Heaney of the City of Steamboat Springs identified several items of concern for the City in the proposed Water Marketing Policies and requested that the City and UYWCD staff coordinate a plan and schedule to further discussions about municipal water contracts out of Stagecoach and Yamcolo Reservoirs.

Frank Alfone of Mt. Werner Water & Sanitation District (MWW) asked for clarification on the extension letter they received in 2017. General Counsel Weiss provided clarification.

Mickey O'Hara of the Colorado Water Trust (CWT) limited his comments to the term for environmental and recreation contracts. The CWT would like to engage with the District to work towards a solution.

The water pricing policy document should be updated for the November UYWCD BOD meeting with a possible document ready for adoption at the January meeting.

The Board reviewed the pricing matrix and provided thoughts and feedback. Chairman Brenner asked if there was any other public comment on the pricing matrix. Kelly Romero-Heaney of the City of Steamboat Springs commented.

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Frank Alfone of MWW inquired about the methodology used for calculating the price for existing municipal water contracts at Stagecoach Reservoir. General Manager Rossi noted the District is bound by current contract language and has provided some form of the methodology to the City of Steamboat Springs. The District has not endeavored to change the existing municipal contract forms for Stagecoach Reservoir.

Mickey O'Hara of the CWT provided comments on ERC pricing.

Steamboat Ski Corporation Request for Additional SC Water Contract

Dave Hunter from Steamboat Ski Corporation provided an overview of their September 17, 2020, letter to the Board. Director Sharp moved to direct the General Manager and Special Counsel to draft a Resolution for the Board confirming the update of the Steamboat Ski Corporation's 250 AF from the more junior pool, originally under their contract, to the most senior pool for consideration by the Board at the November or December board meeting. Director Jones seconded the motion that was unanimously approved.

Routt County Agreement

General Manager Rossi discussed the request for an update to the agreement and that the District's Bylaws require the Board to approve. Director Sharp moved to approve the Routt County Mutual Aid Agreement. Director Woodmansee seconded the motion that was unanimously approved.

Morrison Creek Letter of Support

The Board reviewed the letter of support. Director Jones moved to direct the General Manager to sign and submit the letter of support for Morrison Creek. Director Haskins seconded the motion. Directors Woodmansee and Sharp abstained from voting due to their responsibilities as board member and General Counsel with the Morrison Creek Board of Directors. Directors Redmond and Monger were no longer present at the meeting. The vote passed with a 5-0 in favor.

Stillwater Ditch Agreement Amendment

The agreement amendment was reviewed. Director Sharp moved to approve the amendment as presented and authorize the Chairman and General Manager to sign the agreement. Director Murphy seconded the motion that was unanimously approved.

Pending Water Cases

Water Resumes

The water resume report was reviewed.

Status of other water cases

The Board reviewed the water court cases update. Director Woodmansee if General Counsel Weiss could provide more detail regarding when a decision would be made on the Water Horse Resources case at the November Board Meeting.

New Business. There was no new business.

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Executive Session. At 3:34 PM Director Sharp moved, Director Jones seconded, and it was unanimously agreed to go into Executive Session under provision CRS § 24-6-402(4)(e)(I) for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators with respect to **Stagecoach Municipal Water Contracts**. This session will be recorded, and a copy of the recording maintained for not less than 90 days.

The Board discussed direction for the Negotiation Committee. The Board came out of Executive Session at 3:33 PM.

Chairman Brenner asked the Board if there was any discussion in the Executive Session that was outside the scope of the Executive Session. No directors expressed that concern.

Board actions regarding Executive Session. General Counsel Weiss stated there was no action required.

Determination of next meeting agenda. The agenda for the November 19, 2020 Board Meeting was reviewed. Chairman Brenner requested an addition for a report from the Basin Roundtable meeting be added to the agenda. Items for consideration for upcoming meetings included a presentation on stream flow and sediment study and an annual review for the General Counsel.

Director Woodmansee moved to adjourn the meeting at 4:56 PM. The motion was seconded by Director Halliday, which was unanimously approved.

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



Andy Rossi, District Secretary/Manager

Date: Nov 19, 2020

2020 1015 Annual Retreat-Spec Board Mtg Minutes-final

Final Audit Report

2020-11-20

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"2020 1015 Annual Retreat-Spec Board Mtg Minutes-final" History

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