

MEETING MINUTES
REGULAR MEETING
BOARD OF DIRECTORS
MIDDLE PARK WATER CONSERVANCY DISTRICT

By Zoom Video Conference

<https://us02web.zoom.us/j/88521311432?pwd=b21GS3dIWVoxdjVTZlZlTTJ2dzdLZz09>

To Join by Phone, Dial (346) 248-7799
Meeting ID 885 2131 1432, Passcode 849603

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

Directors:

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

Others present:

MPWCD Water Resources Consultant & Hydrologist Kristina Wynne
MPWCD Attorney Kent Whitmer
MPWCD Attorney Katie Randall
Sue Avre, Division 5 Water Commissioner
Neal Misbach, Division 5 Water Commissioner
Timothy Ritschard, Division 5 Water Commissioner

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 the April 13, 2022 Minutes

- **A motion was made by Jim Lenzotti, seconded by Sean Flanigan, that the minutes be approved as presented. Motion carried unanimously.**

2. BOARD ADMINISTRATION

A. 2022 Meeting Dates

- The remaining regular 2022 Board meeting will take place on October 12th at 1 P.M.

- The long-term planning and budget workshop will take place at 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.
- Also considered by the Board is whether to schedule regular meetings more frequently than quarterly. It was decided that the Board may hold more frequent meetings as needed in 2022, and a bi-monthly meeting schedule beginning in 2023 will be considered at the October regular meeting.

3. REPORTS

A. Financial/Banking

- Included in the meeting materials were the following financial reports: Profit & Loss Budget vs. Actual (January 1, 2022 through June 30, 2022), Balance Sheet (June 30, 2022), Check Register (January 1, 2022 through June 30, 2022), Accounts Receivable Aging Summary (July 1, 2022), and CSAFE Shareholder Statements (June 1, 2022 through June 30, 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 Jim Lenzotti. Motion carried unanimously.
- The 2021 audited financial statements were included in the meeting materials and were discussed. **Sean Flanigan made a motion to accept the 2021 audit, 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.

- Stan Cazier brought up several ongoing issues that merit attention and follow-up by MPWCD staff: review of the 77-84 users in regards to Green Mountain Reservoir; updates on the status of Shoshone negotiations; updates regarding implementation of the CRCA, specifically Summit County negotiations and drought issues and Grand County bypass flows; and ongoing Compact issues. Following discussion, the Board directed MPWCD staff to contact the River District and Division Engineers to communicate the District's desire to keep abreast of current developments and to bring the question of 77-84 users to a close. The Board also directed staff to investigate options for increased communication with the Division Engineers and the River District, including MPWCD staff attending River District meetings or vice versa.
- Action Items Status List: Jim Lenzotti requested additional details be added to the deadlines in the status list for ongoing/yearly tasks.

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

- **Updated Basin Hydrology Numbers & Updates:** Denver Water's supply is decent for this time of year; they are moving forward with the Gross Reservoir expansion project. On the West Slope, this means Denver can only take demands through the Moffat Tunnel; water that would otherwise be taken through the tunnel for storage is now being bypassed down the Fraser River since it can't be stored. This will be the case for the next several years until the expansion project is complete. Granby Reservoir is almost completely full; the contents have peaked with no spill. The 3,000af pumped from Windy Gap into Granby will be available to MPWCD starting August 1 through the end of July 2023. The remaining unused portion of Windy Gap water from last year is approximately 1200af; half of this amount will transfer to Grand County under the Windy Gap Firming Project IGA. The Adams Tunnel will be offline in the Fall and Winter.
- **Shoshone:** The Shoshone Outage Protocol is currently in effect; one turbine is currently running but the other has been undergoing maintenance. When the other turbine is back up and running then ShOP will cease and the call will come on.
- **Northern Colorado Water Conservancy District:** The Northern bookover letter will be sent by the end of the month.
- **Grand County Water & Sanitation District No. 1:** Even though Windy Gap water will be available for the coming year, the District may want to consider approaching GCWSD#1 to discuss the option of leasing water. Kent disclosed that his firm represents Grand County Water & Sanitation District. The Board discussed the location of the reservoir, the desirability of maintaining a good relationship with GCWSD#1 and the need for additional storage options higher up the Fraser River. The Board discussed past amounts of water leased from GCWSD#1, and potential needs for the coming year given the availability of Windy Gap water and supplies stored in Sunset Ridge Pond. **Following discussion, Stan Cazier made a motion to authorize MPWCD staff to approach GCWSD#1 and request a lease of water for the coming year, with an initial volume of 5af and the option to renew for two additional 5af increments, at the lowest possible price per acre-foot, with availability of the water requested as soon as practicable. Jim Lenzotti seconded the motion, motion carries unanimously.**
- **East Troublesome SWSP:** a modified pared-down request was submitted to the Division Engineers in April. Approval is still pending. The Board discussed the lack of requests from affected landowners regarding the availability of this water, and Kristina reported on the status of no-call/forbearance agreement discussions with water rights holders on upstream

tributaries. Kent reported that following recent discussions with River District representatives, it was decided that efforts to secure a legislative solution are not likely to be successful given the specific facts and administrative scenario seen to date. Kristina explained the plans to release the water upon approval of the SWSP, regardless of confirmation of new well permits by landowners. The Board requested that an update be provided at the September long-term planning workshop, in the hopes that approval will be received by then.

- **Wild and Scenic & Learning By Doing:** Both groups have been focusing on high temperatures on the Upper Colorado River, and trying to find any flexibility with water users to bring the temperatures down. LBD is working on the updated Stream Management Plan for Grand County. Mike Eytel reported that representatives from Northern sat down at LBD's request to clarify the spill mechanisms and logistics for Granby Reservoir. Northern has explained such operations, and is currently working to draft a diagram to explain how the spill works. The important takeaway is that MPWCD and Grand County water spills after the Municipal Subdistrict's water. Mike will provide a copy of the diagram to the Board when it is received.

4. CONTRACTS / REQUESTS

A. Elk Creek Vista – Contract Request Abandoned

- Kent reported that at the October 2021 meeting, the Board approved a contract from Elk Creek Vista for 0.3af of water. Since the time of approval, it was determined that the obstacles were too great to develop the land as initially planned, and Elk Creek Vista has abandoned their approved contract from MPWCD.

B. Colorado Mountain Resorts Investors, LLC Contract Expansion Request

- Katie Randall provided a summary of the application submitted by Colorado Mountain Resorts Investors LLC. CMRI has recently purchased Wild Horse Inn, and as part of the transaction the MPWCD contracts previously held by Wild Horse Inn totaling 0.71af of Windy Gap water were transferred to CMRI. CMRI now wishes to expand the total Windy Gap contract water to 1.2af, for domestic uses and outdoor irrigation of up to 0.25 acres. **Following discussion, Stan Cazier made a motion to approve the request submitted by Colorado Mountain Resorts Investors, LLC. Motion was seconded by Sean Flanigan and carried unanimously.**

C. Changes to Short-Term Contract Application & Approval Process

- Kent reported that MPWCD staff has received more requests for short-term contracts, and more of these requests are made in connection with SWSPs to be approved by the Division Engineers. In the past, short-term requests were not typically connected with SWSPs, so an informal email approval was adequate. Now, given the time it's taking to get SWSPs approved by the

Division Engineers, and the time involved on staff's part to evaluate and approve these requests, it has become apparent that the time has come to formalize this process. Staff is working to develop form contracts for short-term requests, and recommends implementing the \$750 application fee for short-term contract requests to cover the administrative cost of evaluation and approval. The Board discussed charging 50% of this application fee for short-term requests that are submitted on an annual basis, which require less administrative time to approve. The Board directed staff to prepare a form agreement and application for approval at the next regular meeting.

5. LONG TERM PLANNING:

- **Global Augmentation Plan:** Kristina reported that she met recently with Katie and Kent to discuss the research that is needed to determine the feasibility and potential pros and cons of pursuing an augmentation plan for MPWCD. This work is ongoing, and an update will be provided to the Board at the planning workshop.
- **GCWSD#1 Reservoir:** In addition to the discussion that took place earlier in the meeting, the Board discussed the GCWSD#1 Reservoir, which will need to be lined and expanded before GCWSD will consider leasing or selling water out of it. The Board discussed the advantages that such water would potentially have for MPWCD operations, and potential hurdles that may need to be overcome before this could be a workable option. Following discussion, the Board directed Jack to send a letter to GCWSD#1 asking to be included on a future meeting agenda, where he could make a presentation as President of MPWCD about the terms of a potential partnership for the expansion and lining of this reservoir.
- **Ainsley Ranch:** Kent provided a summary of the proposal received from Dennis Saffell, the real estate broker who has the listing for the Ainsley Ranch. The terms of the proposal were discussed. Following discussion, the Board directed Kent to respond to Mr. Saffell, and outline the District's concerns about the risks involved with the proposal as submitted. If these concerns and risks can be adequately addressed and resolved, the Board would welcome a revised proposal to be submitted in the future.
- **Ron Jones:** Kristina presented a summary of days of free river where water could be diverted in priority into these ponds, potentially available flows to fill the ponds, and estimated maximum gross evaporation that would be associated with the ponds. Existing contract obligations on the Fraser River were discussed, as were future expected needs in the Fraser River Basin. The Board directed Kent to contact the attorney for Ron Jones and explain the need for a cost-sharing arrangement to be agreed upon in order to further investigate the feasibility of a potential partnership.
- **Pole Creek Meadows:** Kristina reported that the parties who own the reservoir have some internal affairs that need to be sorted and cleared up before MPWCD gets involved. A potential partnership may still be feasible once the internal affairs are sorted.
- **Grand County Mutual Reservoir and Ditch Company:** Laid over to the next meeting.

- **Little King Reservoir:** No updates at this time.
- **Bunte Highline:** No updates at this time.
- **Funding Sources for Water Rights Development:** The Board directed staff to research available funding options for water rights development.

6. STATUS OF DILIGENCE APPLICATIONS


- A. **Middle Park Water Conservancy District Exchange – 20CW3071.** Katie Randall provided an update. The Judge issued the final Decree in this case, confirming that a portion of the Exchange has been made absolute and making a finding of reasonable diligence as to the remaining conditional portion. In the coming diligence period, MPWCD staff will continue to explore ways to make further portions of this right absolute. A copy of the Decree will be circulated to the Board for review.

7. OTHER BUSINESS

A. IBCC:

- Stan Cazier reported about the IBCC meeting that took place recently in Breckenridge. Rebecca Mitchell, Director of the CWCB, attended the meeting. The IBCC had a far-reaching and productive discussion about Compact issues and recent positions taken by the Bureau of Reclamation regarding administration of the Colorado River and releases made by Upper Basin states. The bottom line is that the situation is getting worse on the Colorado River and there is a shortage of water that must be made up somewhere. There is a lot of concern right now about what this will mean for water users in Colorado generally and MPWCD specifically. The District must remain vigilant regarding these issues.

8. **ADJOURNMENT** The meeting adjourned at approximately 3:00 PM. A long-term planning workshop is scheduled for September 14th in Kremmling. The next regular meeting will take place on October 12th.



Jack Buchheister, President

NOTICE OF MEETING AND AGENDA
REGULAR MEETING
BOARD OF DIRECTORS
MIDDLE PARK WATER CONSERVANCY DISTRICT

By Zoom Video Conference

<https://us02web.zoom.us/j/88521311432?pwd=b21GS3dIWVoxdjVTZXILTTJ2dzdLZz09>

To Join by Phone, Dial (346) 248-7799
Meeting ID 885 2131 1432, Passcode 849603

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

1. CALL TO ORDER

- A. Approval of April 13, 2022 Minutes *

2. BOARD ADMINISTRATION

- A. Remaining 2022 Regular Meeting Date (October 12th)
- i. Budget & Long-Term Planning Workshop: September 14th at the Kremmling Town Hall

3. REPORTS


- A. Financial/Banking
- i. Profit & Loss Budget vs. Actual (1/1/22 through 6/30/22)
- ii. Balance Sheet (6/30/22)
- iii. Check Register (1/1/22 through 6/30/22)
- iv. Accounts Receivable Aging Summary (7/1/22)
- v. CSAFE Shareholder Statements (6/1/22 through 6/30/22)
- vi. Approve Financials *
- vii. Acceptance of 2021 Audit *

* 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 and Attachments
 - ii. Additions since BBA Report
 - iii. East Troublesome SWSP Update
4. CONTRACTS / REQUESTS
- A. Elk Creek Vista – Contract Request Abandoned
 - B. Colorado Mountain Resorts Investors, LLC Contract Expansion Request *
 - C. Changes to Short-Term Contract Application & Approval Process
5. LONG TERM PLANNING
- A. Global Augmentation Plan
 - B. Purchase / Long-Term Lease of GCWSD#1 Augmentation Pond Water
 - C. Expansion and Participation in GCWSD Reservoir
 - D. Ainsley Ranch
 - E. Ron Jones
 - F. Pole Creek Meadows
 - G. Grand County Mutual Reservoir and Ditch Company

* Denotes an action item.

- H. Little King Reservoir (Placeholder)
 - I. Bunte Highline (Placeholder)
 - J. Funding Sources for Water Rights Development (Placeholder)
 - K. Open Discussion and Direction to Staff
6. STATUS OF DILIGENCE APPLICATIONS
- A. Middle Park Water Conservancy District Exchange – 21CW3071
7. OTHER BUSINESS
8. ADJOURNMENT

 Denotes an action item.