

**MINUTES OF MEETING OF BOARD OF DIRECTORS
BASALT WATER CONSERVANCY DISTRICT
August 9, 2022**

CALL TO ORDER

The Board of Directors of the Basalt Water Conservancy District met on August 9, 2022 commencing at 7:00 p.m. in the Board Room at the Third Street Center, 520 South Third Street, Carbondale, Colorado. The meeting was also held via online and telephonically (Elevate).

The District's attorney Ryan Mitchell took the roll call. The following directors were present: Gary Knaus, Tim Nieslanik, Jim Nieslanik, Max Macdonell, Dean Seader, and Charles Spickert. There was a quorum.

The District's attorney Ryan Mitchell of Balcomb & Green, the District's engineer Eric Mangeot of LRE Water ("LRE") and Water Commissioners Bill Blakeslee also attended.

INITIAL BUSINESS

Director Jim Nieslanik moved to appoint Tim Nielanik as Secretary for the meeting. Director Gary Knaus seconded the motion, and it carried unanimously.

The minutes from the July 12, 2022 meeting were considered by the Board. Eric Mangeot identified an error with the July Minutes. Director Gary Knaus moved to approve the July minutes, to be corrected, and Director Jim Nieslanik seconded the motion, which carried unanimously.

REPORT OF DIRECTOR CHARLES SPICKERT ON THE COLORADO BASIN ROUNDTABLE

Director Charles Spickert provided a report on the Colorado Basin Roundtable meeting for July. Charles Spickert reported that the Bureau of Reclamation is requesting 2-4 million acre feet in cuts in usage from the Colorado River Basin. In 2021, the Upper Basin states used 3.5 million AF; the Lower Basin states and Mexico used 10 million AF. The Upper Basin states have submitted a plan to curtail usage. However, Lower Basin states are unlikely to submit a plan.

Director Charles Spickert also discussed how the priority of the Shoshone and Cameo (Roller Dam) rights help to prevent transbasin diversions to the front range. The Board and staff discussed the water rights of the Shoshone Hydropower Plant and Roller Dam (Cameo), and how a call from either of those structures impacts the District's water rights.

Director Charles Spickert also reported on the Gunnison River Reservoir Project. The Project is seeking grant funding to design two reservoirs to augment future Colorado Compact Calls. They have already received \$95,000 from Grand Junction. Seeking further funding. Received a Letter of Support from the Roundtable.

REPORT OF THE ENGINEER (ERIC MANGEOT, LRE WATER)

a. Gage Flow Summary

Eric Mangeot reported there is an above average precipitation predicted for the next month. Both storage and releases at Ruedi Reservoir are up from a year ago. Generally, flow levels are up across the system (except for the Frying Pan River).

b. Stream Gage Comparison

Eric Mangeot presented a stream gage comparison across several notable years and at several gauges.

c. Billing Update

Eric Mangeot reported that 432 Contract have been billed out, which totals \$403,907.00, of which \$347,137.00 has been collected. The District has also collected a total of \$66,907.00 in fees (amendment fees, assignment fees, etc.).

d. Second Failure Memo Responses

Eric Mangeot reported that 10 of the 26 contractees have responded that they will submit their meter readings. Melody Morris plans to continue efforts to contact and discuss the matter with the remaining 16 contractees.

e. Other

WATER ALLOTMENT CONTRACT ASSIGNMENTS, AMENDMENTS, INCLUSIONS AND CONTRACTS

a. Contract No. 800 – Sean Harris and Taylor Harris

Eric Mangeot presented this contract application for service under District's Case No. 02CW77 to cover depletions associated with 19,780 sq. ft. of lawn and landscape irrigation. The property consists of 0.57 acres and is located in Pitkin County. Diversion associated with this contract come from Harris Pump. The contract amount is for 0.067 cfs and 1.0 AF. Ryan Mitchell reported that the Board had jurisdiction to consider the contract. Director Jim Nieslanik made a motion to approve the contract. Director Tim Nieslanik seconded the motion, which passed unanimously.

b. Contract No. 801 – Bruce Godfrey Family Trust and Lesli L. Godfrey Family Trust

Eric Mangeot presented this contract application for service under District's Case No. 02CW77 to cover depletions associated with a single-family dwelling, ADU, and 13,068 sq. ft. of irrigation. The property is known as Lot 5B of the Gabossi Subdivision and is

located in Eagle County and has a physical address of 252 Ronce Lane, Carbondale. The source of supply is the Gabossi Lot 5b Well, a/k/a Godfrey Well. The contract amount is for 0.033 cfs and 0.8 AF. Ryan Mitchell reported that the Board had jurisdiction to consider the contract. Director Max Macdonell made a motion to approve the contract. Director Jim Nieslanik seconded the motion, which passed unanimously.

c. Contract No. 802 – Christian Messner

Eric Mangeot presented this contract application for service under District’s Case No. 02CW77 to cover depletions associated with a 0.12 surface acre pond. The property consists of 7.89 acres and is located in Eagle County. The source of supply is the Eureka Ditch. The contract amount is for 0.001 cfs and 1.0 AF. Ryan Mitchell reported that the Board had jurisdiction to consider the contract. Director Jim Nieslanik made a motion to approve the contract. Director Max Macdonell seconded the motion, which passed unanimously.

d. Contract No. 803 – Tim Hagist

Eric Mangeot presented this contract application for service under District’s Case No. 02CW77 to cover depletions associated with a single family dwelling, ADU and a detached garage and bathroom. The property has an address of 286 Willow Lane, Carbondale. The source of supply is the Hagis Well (Permit No. 34295). The contract amount is for 0.033 cfs and 2.5 AF. Ryan Mitchell reported that the Board had jurisdiction to consider the contract. Director Tim Nieslanik made a motion to approve the contract. Director Max Macdonell seconded the motion, which passed unanimously.

e. Contract No. 804 – Hughes Family Revocable Trust

Eric Mangeot presented this contract application for service under District’s Case No. 02CW77 to cover depletions associated with 0.33 acres of lawn and landscape irrigation. The property has an address of 117 Little Texas Lane, Woody Creek. The source of supply is a proposed pump (a/k/a Hughes Pump). The contract amount is for 0.056 cfs and 0.7 AF. Ryan Mitchell reported that the Board had jurisdiction to consider the contract. Director Max Macdonell made a motion to approve the contract. Director Tim Nieslanik seconded the motion, which passed unanimously.

f. Contract No. 795 – SGJD, LLC

Eric Mangeot presented this contract application to cover depletions associated with a private augmentation plan (Case No. 21CW3177) for evaporation losses from the SGJD Pond. The property consists of 960.01 acres and is located in Garfield County. The source of supply is the SGJD Lower Spring and Ralston No. 1 Ditch. The contract amount is for 0.5 AF. Ryan Mitchell reported that the Board had jurisdiction to consider the contract. Director Jim Nieslanik made a motion to approve the contract. Director Dean Seader seconded the motion, which passed unanimously.

g. Amendment to Contract No. 647a – Reynolds Lower Ranch, LLC

Ryan Mitchell reported that this amendment will need to be posted on the website for 02CW77 inclusion and will go before the Board on October 11, 2022.

h. Assignment of Contract No. 605a – Chante Pejuta, LLC to John J. McNally and Jessica McNally; Assignment of Contract No. 77f – Change Pejuta, LLC to John J. McNally and Jessica McNally; Partial Assignment of Contract No. 648a – WCCP1, LLC to Little Ditch 1, LLC; Partial Assignment of Contract No. 648a – WCCP2, LLC to Little Ditch 2, LLC

Ryan Mitchell advised the directors that these contracts were assigned over the past month.

REPORT OF THE ATTORNEY (RYAN MITCHELL, BALCOMB & GREEN, P.C.)

a. Case No. 19CW3159 – Update

Ryan Mitchell reported that the City of Aurora has settle with all opposers. However, Aurora and the Division Engineer remain at odds regarding certain issues that were not disclosed to the parties. The next trial status conference is scheduled for September 8, 2022, at which point we will likely discover whether this matter is going to trial.

b. Case No. 20CW3107 – Update

Ryan Mitchell reported that Eric Mangeot has finalized his supplemental responses to the Division Engineer. Ryan Mitchell states that he and Chris Geiger are in the process of finalizing their supplemental responses.

c. Accelerator Grant

Ryan Mitchell reported that the Accelerator Grant Application has been finalized and submitted as of July 31, 2022. Ryan Mitchell continues to be in communication with the River District regarding any questions they have or supplemental material they require. Ryan Mitchell is also in the process of seeking letters of support from Garfield, Eagle, and Pitkin counties. These letter need only be general letters of support for our feasibility study of the three proposed pump and pipeline projects.

d. Website Posting

Ryan Mitchell reported that every year the District must pass a resolution identifying the physical location where it will post public notices of public meetings, pursuant to C.R.S. § 24-6-402(2)(c)(I). An alternative to public posting and passing the annual resolution is to post the public notice on the District’s website, pursuant to C.R.S. § 24-6-402(2)(c)(III). Our new website operator has created a button in the District Website’s that links to the Notice/Agenda for the upcoming meeting. Thus, we no

longer need to post our agenda at the Basalt Town Hall or Eagle County Annex in El Jebel.

e. Correcting Contracts

At the last July meeting, Ryan Mitchell reported on several contracts that required correction through assignment, amendment, termination, or other means. Ryan Mitchell was unable to provide a memo in the board packet prior to transmittal to the Board. Ryan Mitchell inquired if the Board would prefer he finalize the memo for next meeting or provide an oral presentation at this meeting. The Board elected to receive a finalized memo at the September Meeting.

f. Other

Eric Mangeot reported that LRE is planning to remove the transducers from the Missouri Heights project. Mindi Harmon from LRE is coordinating with Ryan Mitchell regarding communicating with the property owners to gain access and remove the transducers.

Ryan Mitchell also noted that Dean Seader was present at the July Meeting, and shall receive his July Director Fee at the September Meeting.

REPORT OF THE DIVISION OF WATER RESOURCES

Bill Blakeslee reported that the Roaring Fork River is on call.

BILLS, AUDIT REPORTS, FINANCIAL STATEMENTS

The Board reviewed the bills tendered in August for the month of July. Director Jim Nieslanik made a motion to pay the bills. Director Dean Seader seconded the motion, which passed unanimously.

DIRECTOR REPORTS AND COMMENTS

None.

EXECUTIVE SESSION

None.

CONCLUSION

At 8:22 Director Tim Nieslanik moved to conclude the meeting. Director Dean Seader seconded the motion, and it was approved unanimously.