

**MINUTES OF MEETING OF BOARD OF DIRECTORS
BASALT WATER CONSERVANCY DISTRICT
January 10, 2023**

CALL TO ORDER

The Board of Directors of the Basalt Water Conservancy District met on January 10, 2023 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, Michael Kennedy, 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 Commissioner Bill Blakeslee also attended.

INITIAL BUSINESS

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

The minutes from the December 13, 2022 meeting were considered by the Board. Director Tim Nieslanik moved to approve the December minutes, and Director Dean Seader seconded the motion, which carried unanimously.

REPORT OF THE ENGINEER (ERIC MANGEOT, LRE WATER)

a. Annual Operating Plan Summary

Eric Mangeot reported an overview of the total 663 contracts administered by the District.

Director Knaus suggest the District confer with Pitkin County to discuss their growth projections and responses thereto.

b. Umbrella Plan Summary / Tracking

Eric Mangeot reported a summary of the diversion and consumptive use for each umbrella plan contract. In total there are 242 02CW77 contracts: 163 in the lower reach and 79 in the upper reach.

c. Actual Diversions Memo (Meter Records)

Eric Mangeot reported that the District has provided DWR with actual diversion records for District contracts that are included in a Batch Augmentation Plan or the Umbrella Augmentation Plan.

d. Bureau of Reclamation WY2022 Actual and Projected Releases for 2023

Eric Mangeot reported that the District provided notice to the Bureau of Reclamation of the District's Actual WY2022 Releases and the District's WY2023 Projected Releases.

e. Crawford Dry-Up for Irrigation Seasons 2023

Eric Mangeot reported that the District has provided the annual notice regarding requested Dry-Up of the entire 137.2 acres. Inquiry was made as to whether the District can provide a perpetual notice indicating the District's intent to annually utilize the entire 137.2 acres of Dry-Up.

f. Gage Flow Summary

Eric Mangeot reported that in general gages are roughly the same compared to last year. Ruedi Reservoir is slightly above compared to last year.

g. Snowpack Summary

Eric Mangeot reported that the snowpack is roughly 130% of medium; slightly below last years snowpack.

h. Green Mountain Reservoir Exchange Memorandum

Eric Mangeot reported on a letter he provided to DWR regarding the District's intention to make augmentation releases from Green Mountain Reservoir for private augmentation plan on a structured basis to ensure that the longest exchange reach is perfected for each private augmentation plan and proper accounting is available.

i. Third Failure to Report Meter Readings Contractees

Eric Mangeot reported that there are 10 contractees who will receive suspension of service letters. 18 contractees will receive notices for second failure. Ryan Mitchell will draft suspension of service letter and confer with DWR.

j. Other

WATER ALLOTMENT CONTRACT ASSIGNMENTS, AMENDMENTS, INCLUSIONS AND CONTRACTS

a. Inclusion No. 247 – Richard C. Blum Family Partnership, L.P.

Eric Mangeot presented this inclusion request. The property has an address of 1495 Star Mesa Drive, Aspen and is located in Pitkin County. The property is 37.1 acres and is located outside the Division 7 boundary. Ryan Mitchell reported that the Board had jurisdiction to consider the inclusion. Director Jim Nieslanik made a motion to approve the inclusion. Director Tim Nieslanik seconded the motion, which passed unanimously.

b. Assignment of Contract No. 71e – Leonard and Esther Guerrero to John A. Canning Revocable Trust; Assignment of Contract No. 183c – Judith J. Slattery Revocable Trust to JKS Business Complex LLC; Assignment of Contract No. 617c – Wendy Tonkin Revocable Trust Dated September 17, 2008, as Amended and Restated July 6, 2016 to Snowmass Creek, LLC.; and Assignment of Contract No. 777a – WJWJ Ranch Holdings II, LLC to William Dopf and Ashley Dopf

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. Director Appointments, Divisions 1, 2 and 4(b) - Update

Ryan Mitchell reported that Directors Jim Nieslank, Tim Nieslank, and Max McDonell have been reappointed as Directors.

b. Other

Ryan Mitchell and Eric Mangeot reported that they will engage the Area-5 parties regarding operations within Ivanhoe Reservoir.

REPORT OF THE DIVISION OF WATER RESOURCES

Bill Blakeslee reported DWR is adopting a new system for diversion records. The purpose is to further interact it with the hydrobase tool and to provide greater specificity about individual accounting.

BILLS, AUDIT REPORTS, FINANCIAL STATEMENTS

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

DIRECTOR REPORTS AND COMMENTS

EXECUTIVE SESSION

None.

CONCLUSION

At 8:08 p.m., Director Tim Nieslanik moved to conclude the meeting. Director Jim Nieslanik seconded the motion, and it was approved unanimously.