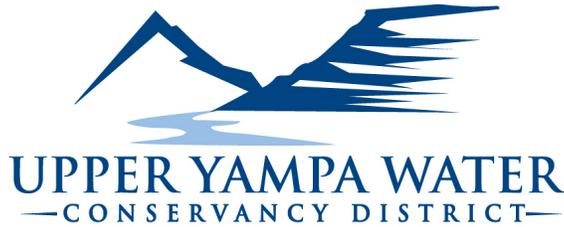


a)





BOARD COMMUNICATION FORM

From: Karina Craig

Date: September 12, 2019

Item: Financial Reports: Cash Disbursement Report, Budget Comparison Report, Projected 2020 tax revenues; Share of tax revenues generated by Energy sources.

DIRECTION
 INFORMATION
 MOTION
 RESOLUTION

I. Request/Issue and Background Information:

Cash Disbursements

The Cash Disbursement Report contains reconciled disbursements incurred through credit card through August 16, 2019 and checks cleared & reconciled through August 31, 2019. Disbursements include operating and capital expenditures.

Budget Comparison Report

The Budget Comparison report was run on September 6, for transactions up to and including August 31, 2019. Additional expenditure transactions for the month of August are expected.

All projections reported for expenditure line items (operating & capital expenditures) in the budget comparison report are the budgeted amounts.

Power Revenues, Routt County and Moffat County Tax Revenues reported are those for the January-August 2019 period. Tax revenues to date are \$2,332,629 and have slightly surpassed the \$2,284,084 budgeted amount.

2020 Tax Revenues; share of Energy sources

The August 2019 Certification of Values was received from Moffat and Routt counties. These are used to make a preliminary estimate of the 2020 tax income. Final certified values will be received in December 2019, and our budgeted 2020 tax revenues will be adjusted.



Total assessed valuations for properties within our District are \$1,371,394,547.

2020 tax revenues are currently estimated to be \$2,495,938, about \$145,000 or 6% higher than our \$2,350,000 2019 projections.

Routt County represents 87% of our tax revenues, and Moffat 13%.

Energy sources represent 19% of our overall tax revenues.

Energy sources represent 7% from our Routt receipts, and 98% from our Moffat receipts.

Attached please find an analysis of 2020 tax revenues, segregating tax revenues from the Hayden Power Plant, Twenty Mile Coal, the Craig Power Plant, and the Trapper Mine.

Projected 2020 tax income, rounded to the nearest thousand, is as follows:

Routt, energy:	\$157,000
<u>Moffat, energy:</u>	<u>\$313,000</u>
Routt + Moffat, energy sources:	\$470,000

Routt, non-energy:	\$2,018,000
<u>Moffat, non-energy:</u>	<u>\$8,000</u>
Routt+Moffat, total non-energy:	\$2,026,000

Total expected tax revenues; Routt, Moffat, all sources: \$2,496,000

II. Summary and Alternatives: none.

III. Staff Recommendation: Accept reports.

IV. Legal Issues: None

V. Consistency with Board Goals and Policies:

Attachments:

Attachment 1: Cash Disbursement Report

Attachment 2: Budget Comparison Report

Attachment 3: Projected 2020 Tax Revenues, by county and by source – energy/non-energy.

Cash Disbursement Report

As of August 31, 2019

Date	Name	Memo	Amount
06/17/2019	Amazon	Office Supplies	85.00
06/17/2019	Amazon	Office Supplies	84.99
06/17/2019	Walmart	Office Supplies	50.61
06/17/2019	Walmart	Office Supplies	6.25
06/17/2019	Amazon	Office Supplies	24.99
06/17/2019	Edge Communications	Phone & Internet. 7-6-19 to 8-5-19	103.14
06/17/2019	Mountain View Car Wash	Vehicle Maintenance	28.00
06/18/2019	Amazon	Office Supplies	79.99
06/18/2019	Amazon	Office Supplies	16.98
06/18/2019	City Market	BOD Meeting Supplies	20.94
06/19/2019	Walmart	Office Supplies	121.53
06/19/2019	Amazon	Office Supplies	28.65
06/20/2019	NCEES	2019 Dues	350.00
06/20/2019	Hotel	Hotel Parking	7.00
06/21/2019	Axis Steel	Steel Disposal	848.64
06/21/2019	Applied Industrial Technologies (Chicago)	Stagecoach Maintenance	173.10
06/22/2019	SmartVault	Software, interphase with quickbooks	34.60
06/23/2019	Adobe	Adobe software	24.99
06/26/2019	Parking	Travel & Meetings	12.00
06/26/2019	Amazon	Office Supplies	29.95
06/26/2019	Amazon	Office Supplies	159.98
06/27/2019	Tom Sharp	Director fees	957.68
06/27/2019	Tom Sharp	Director fees	400.00
06/27/2019	Employers Council Services, Inc.	Membership Dues 07/01/19-06/30/20	875.00
06/27/2019	Environmental Solutions	USGS Nutrient and Sediment Study	1,100.00
06/27/2019	Mountain Valley Bank	July 2019 Office Lease	2,900.00
06/27/2019	Nancy L. Wilson	Administrative Contract Labor June	546.00
06/27/2019	NDS Northwest Data Services	Computer Support	455.00
06/27/2019	Resource Engineering	Planning: Water Right Research & Hydrologic Analysis. Umbrella Plan - Elk Creek	2,904.50
06/27/2019	Water Education Colorado (CFWE)	Annual River Level Membership	500.00
06/27/2019	Budget Conferencing Inc. - PGI	Conference Calls June	119.04
06/27/2019	Hotel	Travel & Meetings	407.90
06/27/2019	NDS Northwest Data Services	IT Services	86.00
07/01/2019	ACE Hardware	Socket Set	24.92
07/03/2019	Restaurant.	Moes BBQ	28.52
07/04/2019	CrashPlan Code42	software	9.99
07/06/2019	Amazon	Office Supplies	67.99
07/06/2019	Edge Communications	Phone & Internet. 7-6-19 to 8-5-19	3.16
07/10/2019	Gas Station	Kum and Go	4.13
07/11/2019	YVEA	Shed Electricity 5/29-6/27	46.54

Subtotal**13,727.70**

Cash Disbursement Report

As of August 31, 2019

Date	Name	Memo	Amount
07/11/2019	YVEA	Powerhouse Electricity 5/26-6/27	188.96
07/11/2019	CenturyLink	Jul 07 to Aug 06. Office telephone	230.82
07/11/2019	CenturyLink	Jul 01 to Jul 31. Stagecoach Phone	143.04
07/11/2019	Denver Post	Advertising	0.99
07/15/2019	Steamboat Pilot CMNM	Employment Advertisement	1,414.00
07/15/2019	Environmental Solutions	UYWCD/NRCS Grant Acquisition Project. 3-22 through 6-10-19	1,320.00
07/15/2019	CDC Civil Design Consultants	Five Pine Mesa Ditch repair	687.50
07/15/2019	Staples	Move and Office Supplies	158.54
07/15/2019	Jennifer Poelman	Office Cleaning June	300.00
07/16/2019	ACE Hardware	Office Supplies	174.94
07/16/2019	Mountain View Car Wash	June 19 Monthly Account Billing	51.00
07/16/2019	Colorado River Water Conservation Dist	Yampa IWMP Contribution 2019	10,000.00
07/16/2019	Friends of the Yampa	Sponsorship Yampa Basin Rendezvous	250.00
07/16/2019	Gas Station	Fuel	16.29
07/16/2019	Microsoft	Office Software	62.47
07/17/2019	Routt County Clerk	Annual Registration Dodge, Chevy and Ford	0.51
07/17/2019	Steamboat Specialties, Inc.	Name tags for BOD	132.05
07/18/2019	Restaurant.	Moes BBQ for Dam Inspection	63.96
07/18/2019	City Market	Stamps	33.00
07/18/2019	City Market	Office Supplies	42.02
07/18/2019	City Market	Board Meeting Supplies	42.03
07/19/2019	Alpine Mountain Ranch & Club-	Minigrants	1,000.00
07/19/2019	Ken Brenner	Director fees	300.00
07/19/2019	Tom Sharp	Director fees	500.00
07/19/2019	Ron Murphy	Director fees	100.00
07/19/2019	Steve Colby	Director fees	100.00
07/19/2019	Advanced Copier Solutions, Inc.	Savin Printer June Support	378.19
07/19/2019	Restaurant.	Mountain Brew	12.19
07/23/2019	Adobe	Adobe software	24.99
07/24/2019	Restaurant.	Big House Burgers BOD Meeting	177.88
07/24/2019	Amazon	Office Supplies	25.58
07/24/2019	Amazon	Office Supplies	41.28
07/24/2019	Amazon	Office Supplies	4.02
07/25/2019	AECOM	Stagecoach firming project	17,266.73
07/25/2019	CBI - Consensus Building Institute	uy 360 Assessment, May & June	15,579.80
07/25/2019	Four Points Surveying & Engineering	Yamcolo Topographic Work 5/30-6/27/19	1,945.00
07/25/2019	Rabbit Ears Motel	Hotel 6/12/19	89.00
07/25/2019	USDA Forest Service	SWD Irrigation Permit	191.78
07/25/2019	Verizon Wireless	SC cell phones 7/14- 8/13	106.09

Subtotal**53,154.65**

Cash Disbursement Report

As of August 31, 2019

Date	Name	Memo	Amount
07/26/2019	Western Slope Health Care	Health Insurance	9,943.57
07/26/2019	Metlife	Dental & Life insurance	941.22
07/26/2019	Family Support Registry	Remittance	930.58
07/26/2019	ICMA-457	Retirement Allocation	3,552.23
07/26/2019	ICMA-401a	Retirement Allocation	4,273.90
07/26/2019	Budget Conferencing Inc. - PGI	Conference Calls July 21	35.06
07/26/2019	Resource Engineering	Planning: Water Right Research & Hidrologic Analysis. Umbrella Plan - Elk Creek	8,205.81
07/26/2019	AECOM	Professional services May 30 to July 19. SC Dam Part 12 Inspection	26,000.00
07/26/2019	US Postal Service	Stamps	45.00
07/27/2019	SmartVault	Additional client	42.40
07/30/2019	ACE Hardware	Office Supplies	14.08
08/01/2019	Hugh Webster Jones	Director fees	200.00
08/01/2019	Colorado Mesa University-CMU Foundation	John Fetcher Scholarship	1,000.00
08/01/2019	Mountain Valley Bank	August 2019 Lease Pmnt	2,900.00
08/01/2019	NDS Northwest Data Services	Computer Support	175.00
08/01/2019	Staples	Office Supplies	179.43
08/02/2019	Advanced Copier Solutions, Inc.	Savin Printer. July Support	266.79
08/02/2019	Nancy L. Wilson	Contract Services 07/17/19 thru 08/01/19	714.00
08/04/2019	CrashPlan Code42	Software - Cloud Backup	9.99
08/05/2019	CenturyLink	Office phone	375.96
08/05/2019	Conoco Universal WEX	Fuel Purchases July	831.60
08/05/2019	Flat Tops Ranch Supply	Maintenance Supplies	79.77
08/05/2019	Ski Town Moving & Delivery Incorporated	Move service file cabinets	196.00
08/05/2019	US Postal Service	Box 775529 annual renewal 8/1/19-7/31/20	204.00
08/06/2019	Restaurant.	Big House Burgers	60.00
08/14/2019	US Postal Service	Stamps	55.00
08/14/2019	US Postal Service	postage	81.50
08/14/2019	NDS Northwest Data Services	Monthly Support	92.50
08/19/2019	Nancy L. Wilson	Administrative Services 08/02/19 thru 08/16/19	644.00
08/27/2019	Internal Revenue Service	Federal Tax Withholdings	11,437.86
08/29/2019	Quickbooks Payroll Service	July Payroll	28,268.47
		Subtotal	101,755.72
		Total	168,638.07

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

	2017 ACTUALS	2018 ACTUALS	2019 BUDGET	2019 YTD ACTUALS	2019 PROJECTIONS
Fund Opening Balance including Encumbered Funds	10,938,095	12,683,250	14,274,361	14,274,361	14,274,361
Encumbered Funds	919,734	919,734	919,734	919,734	919,734
Stagecoach Wetlands Mitigation Reserve	419,734	419,734	419,734	419,734	419,734
Routt County Road #14 Contribution	500,000	500,000	500,000	500,000	500,000
Unencumbered Funds	10,018,361	11,763,516	13,354,627	13,354,627	13,354,627
Revenues					
Facilities					
Stagecoach Reservoir					
Power Sales	185,472	129,492	200,000	173,844	200,000
Water Sales	451,518	505,201	403,144	259,540	427,790
Yamcolo Reservoir					
Water Sales	128,275	130,760	133,410	47,158	121,052
Stillwater Ditch & Reservoir Company	7,523	7,744	7,965	7,965	7,965
Property taxes	2,172,483	2,269,399	2,284,084	2,332,629	2,350,000
Interest earned	122,297	261,280	284,500	215,448	284,500
Other income	0				
	revenues	3,067,568	3,303,875	3,313,103	3,036,584
Expenditures					
Operating					
Facilities					
Stagecoach Reservoir - Power Generation	180,845	171,623	248,954	138,177	248,954
Stagecoach Reservoir - Water storage	227,639	279,641	266,927	115,144	266,927
Yamcolo Reservoir	127,624	132,790	144,594	67,388	144,594
Stillwater Ditch & Reservoir Company	25,134	13,379	45,065	20,679	45,065
Administration	127,512	139,144	203,198	104,255	203,198
Board of Directors	49,330	65,006	83,105	48,051	83,105
External Affairs	57,688	58,016	129,754	37,783	129,754
Finance	95,906	99,340	132,880	70,241	132,880
Legal	97,116	166,889	178,567	84,140	178,567
Planning	80,112	136,625	432,927	246,454	432,927
Grants, Scholarships & Public Information	67,411	39,038	257,588	94,668	257,588
Treasurer fees	70,180	72,507	73,786	73,938	73,786
	Subtotal Operating	1,206,499	1,373,999	2,197,345	1,100,917
Capital					
Stagecoach Reservoir - Power Generation	35,421	3,967	102,900	19,483	102,900
Stagecoach Reservoir - Water storage	54,644	27,462	62,900	14,458	62,900
Yamcolo Reservoir	25,566	302,537	108,900	18,487	108,900
Stillwater Ditch & Reservoir Company	283		40,300	278	40,300
Office Space		4,800	130,000	69,934	130,000
	Subtotal Capital	115,914	338,766	445,000	122,639
	expenditures	1,322,413	1,712,765	2,642,345	1,223,556
	net income (loss)	1,745,155	1,591,111	670,759	748,963
Ending Fund Balance	12,683,250	14,274,361	14,945,119	16,087,389	15,023,323

Projected 2020 Tax Revenues, by county and by source – energy/non-energy.

	Aug '19 assessed valuation	Mill Levy	Projected 2020 income	
UYWCD, RC	1,195,194,709	1.82	2,175,254	87%
UYWCD, MC	<u>176,199,838</u>	1.82	<u>320,684</u>	13%
	1,371,394,547		2,495,938	
Hayden Pwr Plant	71,731,300	1.82	130,551	
Twenty Mile Coal	<u>14,493,410</u>	1.82	<u>26,378</u>	
	86,224,710		156,929	
Craig Pwr Plant	156,412,200	1.82	284,670	
Trapper Mine	<u>15,544,422</u>	1.82	<u>28,291</u>	
	171,956,622		312,961	

2020 Projected income, excluding Energy sources listed above:

RC	1,108,969,999	1.82	2,018,325	99.60%
MC	<u>4,243,216</u>	1.82	<u>7,723</u>	0.40%
	1,113,213,215		2,026,048	

PROJECTED INCOME, BY SOURCE:

ROUTT	1,195,194,709	1.82	2,175,254	
Energy	86,224,710	1.82	156,929	7.20%
Other	1,108,969,999	1.82	2,018,325	92.80%
MOFFAT	176,199,838	1.82	320,684	
Energy	171,956,622	1.82	312,961	97.60%
Other	4,243,216	1.82	7,723	2.40%
ROUTT & MOFFAT	1,371,394,547	1.82	2,495,938	
Energy	258,181,332	1.82	469,890	18.80%
Other	1,113,213,215	1.82	2,026,048	81.20%

b)



RECORD OF PROCEEDINGS

**UPPER YAMPA WATER CONSERVANCY DISTRICT
BOARD OF DIRECTORS MEETING
JULY 24, 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, John Redmond, Ron Murphy, Stephen Colby, Tom Sharp, and 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 Claire Sollars, Andi Schaffner, Rick Milway, Jerry Smith, and Erin Light.

Ryan Golten, Consensus Building Institute Consultant, attended 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) Budget Comparison
 - c) Approval of the minutes of the April 24, 2019; May 15, 2019; and June 19, 2019 Board Meetings
- (3) Approval of Agenda for Meeting; action item
- (4) Public Input and Comment;
- (5) *1:40 pm* 2018 Audit; action item
- (6) *1:45 pm* Report of the General Manager;
 - a) Contract Negotiations
 - b) Stagecoach FIRMING Project
 - c) New Hire
 - d) 360 Review Staff and Board Governance
- (7) *3:15 pm* Report from District Engineer
 - a) Reservoir Water Status
 - b) Capital Projects
 - c) Stillwater Ditch, Special Use Permit action item
- (8) *3:40 pm* Report from General Counsel;
 - a) Water Resumes
 - b) Status of other Water Cases, if any
 - c) Peabody (American Land Holdings) Water Contract action item

RECORD OF PROCEEDINGS

- (9) 4:00 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 Monger made a motion to approve the consent agenda. Director Jones seconded the motion which was unanimously approved.

Meeting Agenda Director Sharp made a motion to approve the agenda and to add an agenda item, “AECOM”, after the Executive Session. Director Monger seconded the motion which was unanimously approved.

Public Comment Director Brenner asked the members of the public to introduce themselves. Rick Milway, representing individual irrigators, requested the price of irrigation water to be \$9.00/share with CPI adjustment for 20 years. Discussion followed.

Andi Schaffner, representing the Stillwater Ditch, reviewed the process of transferring the Ditch ownership. Counsel Weiss said he and the lawyer Ms. Schaffner is working with are finalizing the documents.

Director Monger suggested adding an agenda item, “Director Comments”. Director Brenner said we will do this on an interim basis until the bylaws are changed through the 360 Review process.

2018 Audit

Office Manager Karina Craig presented. The initial meeting with the auditor has occurred, an extension will be submitted, and the audit will begin in August. Manager McBride stated the District will be getting a new auditor next year. Director Brenner said the District needs to do an RFP for a new auditor. He also suggested we create a calendar item.

Director Monger made a motion to approve the extension for the 2018 audit. Director Sharp seconded the motion which was unanimously approved.

Director Brenner reminded the Board the August 21, 2019 Board meeting has been re-scheduled to August 22, 2019 due to the CWC summer conference conflict. Manager McBride reviewed that the August 22nd Board meeting agenda will be Stagecoach Firming and the 360 Review.

RECORD OF PROCEEDINGS

Report of the General Manager

Contract Negotiations – Counsel Weiss presented the status of the negotiations:

Yamcolo Irrigators Association, YIA: The District received a response from YIA to the District's draft yesterday at 2:00 pm. Additional discussion will be in Executive Session.

Stillwater Ditch: Counsel Weiss is doing a re-draft of the Stillwater Ditch transfer for the negotiation committee to review.

Tri-State Agreement: The Tri-state negotiations are scheduled for the Executive Session. Tri-state has terminated their agreement, the District has sent a letter confirming that, and there are no ongoing negotiations at this time.

Yamcolo Individual Irrigators: An outline of the agreement with the Individual Irrigators is ready but a price needs to be determined.

Director Brenner re-iterated that the goal is to have a simultaneous closing of all contracts at one session.

District Engineer Andy Rossi reviewed the Stillwater Ditch diagram. The diagram displays the proposed ditch capacity allocations. Discussion followed.

Director Monger thanked the negotiation committee for working so hard.

Stagecoach Firming Project – Manager McBride reviewed the purpose and need for a firming project. Modeling was discussed. New demands will need to be clarified before the District moves forward with a NEPA process. Discussion followed on pausing and putting in a placeholder. Big river issues and the impact of curtailment on a firming project may need to be on the agenda in the future. Discussion on shortages followed. AECOM will present to the Board in the August Board meeting.

Colorado Division of Water Resources Division Engineer Erin Light asked if we are getting ahead of ourselves on the Big River topic in reference to Demand Management? Director Monger would like direction from the Board about how the District stands so he can provide input at the Roundtable meetings. He would also like further discussion on the Yampa Doctrine. Discussion followed.

New Hire – Manager McBride reviewed the hiring process and would like to make an offer and get the new hire here as soon as possible.

360 Review Staff and Board Governance – Director Brenner complimented the Board Governance committee and reviewed the process. The committee will present to the Board at the August 22, 2019 Board meeting. A Word document will be sent to the Board after the meeting for the Board to comment

RECORD OF PROCEEDINGS

on. A draft document will be created after the Board reviews it, then the document will go to the public for comment.

Director Sharp suggested a possible modification of Goal 2, item 3, page 4. Director Sharp does not want to limit the Districts' negotiating options with Colorado Parks and Wildlife. Consultant Ryan Golten explained that the current document is for example only and the objectives shown are not comprehensive. Ms. Golten recorded these changes for future discussion.

Director Brenner reminded the Board that everyone is welcome at the Committee meetings.

There was general agreement to have the 360 review agenda item for the August 22nd meeting be 2-1/2 hours long.

Director Monger made a motion to approve an additional \$26,000 as an amendment to Consensus Building Institute contract. Director Woodmansee seconded the motion. Eight Directors approved, Director Sharp opposed.

Manager McBride will report on the staff review when complete. McBride hopes to have further discussion with the Board about the General Manager and governance of staff after the 360 committee discussions. He also hopes to get management expectations from the Board.

Report from the District Engineer

Reservoir Water Status – Engineer Rossi updated the Board on the current levels of storage in the Stagecoach and Yamcolo Reservoirs.

Capital Projects – The FERC Part 12 and State of Colorado Dam Safety inspections are complete. There are no follow up requests from FERC. The State of Colorado Dam Safety Inspector requested additional monitoring data from the UYWCD.

Stillwater Ditch, Special Use Permit - One typographical error on the Special Use Permit will be remedied. Counsel Weiss said the permit will be cancelled upon ownership transfer then the new owners would have to apply for a new permit.

Director Jones made a motion for the Board to approve the Special Use Permit as presented. Director Sharp seconded the motion which was unanimously approved.

Report from General Counsel

Water resumes – Counsel Weiss reported that Special Counsel Scott Grosscup did not see anything that required the Board's attention.

Status of other Water cases, if any - There were no questions from the Board on the report presented.

RECORD OF PROCEEDINGS

Peabody (American Land Holdings) Water Contract – Director Sharp made a motion to accept the contract with Peabody as presented. Director Redmond seconded the motion which was unanimously approved.

Discussion on substitute supply plans followed. Counsel Weiss will verify that Special Counsel Grosscup is receiving notifications of substitute supply plans.

Executive Session

Director Sharp made a motion to go into executive session. It was seconded by Director Colby and was unanimously agreed to go into Executive Session under provision C.R.S. §24-6-402(4) (b) to discuss with counsel legal issues relating to 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 4:20 PM and concluded at about 5:30 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.

There was no action on AECOM agenda item added during the Approval of the Agenda.

Determination of future meetings The scheduled date for the next Board meeting was confirmed, being Wednesday August 22, 2019 at 1:30 PM, at Mountain Valley Bank Community Room, 2220 Curve Plaza, Steamboat Springs, CO.

Director Sharp made a motion for the meeting to adjourn. Director Murphy seconded the motion which was unanimously approved. The meeting was adjourned at 5:40 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 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 MEETING
AUGUST 22, 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, Ron Murphy, Tom Sharp, and Webster Jones. General Manager Kevin McBride, District Engineer Andy Rossi, Office Manager Karina Craig, Administrative Assistant Barbara Wilson, future Communications/Marketing Manager Holly Kirkpatrick and General Counsel Bob Weiss were also present.

Members of the public present included Andrea Parker, Dave Merritt, Lou Dequine, Kari Dequine Harden, Claire Sollars, and John Adams.

Ryan Golten, Consensus Building Institute Consultant, attended the meeting by phone.

The following agenda was proposed:

AGENDA

- (1) 1:30 pm Establishment of Quorum and Call to Order;
- (2) Consent Agenda;
- (3) Approval of Agenda for Meeting;
- (4) Public Comment;
- (5) 1:45 pm Report of the General Manager;
 - a) Stagecoach Firming Project
- (6) 2:15 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) Strategic Planning Workshop;
- (7) 4:45 pm Report from General Counsel;
 - a) Water Resumes
 - b) Status of other Water Cases, if any
 - c) Credit Cards Resolution action item
 - d) Stillwater Ditch Negotiations

RECORD OF PROCEEDINGS

- (8) 5:05 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).
- (9) Other Unfinished Business, New Business;
- (10) Board Member Reports;
- (11) Determination of Future Meetings;
- (12) Adjournment.

General Manager McBride introduced the new Communications/Marketing manager Holly Kirkpatrick.

Meeting Agenda Director Sharp made a motion to approve the agenda. Director Monger seconded the motion which was unanimously approved.

Public Comment Director Brenner invited the public to introduce themselves.

Report of the General Manager

Stagecoach Firming Project – General Manager McBride summarized the Stagecoach Reservoir firming project and introduced Andrea Parker and Dave Merritt with AECOM. AECOM presented a Powerpoint of the current status of Task 1. Work on the project by AECOM has been put on hold by the General Manager pending further discussion by the Board. Discussion followed. Dave Merritt summarized and said a concluding report will be provided approximately next week.

Director Brenner asked each Director to voice their opinion on placing the project on hold.

Director Sharp: Wrapping up first task is the appropriate step based on the uncertainty in the demand.

Director Murphy: Tabling the project it is a good idea.

Director Woodmansee: Tabling is the only option. Financing is a problem too.

Director Brenner: He agrees. He would like to continue negotiating with Tri-State for a new contract, and he thinks the ditch is the best alternative.

Director Jones: Eager to see the final demands.

Director Haskins: Tabling sounds good.

Director Monger: We should close the project and be done. Move on.

General agreement by all Directors present.

Counsel Weiss believes the General Manger has the authority to manage the project. He recommends the Board adopt a letter or resolution stating this. Director Brenner requested that Counsel Weiss bring a resolution to the Board for approval in the Consent agenda for the September Board meeting.

Strategic Planning Workshop - Consultant Ryan Golten presented.

Purpose/goals agenda item was reviewed. Ms Golten reminded the Board that the Strategic Plan is a work in progress and that big policy discussions will not be discussed today, but they will be identified.

RECORD OF PROCEEDINGS

What the Board comes out with today will go to the 360 Review Committee. The Committee will then update the plan and pass it to the staff prior to the next board meeting in September. Staff will review and suggest what will be needed to accomplish these goals. Manager McBride said the budget presented in September meeting will not reflect this feedback because it is too short of a time frame. This information will be reflected in the Budget at the November Board meeting. The Committee will take the staff input and bring the results to the Board annual retreat. After that, the document will go to the public. Discussion followed.

The Board of Directors worked on the goals and objectives individually for a 25-minute exercise. The results of this exercise will be reflected in updated documents from the 360 Review committee.

The Committee will present a proposed agenda for the retreat which may include Ms. Golten services. Director Brenner was happy to see the District had seven Board members at the CWC conference.

Report from General Counsel

Water Resume and Status of Other Water Cases– Counsel reviewed the memos from Special Counsel Scott Grosscup and discussion followed.

Credit Card Resolution – Counsel Weiss requested a change to the Credit Card resolution. Change item 2. “...District’s accounts are revoked and terminated.” to “...District’s accounts, except Resolution No. 2019-2, are revoked and terminated.”

Director Monger made a motion to approve Resolution 2019-3 with revisions recommended by Counsel Weiss. Director Woodmansee seconded the motion which was unanimously approved.

Stillwater Ditch Negotiations – Counsel Weiss reviewed the history of the Ditch agreement and negotiations. The District added a substantial amount to the latest iteration of the contract on the “enforcement” aspect of the agreement. A meeting with the Ditch representatives will be scheduled for September.

Yamcolo Irrigators Association (YIA) negotiations: The Negotiation Committee thought they were 95% done but YIA came back with substantive changes. A meeting is scheduled.

Director Sharp said the Yampa River Fund documentation will be passed by the prospective participants tomorrow and they expect to have a grand opening September 19th. Discussion followed. Director Sharp’s recommendation is for the District to not be a voting member because the District will be in conflict acting as both a water source and Buyer representative.

Executive Session There was no Executive Session.

Other Unfinished Business, New Business None presented.

RECORD OF PROCEEDINGS

Board Member Reports Director Sharp inquired about the District's involvement with the algae problem at Stagecoach Reservoir. Engineer Rossi stated that the Watershed Group has preliminary data and final results will be made public. He also said Colorado Parks and Wildlife is testing the reservoir on a regular basis.

Manager McBride informed the Board that the Yampa River has dropped rapidly and that no one from the City of Steamboat Springs has contacted the District to release their water. Manager McBride asked the Board if the District should drop the reservoir early as a goodwill release. Discussion followed. Manager McBride will initiate a call to the City and he may suggest the City make a release and the District may make hydropower right after that to supplement.

Director Brenner will bring referendum DD to the Board as an agenda item for the September Board meeting.

Determination of future meetings The scheduled date for the next Board meeting was confirmed, being Wednesday September 18, 2019 at 1:30 PM, at Mountain Valley Bank Community Room, 2220 Curve Plaza, Steamboat Springs, CO.

Director Woodmansee made a motion for the meeting to adjourn. Director Murphy seconded the motion which was unanimously approved. The meeting was adjourned at 5:40 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: _____

c)



RESOLUTION NO. 2019-4

**A RESOLUTION CONCERNING
STAGECOACH FIRING PROJECT**

WHEREAS, the Upper Yampa Water Conservancy District (“District”) has hired consultants to study options for firming of Stagecoach Reservoir; and

WHEREAS, one consultant had proposed a work schedule for the completion of the study with various tasks to be completed and was involved in Task 1, which included identifying the purpose and need and alternatives to meeting that purpose and need; and

WHEREAS, there are several efforts within the Yampa River Basin working on modeling and identification of needs and demands of the basin; and

WHEREAS, current contract demands for water stored in the District’s facilities are under negotiations; and

WHEREAS, in order to further refine the demand and cost analysis the District will need to better understand contract demands.

NOW THEREFORE, be it resolved that the Board of Directors of the Upper Yampa Water Conservancy District directs the District Manager to temporarily suspend further work on the Stagecoach Reservoir firming project.

Dated: _____

UPPER YAMPA WATER
CONSERVANCY DISTRICT

By: _____
Ken Brenner, President