

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

Teleconference Number	PIN Code
712-432-0220	7253460#

April 8, 2020, 1:00 p.m.

The meeting was held via Teleconference due to social distancing requirements necessitated by the COVID-19 virus.

Directors:

Jack Buchheister – President (present)
Sean Flanagan – Vice President (present)
Jim Lenzotti – Secretary (present)
Richard Doucette – Treasurer (present)
Mike Eytel (present)
Gary Bumgarner (present)
Tom Long (present)

Others present:

MPWCD Engineer Kristina Wynne
MPWCD Attorney Stan Cazier
MPWCD Attorney Kent Whitmer
MPWCD Attorney Katie Randall
James Heath, Assistant Division Engineer, Division 5
Sue Avre, Division 5 Water Commissioner
Neal Misbach, Division 5 Water Commissioner
Karn Stiegelmeier, Summit County 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 January 8, 2020 Meeting Minutes

Gary Bumgarner moved to approve the minutes, seconded by Tom Long. Motion carried unanimously.

2. REPORTS

A. Officer Elections: The Board discussed current Officer positions and re-election. The Officer positions are as follows:

- i. President: Jack Buchheister
- ii. Vice-President: Sean Flanagan
- iii. Secretary: Jim Lenzotti
- iv. Treasurer: Richard Doucette

Gary Bumgarner moved to re-elect all Officers to their current positions, Tom Long seconded. Motion carried unanimously.

B. Appointment of Board Members: Update

Kent Whitmer reported that Jack Buchheister and Tom Long were appointed by the District Court Judges in Summit and Grand Counties, with their new terms ending January 2024. Their oaths have been administered and bond has been filed. No further action needed.

C. Remaining 2020 meeting Dates (July 8th and October 14th)

The Board discussed potential options for hosting the July 8 meeting via videoconference on an online platform. A decision will be made closer to the date of the July meeting.

3. REPORTS

A. Financial/Banking

Mr. Whitmer reported that Liberty Savings Bank sold to a credit union in January, and could no longer hold the Certificate of Deposit for the District. Accordingly, the CD has been moved to a money market account at Citywide Bank, which has a low interest rate that is not ideal as a long-term option. Mr. Whitmer explained the interest yields and liquidity that would be available if the CD funds were invested in CSAFE, a local government investment pool trust fund. The Board discussed the potential benefits of the two available funds offered by CSAFE (CSAFE Cash and CSAFE Colorado Core), and evaluated participation in relation to the overall investment portfolio of the District. **Richard Doucette moved to transfer all District funds currently held in CSAFE Cash to CSAFE Colorado Core, and to deposit funds previously held in the Liberty CD to CSAFE Colorado Core. Gary Bumgarner seconded. Motion carried unanimously.**

Mr. Whitmer then reported on the District's current financials as follows: Profit & Loss Budget vs. Actual (January 1, 2020 through March 31, 2020), Balance Sheet (March 31, 2020), Check Register (January 1, 2020 through March 31, 2020), and Accounts Receivable Aging Summary. Richard Doucette voiced his concerns as Treasurer about the impacts that the COVID-19 virus will have on the District's budget and operations, and urged a conservative approach to expenditures. Board discussion followed, including impacts of TABOR, potential difficulties in collecting income from water contracts, and a direction to District staff to closely monitor the situation as it unfolds to

ensure that the District adjusts its operations accordingly. **Jim Lenzotti moved to approve the financials, seconded by Gary Bumgarner. Motion carried unanimously.**

B. Attorney

The Attorney Report and Action Items Status List were included in the Board packet materials. Recent developments that were not included in the report and status list will be discussed as they come up under particular agenda items later in the meeting.

C. Engineer

Kristina Wynne presented the following updates since the Engineer's Report was provided:

- **Updated Basin Hydrology Numbers:** all of the reservoirs are more or less the same since her report at the end of March. Snowpack has gone down: it's 105% of average as of today, 108% of peak for the Upper Colorado. All forecasts show a decent chance that runoff will be average, potentially slightly lower due to dry soil conditions last Fall.
- **Shoshone Outage Protocol** has been in place since beginning of March, when the plant's operations went down. It is unknown how long the outage will continue. Middle Park has been participating in ShOP discussions as a signatory to that agreement. To meet its obligations under ShOP, Middle Park directed Grand County Water and Sanitation District No. 1 to release 10 acre-feet from Wolford Mountain Reservoir, pursuant to the lease entered into by both Districts. The release was made from March 26-March 31. Currently, the gauge at Dotsero is showing a flow rate of 1230 c.f.s. When the flow rate reaches 1250 c.f.s. the ShOP "call" will no longer be applicable and Middle Park will not be required to make additional releases from Wolford.
- **WOLFORD MOUNTAIN REQUEST AND PAYMENT CRWCD ***
Last year Middle Park ordered 500 acre-feet of water from Wolford Mountain Reservoir, which was double the estimated depletions. This year, it is estimated that the total depletions will be closer to 270 acre-feet. Ms. Wynne recommended that Middle Park order 540 acre feet of Wolford Mountain Reservoir water from the Colorado River Water Conservation District in 2020. **Richard Doucette moved to order 540 acre feet of water from Wolford Mountain Reservoir, seconded by Gary Bumgarner.** Board discussion ensued, focusing particularly on potential budgetary constraints in the District as a result of COVID-19. Jack Buchheister asked Ms. Wynne if the District would be adequately covered if it were to keep the order of water at the same amount as 2019 (500 acre-feet). Ms. Wynne believed that even with the higher anticipated depletions, 500 acre-feet would still be adequate. **Richard Doucette amended the motion to order 500 acre feet of water from Wolford Mountain Reservoir, seconded by Gary Bumgarner. Motion carried unanimously.**
- **Sunset Ridge:** a test release from Sunset Ridge Pond was completed in the middle of January, but there was some difficulty in measuring the precise amount that was released from the pond while the surface was frozen. Conversations are underway with Division

Engineers to determine an acceptable method of measuring these releases while the surface of the pond is frozen.

- **Windy Gap Water:** It still appears that Granby will spill this summer; it is unlikely that Windy Gap water will be available to Middle Park in 2020. Conversations are ongoing with the Division Engineer to obtain approval of an administrative exchange that would allow Wolford water to be used for Windy Gap contractees whose decrees do not list Windy Gap as a substitute source of supply. The group of such contractees is relatively small; it is estimated that 10-12 acre-feet would be affected in total.
- **Fraser Valley Project:** drafting is underway for the Response to Summary of Consultation in the Fraser Valley diligence application.
- **Wild and Scenic:** all meetings are being held remotely for the foreseeable future, which saves significant costs. The group is working on an amended and restated stakeholder plan: it will be provided to the entire group on April 16, with a phone call discussion and vote scheduled for April 23. If the amended plan is approved, it will be sent to the federal agencies for review. If approved, the amended plan would be in place in June after the provisional period is complete. The Board reiterated the necessity of protecting Middle Park's water rights to the greatest extent possible, and the prohibition against using Windy Gap water for instream flow purposes. Mike Eytel will be the leader of the stakeholder group starting in June.
- **Learning by Doing:** the group has decided to go for 501(c)(3) status to minimize its tax burden. The change should not affect Middle Park's participation in the effort.

4. ESTABLISHMENT OF 2021 WATER SERVICE AND USE FEES *

Mr. Whitmer discussed the suggested rates that will be established for 2021, 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 2020 for water provided in 2021. **Gary Bumgarner moved to approve 2021 Water Service and Use Fees as presented, seconded by Jim Lenzotti. Motion carried unanimously.**

5. CONTRACTS / REQUESTS

A. Status of WPRA Contract

Mr. Whitmer reported on the status of the WPRA contract; no action is needed at this time.

B. Cancellation of Eslick Contract *

Mr. Whitmer reported on the efforts to secure payment from Ms. Eslick, who is the only outstanding contractee who has not paid for water. There has been no communication or contact from the contractee despite multiple efforts by Mr. Whitmer's firm to secure payment. The Board discussed the decreed amounts and uses of water at issue, the efforts made to communicate with the contractee, and the lack of change in ownership of the property that could explain why payment has

not been received. The Board also considered providing a grace period to the contractee following cancellation, and options for contract reinstatement under the District's Bylaws and water contracts. **Gary Bumgarner moved to cancel the Eslick contract with a 60-day grace period to remedy the default, seconded by Richard Doucette. Motion carried unanimously.**

C. Harrington Landscapes Short Term Supply Request*

D. Johnson Short Term Supply Request*

The Board discussed the nature of both short-term supply requests. **Jim Lenzotti moved to approve the Harrington and Johnson short term supply requests, seconded by Gary Bumgarner. Motion carried unanimously.**

6. MAINTENANCE OF FRASER VALLEY WATER RIGHTS

Mr. Whitmer provided an update on both Fraser Valley diligence applications (2019CW3140 and 2019CW3170) currently pending in the Division 5 Water Court. No statements of opposition were filed in either case; drafting is currently underway to respond to the Summary of Consultation in both cases.

7. LONG TERM PLANNING

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

Mr. Whitmer reviewed the terms of the lease of water from GCWSD #1 for augmentation. Given the likelihood that Windy Gap water will not be available to Middle Park in 2020, Mr. Whitmer recommends that Middle Park approach GCWSD #1 earlier than usual to request that the lease be extended for another year. Typically the lease is extended in October. Ms. Wynne explained the desirability of securing a source of water higher up in the Fraser Valley, and recommended that Middle Park continue to pursue this water by extending the lease. Mr. Whitmer was directed to reach out to GCWSD #1 to request an extension, with the hope that the lease could be formally extended at the next quarterly meeting of the Middle Park Board in July.

B. Grand County Mutual Ditch and Reservoir Company

Mike Eytel provided a status update of recent activities of the GCMDRC. A special board meeting was held with the Grand County Irrigated Land Company about a month ago, where it was decided that the two companies would enter into a five-year agreement that will allow GCMDRC to move forward with the pilot project. Plans are underway to engage with the CWCB over the next several months, with the hope that the pilot project can move forward in 2021.

C. Little King Reservoir

Mr. Whitmer and Ms. Wynne met with the water engineer and water attorneys for the new owner of the Little King Ranch to explain Middle Park's potential interest in the water rights in Little King

Reservoir. The new owner is receptive to pursuing some form of collaboration that benefits both parties. Their engineer and water attorneys are currently working to evaluate and resolve the problems with the reservoir's dam. Mr. Whitmer and Ms. Wynne are in the preliminary stages of investigating the subject water rights, and will report to the Board when more information is known.

D. Bunte Highline: nothing to report at this time.

E. Funding Sources for Water Rights Development: nothing to report at this time.

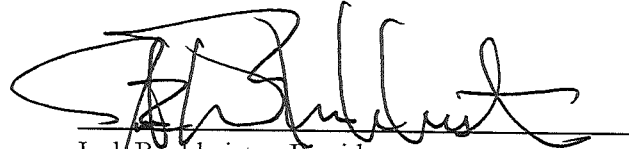
F. Open Discussion and Direction to Staff: none.

8. OTHER BUSINESS

The Board discussed the ongoing need to be cognizant of costs to the District and to limit unnecessary expenditures where possible, given the current uncertainty caused by COVID-19.

9. ADJOURNMENT

The meeting was adjourned at 2:15 PM.



Jack Buchheister, President