

**MINUTES OF MEETING OF BOARD OF DIRECTORS  
BASALT WATER CONSERVANCY DISTRICT  
August 8, 2023**

**CALL TO ORDER**

The Board of Directors of the Basalt Water Conservancy District met on August 8, 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 (Teams).

The District's attorney Chris Geiger took the roll call. The following directors were present: Gary Knaus, Tim Nieslanik, Jim Nieslanik, Max Macdonell, Charles Bailey, Dean Seader (via Teams) Charles Spickert, and Michael Kennedy. There was a quorum.

The District's attorneys Chris Geiger and Andie Hall of Balcomb & Green, the District's engineer Eric Mangeot of LRE Water ("LRE"), and Water Commissioners Bill Blakeslee and Heather Ramsey also attended.

**INITIAL BUSINESS**

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

The minutes from the July 11, 2023, meeting were considered by the Board. Director Max Macdonell moved to approve the July minutes, and Director Jim Nieslanik seconded the motion, which carried unanimously.

**REPORT OF THE ENGINEER (ERIC MANGEOT, LRE WATER)**

a. Gage Flow Summary

Eric Mangeot reported that flows are up from this time a year ago. He reported that: (1) the Roaring Fork River near Aspen is up from 34.3 cubic feet per second ("c.f.s.") compared to a year ago; (2) the Roaring Fork River near the Emma gage is up at 665 c.f.s., a difference of 149 c.f.s. from a year ago; (3) the Roaring Fork River at Glenwood Springs is up 485 c.f.s. from a year ago at 1300 c.f.s.; (4) the Roaring Fork River near Thomasville is up 35.3 c.f.s. at 114 c.f.s.; (5) Ruedi Reservoir is 99.7% full, which is up 9,507 acre-feet ("A.F.") from a year ago; (6) the Crystal River discharge is currently lower, but the Crystal River above Avalanche Creek is up 111 c.f.s. at 356 c.f.s.; and (7) the Crystal River at the fish hatchery is at 341 c.f.s., which was increased by the rain. Eric then reported that a slightly above average precipitation chance exists for August.

b. Stream Gage Comparison

Eric reported that he compared a period of record from June 1 to October 5 over several key years, including 2002, 2012, 2018 and 2020, to water years 2022 and 2023. Overall, current flows for this year are up in comparison, but are coming down. The Board discussed when a call at Cameo may come on. Heather Ramsey predicted an early September call.

c. Billing Update

Eric Mangeot reported that LRE has billed 445 contracts for a total due of \$440,747.00. Of that, \$348,866.00 has been collected on 355 contracts.

Eric briefly commented that Contract No. 698 for Lowry Capital was suspended and that Contract No. 116c was terminated. Bill Blakslee noted that he visited Mr. Tomcich (Contract No. 116c), who wants to reinstate the contract and have a meter installed.

**WATER ALLOTMENT CONTRACT ASSIGNMENTS, AMENDMENTS, INCLUSIONS AND CONTRACTS**

a. Inclusion No. 255 / Contract No. 819 – Fevaag Ranch LLC

Eric Mangeot presented this contract application for service under the District’s Case No. 02CW77 to cover depletions associated with two single family dwellings, a swimming pool, and 1.72 acres of total irrigation. The property is approximately 22.09 acres in size and is located in Pitkin County, near the confluence of Snowmass Creek and the Roaring Fork River. The Applicant is also requesting inclusion into the District’s boundaries. The Area A and B line straddles the property boundary; the well is in Area A, but the depletions occur in Area B. The Applicant agreed to an Area A contract, under which the District will only replace consumptive use and not diversions. The source of supply is from Fevaag Well. The contract amount is for 4.6 AF. After 5 years, for the establishment of irrigated acres, the amount will be reduced to 1.1 AF. The Applicant provided the District with a report of estimated depletions. Eric Mangeot commented that he changed some aspects of that report to assume a year-round call, a maximum pumping rate of 30 gallons per minute (“g.p.m”), and adjustments for winterization and dewatering the pool in May, but no freezing period for the pool, to better align with the District’s operations. Chris Geiger reported that the petition for inclusion was properly published, the publication fees have been reimbursed, and that the Board has jurisdiction to consider the inclusion. Director Max Macdonell made a motion to approve the contract and inclusion. Director Jim Nieslanik seconded the motion, which passed unanimously.

b. Inclusion No. 256 / Contract No. 820 – MBMH LLC

Eric Mangeot presented this contract application for service under the District's Case No. 02CW77 to cover depletions associated with one single family dwelling, a swimming pool, spa, water feature (1,600 sq. ft.) and 5,600 sq. ft. of irrigation. The Applicant is also requesting inclusion into the District's boundaries. The property is located in Area A3 in Pitkin County, outside the Division 6 boundary. The property is 2.50 acres in size. The source of supply is under existing Well Permit No. 297672. The contract amount is for 1.0 AF. Chris Geiger reported that the petition for inclusion was properly published, publication fees have been reimbursed, and that the Board has jurisdiction to consider the inclusion. Director Jim Nieslanik made a motion to approve the contract and inclusion. Director Max Macdonell seconded the motion, which passed unanimously.

c. Contract No. 817 – Woody Ventures, LLC

The property consists of three lots of the approved Lane Family Conservation Subdivision and is located at 203, 205, and 207 Tree Farm Drive, Carbondale and is in Eagle County. The Board discussed this application last month and Andie Hall shared the discussed Division of Water resources concerns about a well sharing agreement with the Applicant's attorney. The District has not yet received a response. Accordingly, the Board tabled discussion of this Contract until a response is received from the Applicant regarding a well sharing agreement.

d. Amendment to Contract No. 807 – Whiskey Mountain Estates, LLC

The property consists of 92.07 acres and is located at 626 Fender Lane, El Jebel, Eagle County. The source of supply is a spring collection box which will cover depletions associated with livestock water for 50 horses, dust suppression, horse washing, and a drinking and sanitary facility. Chris Geiger and Eric Mangeot explained that the Applicant originally thought the source was Fender Springs 1 and 2 based on the original decreed location but found otherwise after conferring with the Division of Water Resources, making an amendment necessary to correct the point of diversion. The contract amount remains the same at 0.50 AF, and the contract was originally approved in October 2022. The Board discussed the location of the spring collection box, the distance of the pipeline, and inquired as to whether a pump was in place. Heather Ramsey noted that a pump was not required because deliveries occur by gravity flow. Director Max Macdonell made a motion to approve the amendment. Director Tim Nieslanik seconded the motion, which passed unanimously.

e. Assignment of Contract No. 266c – Estate of William R. Zanko to Kathleen A. Clausen and James P. Clausen

Chris Geiger reported this assignment was completed last month.

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

a. Case No. 22CW3009 Update – Spring Valley Holdings

Chris Geiger reported that the letter included in the Board packet from Spring Valley Holdings' counsel explains the status of the case, which includes Spring Valley Holdings exploring the possible consolidation of their operations for development into its private augmentation plan and operating all of its District supplies under that plan, instead of operating partially under the District's batch plan for augmentation. In doing so, Spring Valley Holdings might be able to adjust timing, diversion, and replacement schedules, and without impact to the District's operations. Chris Geiger noted that Spring Valley Holdings is working with the Division Engineer's Office to explore this option and will report back to the District.

b. Potential Reinstatement of Contract No. 116c – William Tomcich

Andie Hall reported that Mr. Tomcich seeks to reinstate this contract the Board terminated for failure to submit meter readings at the July meeting. She noted that the Board has discretion to reinstate the contract and if so, the terms and conditions. Chris Geiger noted that if the contract is reinstated, it would utilize the same contract number and augmentation plan. The Board discussed conditions for reinstatement, including a meter reading submission plan and agreement. The Board inquired as to the amount of engineering and legal time needed to reinstate the contract and what of these fees would correlate to an application fee, or other contract expenses. In discussing the outstanding amounts owed, Chris Geiger commented that the penalty fees imposed by the District when a contractee fails to submit meter readings are designed to be a motivator so the District can account to the state. Director Gary Knaus suggested giving Mr. Tomcich direction that he will have to participate in a meter reading plan, pay all past due amounts including penalties, and provide proof of meter installation. Director Gary Knaus noted that the District would not reinstate the contract until a meter was installed. The Board directed Balcomb & Green and LRE to draft a resolution to bring to the Board in September and they will assess all fees owed at that time.

c. Other

Chris Geiger reported that Colorado River Engineering and the West Divide Water Conservancy District provided the draft Crystal River Augmentation Plan Feasibility Study in the Board packet. He explained they want to present the study to the District. The Board agreed that the presentation could take place at the September Board meeting. Director Gary Knaus asked what interest the District has in this potential augmentation plan. Chris Geiger responded the District wish not participate, but noted the District's service area on the Crystal River is undersupplied.

## **REPORT OF THE DIVISION OF WATER RESOURCES**

No report.

## **BILLS, AUDIT REPORTS, FINANCIAL STATEMENTS**

The Board reviewed the bills tendered in August for the month of July. Director Jim Nieslanik moved to pay the bills, Director Charles Spickert seconded the motion, and it carried unanimously.

## **DIRECTOR REPORTS AND COMMENTS**

Director Charles Spickert reported that the Basin Roundtable updated its website to include his name and the District as a member. He then suggested that the District consider an update to its website. Director Charles Spickert also reported that the Basin Roundtable will hold elections next month.

## **EXECUTIVE SESSION**

None.

## **CONCLUSION**

At 7:50 p.m., Director Max Macdonell moved to conclude the meeting. Director Jim Nieslanik seconded the motion, and it was approved unanimously.