

NOTICE OF MEETING AND AGENDA
REGULAR MEETING
BOARD OF DIRECTORS
MIDDLE PARK WATER CONSERVANCY DISTRICT
Kremmling Town Hall
July 9, 2018, 1:00 p.m.

1. Approval of April 11, 2018 Minutes [**ACTION ITEM**]
2. Financial Report [**ACTION ITEM**]
3. Attorney's Report
4. Action Items Status List
5. Engineer's Report
6. New Billing Format
7. Banking—Confirm Jack and Dick as Signatories
8. Learning by Doing.
 - A. Consent to allow attorney for MPWCD to form LBD, Inc., on behalf of Learning by Doing. [**ACTION ITEM**]
 - B. Initial director needed from MPWCD for LBD, Inc. [**ACTION ITEM**]
9. Long Term Planning
10. Assignment of Scott Turan Contract
11. Request for Transfer of Lincoln Contract to Best [**ACTION ITEM**]
12. Status of Audit
13. December Water Users Meeting in Las Vegas
14. 2018 Meeting Dates: October 10, 2018
15. Other Business
16. Adjournment

MEETING MINUTES
MIDDLE PARK WATER CONSERVANCY DISTRICT

July 9, 2018; 1:00 PM Board of Directors

Kremmling Town Hall; Kremmling, CO

Directors present:

Jack Buchheister – President
Sean Flanagan – Vice President
Richard Doucette – Treasurer
Mike Eytel
Gary Bumgarner
Tom Long

Directors not present:

Jim Lenzotti – Secretary

Others present:

MPWCD Engineer Kristina Wynne
MPWCD Attorney Stan Cazier
MPWCD Attorney Kent Whitmer
MPWCD Attorney Andrew Moore
DWR/Water Commissioner Neal Misbach
Grand County Commissioner Kristen Manguso

Jack Buchheister called the meeting to order at approximately 1:00 PM. Before moving through the agenda items, Jack Buchheister asked the Board whether they prefer receiving the board packet via email versus regular mail. Most of the Board said they like receiving both the email and regular mail versions of the Board packet.

The Board generally followed the agenda, and the following topics and resolutions were discussed and passed, as the case may be, during the meeting:

1. Approval of April 11, 2018 Minutes
 - Richard Doucette asked to correct the motion to nominate and elect new officers to the move being by Richard Doucette, rather than Jack Buchheister in the meeting minutes.
 - There were no objections.
 - Gary Bumgarner moved to approve as amended.
 - The motion was seconded.

- The motion carried unanimously.
2. Financial Report
- Kent asked for feedback on the financial report.
 - Richard Doucette stated that he could not understand the documents in the packet.
 - It is difficult to say if the District is over-budget or if property taxes are at 0, among other things.
 - Richard Doucette said the new document provided at the meeting is much easier to understand.
 - Kent explained the new budget document presented to the Board at the meeting.
 - Kent explained the lawyer fees and engineer fees.
 - Kent said he was working to keep lawyer fees under budget. Kent also said the engineer fees are over-budget but that is due to timing and Mike Saylor's continued involvement.
 - Jack Buchheister says there are some things to iron out as far as format on the financial report.
 - Jack Buchheister said they used to have a one page summary with invoices paid and other items.
 - Kent said QuickBooks can print general reports with something similar.
 - Gary Bumgarner asked about TABOR and assessed valuations.
 - Stan Cazier said August 25th is when assessed valuations are provided by the assessors.
 - Jack Buchheister asked for a better understanding of TABOR and if assessed value drops for discussion at the next meeting.
 - Jack Buchheister asked for Kent and Tina to look into TABOR and the mill levy issue.
 - Gary Bumgarner asked about the cushion between assessed value increase and decrease.
 - The Board further discussed the issue.
 - Gary Bumgarner moved to approve the financials as presented. Mike Eytel seconded the motion and the motion carried unanimously.
3. Attorney's Report
- There were no questions or comments from the Board.
4. Action Items Status List
- Kent said there were no major changes since the Action Items Status List was released. There were no questions or comments from the Board.
 - Historic User Pool ("HUP") Discussion
 - HUP was not included in the Action Items Status List.
 - Jack Buchheister requested that the HUP be included.
 - Kent said MPWCD is in a holding pattern and waiting for Division Engineer on the HUP.
 - Stan Cazier said the Division Engineer said that no one is raising issues except for one Grand County entity, but no others.
 - Kent met with Winter Park and Grand County Water and Sanitation engineer, Janet Williams, who has not gotten a response. There are a number of people working on this.

○ Jack Buchheister said MPWCD is hoping for a positive result.

5. Engineer's Report

- A few changes since end of June:
 - Denver water storage is slightly down;
 - Green Mountain and Granby are nearly full;
 - The Shoshone call is on;
 - Kristina Wynne contacted Don Meyer for releases and now there is a release of 1/3 cfs per day - this is ongoing;
 - Kristina Wynne suggests releasing from Wolford instead of Windy Gap;
 - MPWCD gets full 3,000 acre feet of Windy Gap water this year.
 - Kristina Wynne anticipates an instream flow call this Summer;
 - Sunset Ridge pond had freezing problems last winter;
 - Kristina Wynne is looking for a call on the Fraser since it is a dry year;
 - If there are calls, then MPWCD will try to address those calls with Sunset Ridge releases but MPWCD shouldn't have problems releasing from Sunset Ridge this Summer or Fall.
- Accounting
 - The water usage questionnaire was included in the July 2018 billing to learn about contractees' use of water per the Division Engineer's request.
- Sunset Ridge Pond
 - Fall or summer releases not a problem. Kristina Wynne suggested adding heat tape to the outlets.
 - The Board discussed who was responsible for keeping the pond operational. Kristina Wynne thinks it is Sunset Ridge's responsibility but needs to check the agreement. Kent will also check this. Jack Buchheister suggests that MPWCD make the request to Sunset Ridge for heating the outlets if Sunset Ridge is responsible for maintaining the outlets.
 - Neal Misbach said the gauge would be covered in snow and ice during the winter and that the slats could be removed to help with measuring. Kristina Wynne said the slats also freeze.
 - Jack Buchheister is looking for Sunset Ridge's response before the October meeting.
 - Neal Misbach asked for a memo on how water is released from Windy Gap; which Kristina Wynne will draft.
- Next, Kristina Wynne discussed questions from the previous meeting about water availability and amounts regarding Windy Gap water that were not in the board packet.
 - Mike Saylor prepared a table of water amounts in a memo, which Kristina Wynne updated; see attached table for details.
 - Under WGFP IGA there is variable water, which was not included in the table; The Board should discuss variable water since it is not always available.
 - Kent Whitmer said a settlement for the WGFP IGA lawsuit is close on water rights side with one party left to work a settlement being a family right next to Windy Gap.
 - The lawsuit is the wild card per Kent.

- The Windy Gap Firming Project will take 4 years to complete according to Stan Cazier; also, Granby could spill and no water would be available; also according to Stan Cazier, there is variable water but there is no demand for the water and cost to pump would be expensive and no one to pay.
 - According to Kristina Wynne, the full 3,000 acre feet of water is available from Windy Gap via Granby Reservoir this year.
 - See the table for details on Wolford Reservoir water amounts.
 - Gary Bumgarner asked if the charge per acre foot should escalate which is what sparked request for water availability.
 - Jack Buchheister said this is addressed at budget time.
 - Kent will discuss price changes with Richard Doucette and Jack Buchheister and other Board Members may participate in the budget workshop. Kent will ask board about participation in the budget workshop.
 - Middle Park ordered 500 acre feet of mountain water from the River District Wolford.
 - This was a conservative estimate.
 - Wild and Scenic Memo
 - Kristina Wynne will call in to be budget conscious. The process is moving forward very slowly.
6. New Billing Format
- The front of the bill is an invoice template and the back has the questionnaire on water use, and change of authorized person for entity using water, among other things.
 - Kristina Wynne created a matrix on the back of the bill, which should satisfy the Division Engineer's request. Having the contractees return payment with the bill will likely get best returns on questionnaire answers.
 - Richard Doucette asked if the Division Engineer looked at the questions and content.
 - Kristina Wynne said yes and that Kyle was pleased; different format but same information.
 - Kristina Wynne will have better idea of water use and times of use, which will help with better water requests, avoid excess releases, and help learn more about monthly depletions.
 - Jack Buchheister said new billing questionnaire and the accounting thereof was not anticipated but a necessary additional cost. Kristina Wynne said this cost will be absorbed due to fewer billed hours from Mike Sayler and lower fees from Kristina Wynne compared to Mike Sayler's rates. Also, processing the questionnaires will become more efficient and likely be similar to annual billing costs.
 - Jack Buchheister asked about credit cards and Kent said bills will go out soon.
7. Banking – Confirm Jack and Dick as signatories
- Jack Buchheister asks for any issues on the three bank accounts and signatories.
 - Mike Eytel moved to approve Jack Buchheister and Richard Doucette as signatories.

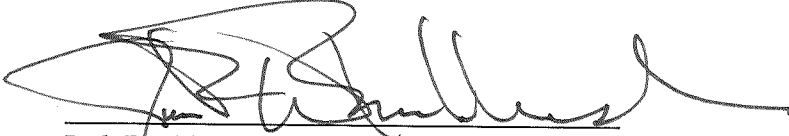
- Gary Bumgarner seconded the motion and the motion carried unanimously.
8. Learning By Doing (“LBD”)
- Kent not attending because Mike Eytel and Kristina Wynne are already attending the LBD meetings.
 - Kent asked the Board for consent to allow him to form LBD, Inc., on behalf of LBD.
 - LBD is finalizing articles and bylaws for its corporation so that it can sign contracts and get bank accounts.
 - A Denver Water Board attorney was drafting these documents but Denver Water told him not to do this so he stopped.
 - Kent was called into meetings for the purpose of completing the bylaws and articles.
 - LBD asked Kent if he would be the incorporator but Kent needed to ask the Board.
 - Kent does not see this as a liability and suggested listing the Whitmer Law Firm, LLC office as principal address.
 - Ed Moyer would be registered agent.
 - Grand County doesn’t want to be the principal address.
 - Jack Buchheister says he does not mind that Kent will form the entity.
 - The cost to MPWCD would be one hour of Kent’s time to form the entity per Gary Bumgarner’s question about cost.
 - The initial director needed from MPWCD for LBD, Inc.
 - Kent asked if any Board Members want to be a director for LBD, Inc.
 - There was no interest from the Board Members to serve on LBD, Inc. board.
 - Jack Buchheister asked if LBD will pay for board member time.
 - Kent says there is likely an obligation to donate something so Kent’s time to form legal entity is the donation.
 - Dick says Middle Park has not donated but letting Kent form the entity is OK and helps Middle Park comply with the Agreement.
 - Stan said the Agreements are not effective.
 - Mike Eytel moved to have Kent be the LBD Inc., incorporator and Gary Bumgarner seconded the motion. The motion carried unanimously.
9. Long Term Planning
- The Board discussed Middle Park’s construction fund.
 - Gary Bumgarner asked if the fund is being used or if it is operating on the mill levy.
 - Per Stan, in the old days, interest could go in the operational fund but interest rate now is 0. The fund is kept at 1 million dollars and has not been used for operations. The plan was to buy Green Mountain Reservoir water with revenues from capital purchases but the Fed’s requirements were difficult.
 - Stan Cazier said the construction fund is like the HUP which you need to monitor and sometimes opportunities arise.
 - Jack Buchheister said, going forward, MPWCD should include long-term planning with the budget workshop.

- Stan Cazier said Middle Park had very rarely dipped into the funds in the past.
 - Jack Buchheister asked if there are any objections to long term construction fund planning during budget workshop. No one objected.
 - In the water world, the amount of money in the construction fund does not go far per Mike Eytel, even though it is still a large sum.
 - Jack Buchheister agreed to be judicious with the money but there are some things that MPWCD can do with the money.
 - Jack Buchheister said Middle Park will include long-term planning in the budget workshop.
10. Assignment of Scott Turan Contract
- Scott Turan had a water contract and asked for an assignment to the new owner that bought his property.
 - MPWCD transferred the water contract on the books.
 - Kent asked for ratification of the Assignment of the water contract to Clapps.
 - Sean Flanagan moved to ratify the Assignment, and Richard Doucette seconded the motion. The motion carried unanimously.
 - Kent will determine and assess an appropriate fee to charge for the Assignment work for billing purposes next time.
11. Request for Transfer of Lincoln Contract to Best
- Stan Cazier has been dealing with these folks directly and he recommended that the Board not make a decision at this meeting.
 - Stan Cazier discussed the background of the Lincoln contract.
 - Stan Cazier recommended that the Board put this issue on the October agenda.
 - The Board will revisit this issue in October 2018.
12. Status of Audit
- Kent contacted auditor but no draft of the audit is yet available from auditor. A draft of the audit is to be completed at end of month. No Board action is needed until the audit is complete.
13. December Water Users Meeting in Las Vegas
- Kent is interested in going and directors in the past attended this meeting.
 - Jack Buchheister is not interested in going again.
 - Richard Doucette recommended to the Board that if they are going to serve on the Board long term then they should attend the meeting.
 - The Board agreed that Kent should attend the meeting.
14. 2018 Meeting Dates: October 10, 2018
- Jack Buchheister wants to stick with meeting schedule. The next meeting will be in Kremmling. Kent said the January meeting will be in Summit County.
15. Other Business
- Request for Temporary Water
 - Kent got a call on July 6, 2018 from Jeremy Straley who is requesting water for a new development for a subdivision. Staley needs water for dust suppression; about 40-50 thousand gallons from Fraser for a few months.

- Kristina Wynne said Doug Clements from Spronk called her and told her that he is Jeremy's engineer.
- Jack Buchheister said, historically, a developer would go to water districts and not usually MPWCD for this type of water request.
- Neal Misbach added that this water request would need an administrative exchange similar to Harrington Landscaping.
- Kristina Wynne warned that if there is a call on the Fraser River, they would be out of luck if they tried to pull water from the Fraser River. Thus there is no guarantee of water.
- Stan Cazier said that this situation is like WPRA, where Division Engineer wants to see approval from Middle Park before approving.
- Jack Buchheister asked whether the Board will consider a temporary contract.
- Stan Cazier said that the Board can approve a contract up to 35 acre feet.
- Jack Buchheister asked the Board if the Board will allow Kent to move forward with a temporary contract.
- Richard Doucette moved to have Kent go forward with the temporary contract subject to requirements, concerns, and conditions discussed by the Board at the meeting. Sean Flanagan seconded the motion. There was no further discussion of the motion. The motion carried unanimously.
- Jack Buchheister asked Kent to request payment of Middle Park's attorney fees and costs besides set fees.

16. Adjournment

- Jack Buchheister adjourned the meeting at approximately 2:39 PM.



Jack Buchheister, President

12:24 PM
 06/30/18
 Cash Basis

Middle Park Water Conservancy District
Profit & Loss Budget Performance
 April through June 2018

	Apr - Jun 18	Budget	Jan - Jun 18
Income			
0101-Property Taxes	59,732.11	34,750.02	113,397.74
0102-Property Tax Interest	9.26	75.00	6.41
0103-Specific Ownership Tax	2,005.59	1,750.00	3,761.97
0104-Water Sales Income			
Application Fees	800.00		1,200.00
Short Term Water Leases	2,193.93		2,193.93
0104-Water Sales Income - Other	0.00	0.00	11,935.88
Total 0104-Water Sales Income	2,993.93	0.00	15,329.81
0105-Interest on Bank Accts	2.34	1,000.00	2,931.37
Total Income	64,743.23	37,575.02	135,427.30
Expense			
9901-Directors Dues/Mem Expense	250.00	625.00	250.00
9902-Directors Expense-other			
Insurance	-32.00	800.00	499.50
Meals	0.00	500.00	257.98
Misc	108.25	1,000.00	1,020.82
Payroll Medicare/SS FICA	127.41	200.00	311.01
Payroll/Officer's Compensation	1,486.80	950.00	2,410.30
Publication cost	0.00	925.00	0.00
9902-Directors Expense-other - Other	0.00	0.00	0.00
Total 9902-Directors Expense-other	1,690.46	4,375.00	4,499.61
9903-Counsel Expense	53,344.50	48,137.50	107,696.09
9904-Engineering Expenses	11,848.32	12,605.00	28,072.01
9905-Audit/Accounting Expenses	0.00	0.00	0.00
9906-Misc Water Expenses	17,500.00	3,750.00	18,820.00
9907-Travel/ Special Projects	0.00	5,000.00	0.00
9908-Emergency/Contingency	0.00	20,899.75	0.00
9909-Reserve Expenses	0.00	8,527.00	0.00
9910-Construction Fund (Windy G	0.00	231,796.75	0.00
9912-Storage Cost			
Laserfiche	2,662.50		2,662.50
Total 9912-Storage Cost	2,662.50		2,662.50
9913-Treasurer Fees	2,996.14		5,669.04
Total Expense	90,291.92	335,716.00	167,669.25
Net Income	-25,548.69	-298,140.98	-32,241.95

12:24 PM

06/30/18

Cash Basis

Middle Park Water Conservancy District
Profit & Loss Budget Performance
 April through June 2018

	YTD Budget	Annual Budget
Income		
0101-Property Taxes	69,500.04	139,000.08
0102-Property Tax Interest	150.00	300.00
0103-Specific Ownership Tax	3,500.00	7,000.00
0104-Water Sales Income		
Application Fees		
Short Term Water Leases		
0104-Water Sales Income - Other	0.00	160,000.00
Total 0104-Water Sales Income	0.00	160,000.00
0105-Interest on Bank Accts	2,000.00	4,000.00
Total Income	75,150.04	310,300.08
Expense		
9901-Directors Dues/Mem Expense	1,250.00	2,500.00
9902-Directors Expense-other		
Insurance	1,600.00	3,200.00
Meals	1,000.00	2,000.00
Misc	2,000.00	4,000.00
Payroll Medicare/SS FICA	400.00	800.00
Payroll/Officer's Compensation	1,900.00	3,800.00
Publication cost	1,850.00	3,700.00
9902-Directors Expense-other - Other	0.00	0.00
Total 9902-Directors Expense-other	8,750.00	17,500.00
9903-Counsel Expense	96,275.00	192,550.00
9904-Engineering Expenses	25,210.00	50,420.00
9905-Audit/Accounting Expenses	3,750.00	3,750.00
9906-Misc Water Expenses	7,500.00	15,000.00
9907-Travel/ Special Projects	10,000.00	20,000.00
9908-Emergency/Contingency	41,799.50	83,599.00
9909-Reserve Expenses	17,054.00	34,108.00
9910-Construction Fund (Windy G	463,593.50	927,187.00
9912-Storage Cost		
Laserfiche		
Total 9912-Storage Cost		
9913-Treasurer Fees		
Total Expense	675,182.00	1,346,614.00
Net Income	-600,031.96	-1,036,313.92

12:18 PM
06/30/18
Cash Basis

Middle Park Water Conservancy District
Profit & Loss
April through June 2018

	<u>Apr - Jun 18</u>
Income	
0101-Property Taxes	59,732.11
0102-Property Tax Interest	9.26
0103-Specific Ownership Tax	2,005.59
0104-Water Sales Income	
Application Fees	800.00
Short Term Water Leases	2,193.93
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Total 0104-Water Sales Income	2,993.93
0105-Interest on Bank Accts	2.34
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Total Income	64,743.23
Expense	
9901-Directors Dues/Mem Expense	250.00
9902-Directors Expense-other	
Insurance	-32.00
Misc	108.25
Payroll Medicare/SS FICA	127.41
Payroll/Officer's Compensation	1,486.80
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Total 9902-Directors Expense-other	1,690.46
9903-Counsel Expense	53,344.50
9904-Engineering Expenses	11,848.32
9906-Misc Water Expenses	17,500.00
9912-Storage Cost	
Laserfiche	2,662.50
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Total 9912-Storage Cost	2,662.50
9913-Treasurer Fees	2,996.14
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Total Expense	90,291.92
Net Income	-25,548.69
