

MEETING MINUTES
REGULAR MEETING
BOARD OF DIRECTORS
MIDDLE PARK WATER CONSERVANCY DISTRICT
Kremmling Town Hall

Zoom Video Conference Option:

<https://us02web.zoom.us/j/86557287866?pwd=OVk5VVMvN2E4NVhXQVVMbjNKdkVoZz09>

To Join by Phone, Dial (346) 248-7799

Meeting ID 865 5728 7866, Passcode 185492

April 13, 2022, 1:00 p.m.

Directors:

Jack Buchheister – President (present)
Sean Flanigan – Vice President (present by Zoom)
Jim Lenzotti – Secretary (present by Zoom)
Stan Cazier – Treasurer (present)
Mike Eytel (present by Zoom)
Gary Bumgarner (not present)
Tom Long (present)

Others present:

MPWCD Water Resources Consultant & Hydrologist Kristina Wynne
MPWCD Attorney Kent Whitmer
MPWCD Attorney Katie Randall
Neal Misbach, Division 5 Water Commissioner
Troy Wineland, Division 5 Water Commissioner

Others present by Zoom:

Clint Allen, member of the public
Sue Avre, Division 5 Water Commissioner
Tyra Bartuska, United Companies
Jared Dains, Applegate Group, Inc.
Jason Groves, Patrick Miller Noto
Mike Ritschard, Colorado River Water Conservation District

Jack Buchheister called the meeting to order. The Board generally followed the agenda, and the following topics and resolutions were discussed and passed, as the case may be, during the meeting (a copy of the agenda is attached):

1. CALL TO ORDER

A. Approval of January 12, 2022 Minutes

- **A motion was made by Tom Long, seconded by Stan Cazier, that the minutes be approved as presented. Motion carried unanimously.**

2. BOARD ADMINISTRATION

A. 2022 Meeting Dates

- The remaining 2022 Board meetings will take place on July 13th and October 12th.
- The long-term planning and budget workshop was scheduled for 1 P.M. on September 14. The meeting will take place at the Kremmling Town Hall, with a Zoom option available for those who are unable to attend in person.

B. Officer Elections

- i. President: Jack Buchheister
- ii. Vice-President: Sean Flanigan
- iii. Secretary: Jim Lenzotti
- iv. Treasurer: Stan Cazier

Stan Cazier moved to elect all Officers to their current positions as listed above, Tom Long seconds. Motion carries unanimously.

3. REPORTS

A. Financial/Banking

- Included in the meeting materials were the following financial reports: Profit & Loss Budget vs. Actual (January 1, 2022 through March 28, 2022), Balance Sheet (March 28, 2022), Check Register (January 1, 2022 through March 28, 2022), and Accounts Receivable Aging Summary (March 28, 2022). Stan Cazier provided a summary of the reports and invited questions from the other Directors. For this time of year, the finances appear to be in order. **Following discussion, Stan Cazier moved to approve the financial reports including check register, seconded by Tom Long. Motion carried unanimously.**

B. **Attorney:** The Attorney's Report and Action Items Status List were included in the Board packet materials. Kent Whitmer had nothing new to report beyond what was included in the attorney's letter in Board packets and what will be covered elsewhere in the Agenda. He invited questions and discussion from the Board.

C. **Hydrologist:** Kristina Wynne presented the following updates since the BBA Report was provided:

- **Updated Basin Hydrology Numbers:** as of this morning, the Colorado River basin was at 97% of median for today's date. The forecast center is forecasting a dryer-than-normal summer. Woford is not projected to fill. Windy Gap is expected to pump starting in May, and MPWCD will get the first 3000af pumped. It is not anticipated that last year's water will spill, so that should be available through July. After July, half of the 3000af goes to Grand County under the Windy Gap Firming Project IGA.

- **Shoshone:** The Shoshone Outage Protocol is in operation right now as the plant is undergoing repairs. It may come back online in the next week or so.
- **Wild and Scenic:** Wild and Scenic has been ramping up. One project that is currently underway is development of a channel maintenance observation plan. A site visit was conducted last week. The River District is interested to see if MPWCD is okay with Kristina going over budget in that category. Kristina reported that the site visits are helpful to know what is going on with the River, with operations, and to be in touch with other stakeholders. Mike Eytel reported that Kristina is the best person to go on these site visits due to her experience and understanding of geomorphic conditions. Following discussion, Jack directed Kristina to let Kent know if it looks like we will be going over budget in that category, and MPWCD will deal with it at that time. It is not expected to be a large budget overage. Kristina noted that BBA Water splits its time 50/50 between MPWCD and the River District for Wild & Scenic.
- **East Troublesome SWSP:** The original SWSP plan anticipated providing replacement supplies for houses in the burn area whose depletions make it back to the River within 5 years. This request was submitted last September, and received one comment in support. The Division Engineers reported that the plan could not be approved as submitted, because there are some depletions considered by that plan that could not be replaced by mainstem sources; namely historic calling rights on upper tributaries above the source of supply. In response, MPWCD investigated alternative mechanisms that could satisfy the State's requirements while still replacing depletions within the burn scar area. As a result of these investigations, it was determined that the best option would be to submit a new SWSP that would only affect the mainstem of the Colorado River, bringing the number of wells within the plan from 263 to 37. A revised SWSP was submitted. Because the anticipated depletions have been reduced significantly, the Division Engineers agreed that it would not be necessary to re-notify the SWSP notification list, and MPWCD would not be charged another application fee. The request is on the Division Engineer's desk, and MPWCD is awaiting feedback and/or approval. Under the revised plan, there will be 35af of replacement in the first year, with lower amounts in subsequent years. At the same time, MPWCD staff has reached out to tributary ditch owners to see if they may be interested in entering into a no-call/forbearance agreement, which would allow expansion of the revised SWSP. These efforts are in the preliminary phases; more information will be provided when it is received. The Board discussed efforts that have been underway to date, levels of interest expressed by affected homeowners, and potential legislative solutions to address this problem. Following discussion, the Board directed MPWCD staff to continue to pursue available options, but to not expend significant time or resources in these efforts. Additionally, the Board noted their gratitude to the River District for increasing their monetary commitment to this process and funding BBA for this work since it has ended up taking longer and being more work than initially expected.

4. ESTABLISHMENT OF 2023 WATER SERVICE AND USE FEES

Kent Whitmer discussed the suggested rates that will be established for 2023, which are in line with the 5% yearly increase provided under the District's Windy Gap and Wolford Contracts. The new rates would go into effect for the bills sent out in July 2022 for water provided in 2023. **Following discussion, a motion was made by Tom Long, seconded by Jim Lenzotti, to approve the 2023 Water Service and Use Fees as presented. Motion carries unanimously.**

5. WOLFORD MOUNTAIN REQUEST AND PAYMENT CRWCD

Kristina Wynne explained that last year MPWCD ordered 600 acre-feet of water from Wolford Mountain Reservoir, which was double the estimated depletions plus the additional release obligations that were contemplated under the operation of the East Troublesome SWSP as originally submitted. For 2023, if MPWCD were to double the expected depletions it would need 520af. With the additional 35af of releases under the amended SWSP, MPWCD would need closer to 560af of Wolford Water. The Board discussed the available options and considerations that affect the amount of water to order, including budgetary considerations. **Following discussion, Stan Cazier made a motion to order 560 acre-feet of water from Wolford Mountain Reservoir, and to authorize MPWCD staff to make payment to the River District for same. Motion was seconded by Tom Long, and carried unanimously.**

6. CONTRACTS / REQUESTS

- A. Ratification of Harrington Short-Term Supply Request *
- B. Ratification of Johnson Short-Term Supply Request *
- C. Town of Winter Park Contract Extension Request *

The Board discussed the nature of the short-term supply requests submitted by Harrington and Johnson, which were administratively approved by MPWCD Staff in keeping with the District's Bylaws. The Board also discussed the contract extension request submitted by the Town of Winter Park. The Town previously applied for and was approved for a MPWCD augmentation contract but its application is still making its way through Water Court. **Following discussion, Tom Long made a motion to ratify the approval of the Harrington and Johnson short-term requests, and to approve the extension of deadline requested by the Town of Winter Park. Motion was seconded by Sean Flanigan and carries unanimously.**

D. Short-Term Contract Application – Kattenberg Gravel Pit *

The Board then heard a presentation from Jared Dains on behalf of United Companies, which has recently acquired the Kattenberg Gravel Pit East of Granby. The pit has been dry for several years, but United Companies is looking to get it back up and running. Jared clarified that this is a short-term request for water, but the request was brought before the Board because special language has been requested regarding the availability of upstream sources of supply if a call comes on the Fraser River. Jared estimates that 4af of depletions would need to be covered under the SWSP, which

would need to be renewed annually. The Division Engineer has clarified that the contract would need to have additional language to clarify that upper Fraser supplies could be used in the event of a call on the Fraser River. The Board discussed specific considerations of making such upstream sources available on a contract basis, and how these sources have been historically operated. The Board discussed the likelihood that similar requests may continue in the future, the limited supplies that are available in the Fraser River Basin and higher associated costs, the District's obligations to existing contractees in the area, and the chances of a call coming on the Fraser River in the near future. Following discussion, Kent Whitmer summarized the three conditions that would need to be included in this contract if it is approved: first, that the District would need to charge a higher rate to earmark Sunset Ridge Pond water for this request, second, ensure that there is no guarantee that this water would be available, and third, clarify that in the event of a shortage, MPWCD will prioritize existing long-term contracts before providing water for this short-term contract. Kent also recommended to the Board that a \$750 application fee be charged for this request, to cover administrative and legal expenses involved in approval and implementation. The Board indicated that United Companies would need to present this request each year to the Board for a determination to be made on a year-by-year basis. **Following discussion, a motion was made by Stan Cazier and seconded by Tom Long to approve a short-term contract request for 4af of water, with the potential availability of Sunset Ridge Pond water as a source in the event of a call on the Fraser that requires replacement from an upstream source. The approval is conditioned on the following: (1) payment of a \$750 application fee by United Companies; (2) if the terms of the approval are acceptable to the DWR, then the contract fee would need to be paid at the rate of \$1000/af for a total of \$4000 for a 1-year term; (3) the water sources will potentially be Sunset Ridge Pond, Windy Gap, and Wolford Mountain Reservoir, but the District makes no guarantee that those sources will be available; (4) in the event of a shortage, the existing permanent contracts will be prioritized over the short term request approved hereby; and (5) in the event that Sunset Ridge Pond water is not used, then the balance between the \$1000/af rate and the normal MPWCD Contract rate will be refunded to the applicant at the end of the 1-year term. Motion carries unanimously.**

E. Ratification of Granby Development Company, LLC Short-Term Supply Request *

Kristina Wynne summarized the short-term supply request for the operation of greenhouses near Granby. The applicant can use Vail Ditch shares during the irrigation season, but also hopes to use a well for irrigation year-round. A SWSP request has been submitted to the Division Engineers, but has not yet been approved. The Board discussed the specifics of this request, and the likelihood that it will be subject to the same upstream supply requirements as the Kattenberg Gravel Pit. Windy Gap water cannot be used for this request, as a portion of the water will be used for marijuana cultivation. **Following discussion, Jim Lenzotti made a motion to apply the same conditions to this short-term request as were approved for the Kattenberg Gravel Pit short-term request with the exception that Windy Gap water is not included as a potential source, seconded by Tom Long. Motion carries unanimously.**

7. LONG TERM PLANNING:

- **Fraser Supplies:** Following the discussion about the United Companies and Granby Development short-term contract requests above, direction was given to MPWCD staff to prioritize research into Fraser supplies and options that are available to the District.
- **Pole Creek Meadows:** Stan Cazier again disclosed a conflict of interest and does not participate in the conversation regarding Pole Creek Meadows. Kristina Wynne had created a matrix for consideration of what the District will want to keep in mind as conversations move forward with Pole Creek Meadows. An update was provided about where matters currently stand with Pole Creek Meadows participants.
- **Ron Jones:** The Board discussed additional information and considerations that would need to be taken into account before the District can move forward with a potential partnership in Ron Jones's pond near Tabernash.
- **GCWSD#1 Reservoir:** The Board discussed the potential benefits of pursuing a more permanent partnership with Grand County Water & Sanitation District No. 1 and directed Kristina to conduct additional research to learn more about the storage capacity and potential associated costs.

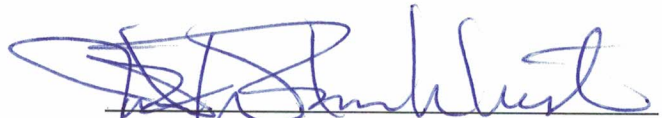
8. STATUS OF DILIGENCE APPLICATIONS

- A. **Middle Park Water Conservancy District Exchange – 20CW3071.** Katie Randall provided an update. A Response to Summary of Consultation and Proposed Ruling have been submitted to the Court. We are awaiting issuance of the Ruling by the Referee.

9. OTHER BUSINESS

- A. IBCC:
 - Stan Cazier reported that the IBCC met in February, and has convened a committee to investigate Compact issues.
- B. CWCB:
 - Stan Cazier reported that the CWCB has put a “hard stop” on Demand Management.
- C. Topics to Monitor
 - Stan Cazier also provided a summary of topics for discussion at the quarterly meeting of the River District, continuing concerns regarding Compact negotiations, increasing energy costs in the Western U.S., and decreasing water supplies throughout the Colorado River Basin.

10. ADJOURNMENT The meeting adjourned at approximately 3:15 PM. The next meeting will take place on July 13th.



Jack Buchheister, President

NOTICE OF MEETING AND AGENDA
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April 13, 2022, 1:00 p.m.

1. CALL TO ORDER

A. Approval of January 12, 2022 Minutes *

2. BOARD ADMINISTRATION

A. Remaining 2022 Meeting Dates (July 13th and October 12th)

i. Proposed dates for Budget & Long-Term Planning Workshop

B. Officer Elections *

- i. President
- ii. Vice-President
- iii. Secretary
- iv. Treasurer

3. REPORTS

A. Financial/Banking

- i. Profit & Loss Budget vs. Actual (1/1/22 through 3/28/22)
- ii. Balance Sheet (3/28/22)
- iii. Check Register (1/1/22 through 3/28/22)
- iv. Accounts Receivable Aging Summary (3/28/22)
- v. Approve Financials *

* Denotes an action item.

B. Attorney

- i. Attorney's Report
- ii. Action Items Status List
- iii. Additions since Attorney's Report or Action Items Status List

C. Hydrologist

- i. BBA Report
- ii. Additions since BBA Report
- iii. East Troublesome SWSP Update

4. ESTABLISHMENT OF 2023 WATER SERVICE AND USE FEES *

5. WOLFORD MOUNTAIN REQUEST AND PAYMENT CRWCD *

6. CONTRACTS / REQUESTS

A. Ratification of Harrington Short-Term Supply Request *

B. Ratification of Johnson Short-Term Supply Request *

C. Town of Winter Park Contract Extension Request *

D. Short-Term Contract Application – Kattenberg Gravel Pit *

E. Ratification of Granby Development Company, LLC Short-Term Supply Request *

7. LONG TERM PLANNING

A. Purchase / Long-Term Lease of GCWSD#1 Augmentation Pond Water

B. Grand County Mutual Reservoir and Ditch Company

* Denotes an action item.

- C. Little King Reservoir (Placeholder)
 - D. Bunte Highline (Placeholder)
 - E. Ron Jones
 - F. Pole Creek Meadows
 - G. Expansion and Participation in GCWSD Reservoir
 - H. Funding Sources for Water Rights Development (Placeholder)
 - I. Open Discussion and Direction to Staff
8. STATUS OF DILIGENCE APPLICATIONS
- A. Middle Park Water Conservancy District Exchange – 21CW3071
9. OTHER BUSINESS
10. ADJOURNMENT

* Denotes an action item.