

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

**CALL TO ORDER**

The Board of Directors of the Basalt Water Conservancy District met on October 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 online and telephonically (Teams).

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

The District's attorneys Chris Geiger and Andie Hall of Balcomb & Green, the District's accountant and budget officer Tiffany Rudow of Barnes Pearson Rudow, the District's engineer Eric Mangeot of LRE Water ("LRE"), and Water Commissioner Bill Blakeslee 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 September 12, 2023 meeting were considered by the Board. Director Michael Kennedy moved to approve the September minutes, and Director Tim Nieslanik seconded the motion, which carried unanimously.

**REPORT OF THE ACCOUNTANT**

Tiffany Rudow presented the proposed draft 2024 General Fund and Enterprise Budgets and led a discussion with the directors. This budget presentation is an initial consideration of proposed budgets that must be formally adopted at a subsequent meeting; no formal action was required or taken. Tiffany reported that the property valuations could arrive in December and that Proposition HH on the November ballot could affect the District's mill levy amounts. Tiffany commented that the Board may need to postpone formally adopting the budget accordingly.

Tiffany Rudow reported that the District's audit has been submitted. Director Michael Kennedy moved to approve the audit as submitted. Director Tim Nieslanik seconded the motion and it carried unanimously.

Chris Geiger directed the attention of the Board to an engagement letter for Tiffany Rudow that was included in the Board Packet. Director Jim Nieslanik moved to sign the engagement letter and direct Tiffany to formally prepare a budget. Director Tim Nieslanik seconded the motion and it carried unanimously.

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

### a. Gage Flow Summary

Eric Mangeot reported that the gages were generally down compared to October of last year.

### b. Gage Flow Comparison

Eric Mangeot reported that Ruedi is up 12,134 acre feet (“a.f.”) from this time last year; the Roaring Fork River at the Aspen Gage is down 23 cubic feet per second (“c.f.s.”); the Emma Gage is down 167 c.f.s.; the Glenwood Springs Gage is down 315 c.f.s.; the Thomasville Gage is at 57.4 c.f.s.; the Ruedi Reservoir discharge is down 103 c.f.s.; the Crystal River at Avalanche Creek is 71.4 c.f.s.; and the Crystal River is 79.9 c.f.s. at Fish Hatchery. Eric noted that the October precipitation outlook shows an above average chance. He also commented on the Cameo call, which is an indicator of lower flows.

### c. Billing Update

Eric Mangeot reported that Melody at LRE has billed 558 contracts for a total due of \$545,254.00. Of that, \$498,283.00 has been collected on 507 contracts.

### d. LRE Water 2024 BWCD Rates

Eric Mangeot provided more information about the budget changes as they pertain to his services and those of LRE. He reviewed the Financial Analysis Projection chart that was included in the Board Packet, and noted that the projected numbers are reflected in Tiffany Rudow’s budget sheet with slight changes, including for example, augmentation plan fees. Eric commented that the chart assumes 5% inflation, 12 new contracts per year with an average augmentation supply requirement, 1% mill levy growth, and 3% increase in fees for legal and engineering, director payments, secretarial costs, and other services. Director Charles Spickert asked about acquiring additional augmentation supplies to serve constituents with a portion of the budget. Chris Geiger discussed that possibility and explained the differences between storage rights and historical irrigation rights as supplies. He noted that historical irrigation supplies require more engineering and legal work and that some areas in the district could benefit from a junior storage right. Chris Geiger discussed possible next steps with the Board of identifying project areas and exploring the possibility of additional technological investments as an alternative. The Board agreed to provide direction for LRE and Balcomb and Green to begin investigating these opportunities in early 2024 and propose a slate of opportunities to the Board.

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

a. Inclusion No. 257 / Contract No. 821 – Greenbay Electronics, LLC

Eric Mangeot presented this contract application for service under the District’s Case No. 02CW77 to cover depletions associated with evaporative losses from an irrigation pond (Habul Pond), swimming pool, and 1.5 acres of lawn and landscape irrigation. The Applicant is also requesting inclusion into the District’s boundaries. The property is approximately 6.15 acres in size, is located in Pitkin County, and has an address of 280 White Horse Springs, Aspen. The source of supply is a proposed well located right below Salvation ditch in Area A. The Contract Applicants have rights in the ditch that they will use for irrigation. The contract amount is for 4.0 AF, which includes 0.35 AF for topping off the pond and filling the pool in May. Chris Geiger reported that the petition for inclusion was properly published, and publication fees have been reimbursed; the Board has jurisdiction to consider the inclusion. Director Jim Nieslanik made a motion to approve the contract and inclusion. Director Tim Nieslanik seconded the motion, which passed unanimously.

b. Assignment of Contract No. 225a – Mark Kenneth Johnson and Karen M. Johnson to Rhett D. Bentley and Ann P. Bentley; and Assignment of Contract No. 210e – Ritter Family, LLC, The Robert F. Ritter General Trust, Dated July 11, 1994, as Amended, The Karen Gray Ritter General Trust, Dated July 11, 1994, as Amended, and The Ritter Family Trust, Dated July 1, 2011, Karen Gray Ritter and Robert F. Ritter, Trustees to Grossglockner Holdings LLC.

Chris Geiger reported these assignments were completed last month. He noted that the District collected three assignment fees because the property was transferred between different entities under the same owner multiple times.

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

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

Chris Geiger reported that the application in this case seeks to reinstate conditional rights and modify their operation under the District’s 1987 augmentation plan and the developer’s private augmentation plan. Chris reported that the Applicant offered to consolidate contracts under its private plan, which was conditionally approved by the Assistant Division Engineer. The District is now waiting for Applicant to provide additional information to the District regarding consolidation of its augmentation supplies under their private augmentation plan and show the District that it will work.

b. Other

Andie Hall reported that she has tried to contact Mr. Tomcich, former contractee under Contract No. 116c, via phone, email and certified mail with information regarding reinstating his contract, including the process and amounts owed, but has not received a response. She noted that she received a receipt for the letter sent via certified mail. She explained that the Board had previously agreed to reinstate his contract at this October board meeting following his payment of outstanding amounts owed and that because he had not yet done so, his contract remains terminated and any depletions are not covered by the District's supplies.

**REPORT OF THE DIVISION OF WATER RESOURCES**

No report.

**BILLS, AUDIT REPORTS, FINANCIAL STATEMENTS**

The Board reviewed the bills tendered in October for the month of September. Director Jim Nieslanik moved to pay the bills. Director Tim Nieslanik seconded the motion, and it carried unanimously.

**DIRECTOR REPORTS AND COMMENTS**

Director Charles Spickert reported that the Colorado River District presented the Crystal River Augmentation Plan Study at the last Basin Roundtable meeting. Director Charles Spickert updated the Board on water project grant funding and noted that the Water Supply Reserve Fund is funding almost \$5 million worth of projects and Water Plan grants are funding and additional \$7.8 million. He emphasized that lots of Water Plan projects are getting funding. Director Charles Spickert also reported that Lauren Ris is new CWCB director and that the transition appears to have gone smoothly from the Basin Roundtable perspective. He also noted that the Basin Roundtable received an update on interstate compact issues that the Upper Basin States will continue to participate in voluntary conservation and the Lower Basin States will be responsible for more specific items.

**EXECUTIVE SESSION**

None.

**CONCLUSION**

At 8:15 p.m., Director Tim Nieslanik moved to conclude the meeting. Director Jim Nieslanik seconded the motion, and it was approved unanimously.