

**MINUTES OF MEETING OF BOARD OF DIRECTORS
BASALT WATER CONSERVANCY DISTRICT
November 14, 2023**

CALL TO ORDER

The Board of Directors of the Basalt Water Conservancy District met on November 14, 2023, commencing at 7:05 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, Michael ("Mike") Kennedy, Max Macdonell (remotely via Teams), Charles Bailey (remotely via Teams), and Charles Spickert. There was a quorum.

The District's attorneys Chris Geiger and Andie Hall (remotely via Teams) 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 Commissioners Bill Blakeslee and Heather Ramsey also attended.

INITIAL BUSINESS

Director Tim Nieslanik moved to appoint Mike Kennedy as Secretary for the meeting, which was seconded and carried unanimously.

The minutes from the October 10, 2023, meeting were considered by the Board. Director Charles Spickert moved to approve the October minutes, and Director Tim Nieslanik seconded the motion, which carried unanimously.

REPORT OF THE ACCOUNTANT

Chris Geiger and Tiffany Rudow led the statutory budget hearing to consider the General Budget and Enterprise Budget, to set the District's Mill Levy, and to appropriate funds under the budgets. Chris Geiger reported that notice of the budget hearing was properly published, and the budgets were available for public inspection at Balcomb and Green, both as required by law; no public comment or inquiry was received before this hearing. Geiger further noted the Board previously reviewed the budgets as prepared by Ms. Rudow, the District's financial consultant, at its October meeting and may consider their adoption at this meeting. Tiffany Rudow noted that the District's mill levy in the Administrative budget was reduced from the October draft, but no other changes were made to the draft budgets reviewed in October and published for consideration. No members of the public were present to comment on the budgets as presented, and the public hearing was closed. Director Charles Spickert made a motion to approve and adopt the Administrative Budget and set the mill levy for calendar year 2024, which motion was seconded by Director Tim Nieslanik and unanimously approved. Director Mike Kennedy made a motion to approve and adopt the Enterprise Budget for calendar year 2024, which motion was seconded by

Director Tim Nieslanik and unanimously approved. Director Mike Kennedy made a motion to appropriate funds for the Administrative Budget and the Enterprise Budget for calendar year 2024, which motion was seconded by Director Charles Spickert, and unanimously approved. The budget hearing was concluded.

REPORT OF THE ENGINEER (ERIC MANGEOT, LRE WATER)

a. Gage Flow Summary

Eric Mangeot reported that the Roaring Fork River near Aspen was up a little from this time last year at 22.4 cubic feet per second (“c.f.s.”). He reported that the Roaring Fork River at the Emma Gage was up slightly by 10 c.f.s.; the Roaring Fork River at Glenwood Springs was down by 15 c.f.s.; the Fryingpan River near Thomasville was virtually the same as this time last year; the Crystal River near Redstone was down by almost 20 c.f.s.; and the Crystal River at the Fish Hatchery was up 9 c.f.s. Eric reported that Ruedi Reservoir is 79.1% full and its discharge is about 10 c.f.s. higher than this time last year. Finally, Eric noted that the precipitation outlook for November is equal chances.

b. Missouri Heights Study Well Equipment Removal Update

Eric Mangeot reported that one well retains equipment from the Missouri Heights Study and that the well owner has received the bill of sale that Andie Hall and Mindy Harman of LRE had prepared. Eric commented that he expects to receive a response from the well owner this week or next as to whether they would still like to assume ownership of the equipment, or whether they would like the District to remove it.

c. Annual Operating Plan Update

Eric Mangeot reported that LRE is still working on the operating plan and is starting to receive meter records. Eric met with the LRE Denver office to collaborate on roll out of online meter forms. Melody Morris is sending out letters to notify contractees of the upcoming change. Eric explained that each contractee will have a unique link to guide them through the set-up, which will be associated with their contract number and well name.

d. Billing Update

Eric Mangeot reported that LRE has billed contracts in the amount of \$549,000.00. Of that, \$519,497.00 has been collected.

e. Meeting with Aurora regarding Area A-5 Storage Exchange

Eric Mangeot reported that he and Chris Geiger met with Aurora representatives last week to determine how the District can move water between Ruedi Reservoir and

Ivanhoe Reservoir to initiate the Area A-5 plan for augmentation. Eric explained that the parties' engineers will next discuss the subject with the Division Engineer. Chris Geiger noted that the meeting was positive, and that he reminded Aurora that it gave the District a storage pool it can fill in any year in which the District can exchange water from Ruedi Reservoir.

WATER ALLOTMENT CONTRACT ASSIGNMENTS, AMENDMENTS, INCLUSIONS AND CONTRACTS

a. Contract No. 825 – Gregory S. Bovee and Stephanie M. Bovee

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 duplex, 10,000 square feet of irrigation, six livestock and an 8-foot diameter hot tub. The property is in Garfield County at 329 Coryell Ridge Road, Glenwood Springs. The source of supply is an existing well (Well Permit No. 83545). The contract amount is for 0.067 c.f.s. and 0.9 AF. Director Charles Spickert made a motion to approve the contract. Director Mike Kennedy seconded the motion, which passed unanimously.

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

a. West Divide and Crystal River Plan for Augmentation

Chris Geiger reviewed the main points of the Crystal River Plan for Augmentation presentation and the subsequent discussion. He reported that he met with general counsel for the West Divide Water Conservancy District to discuss the plan further. West Divide inquired if the District is interested in participating as an applicant and owner of the plan for augmentation. Chris Geiger reported that the District could respond in several ways: (1) agreed to participate as co-applicant for the plan for augmentation; (2) enter an intergovernmental agreement through which West Divide will serve Crystal River water users within the District's boundaries; (3) develop an independent plan for augmentation for the District's Crystal River service area; or (4) take no action. Chris Geiger recommended that LRE consult with West Divide's engineer to develop an understanding of unmet needs for both parties in the Crystal River basin and then report to the Board. Eric Mangeot agreed with this recommendation. The Board directed Eric Mangeot to confer with West Divide's engineers.

b. Resolution 2023-3

Chris Geiger presented Resolution 2023-3 for the Board's consideration. The resolution addresses circumstances in which District consultants, such as Balcomb & Green and LRE, represent District constituents, including during the process of obtaining a district contract. The resolution formally gives the Board an opportunity to permit joint representation of the District and its constituents and establish guidelines

and expectations for these circumstances. Chris Geiger noted that the central premises of the resolution are based on rules of professional conduct applicable to attorneys. He then walked the board through the main provisions of the resolution. Director Gary Knaus noted there is no current issue or concern in this subject matter, but the resolution is a formal recognition of best practices and conduct. The Board took the matter under advisement and will revisit it in January 2024.

c. December Meeting

Chris Geiger reported that a December meeting was tentatively scheduled in case the budget needed to be extended.

REPORT OF THE DIVISION OF WATER RESOURCES

Commissioner Bill Blakslee did not connect with Tim Even but did with William Tomcich. Commissioner Blakslee described their conversation and reported that Tomcich intends to have his well meter issues resolved soon and will reconsider reinstating his District contract.

BILLS, AUDIT REPORTS, FINANCIAL STATEMENTS

The Board reviewed the bills tendered in November for the month of October. Director Tim Nieslanik moved to pay the bills and Director Mike Kennedy seconded the motion, which passed unanimously.

DIRECTOR REPORTS AND COMMENTS

Director Charles Spickert reported on the Basin Roundtable meeting and noted that grant funding would be a more competitive process than in the past.

Director Gary Knaus briefly discussed redesigning the website next year and confirmed that it was in the District's budget. Eric Mangeot noted that the new meter reading submission system should eventually be on the website and that the website could also be used to update contracts to be included in umbrella plan.

EXECUTIVE SESSION

None.

CONCLUSION

At 8:02 P.M., Director Tim Nieslanik moved to conclude the meeting. Director Mike Kennedy seconded the motion, and it was approved unanimously.