

**MINUTES OF MEETING OF BOARD OF DIRECTORS  
BASALT WATER CONSERVANCY DISTRICT  
July 8, 2025**

**CALL TO ORDER**

The Board of Directors of the Basalt Water Conservancy District met on July 8, 2025 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 telephonically.

The District's attorney Andie Hall took the roll call. The following directors were present: Gary Knaus, Jim Nieslanik, Michael Kennedy, Tim Nieslanik, Jeff Nieslanik, Charles Bailey, and Charles Spickert. 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 Director Michael Kennedy as Secretary for the meeting. Director Jim Nieslanik seconded the motion, and it carried unanimously.

The minutes from the June 10, 2025 meeting were considered by the Board. Director Michael Kennedy moved to approve the June minutes, and Director Jeff Nieslanik seconded the motion, which carried unanimously.

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

a. Gage Flow Summary and Monthly Precipitation Outlook

Eric Mangeot reported stream flows at the following stream gages: The Roaring Fork River (1) near Emma is down by 1,458 cubic feet per second ("c.f.s.") compared to this time last year at 682 c.f.s., (2) near Aspen is down by 164 c.f.s compared to this time last year at 117 c.f.s., and (3) at Glenwood Springs is down by 2,511 c.f.s. at 999 c.f.s.; the Crystal River (1) near Redstone is down 758 c.f.s. at 292 c.f.s., and (2) at the Fish Hatchery is down 1,243 c.f.s. at 287 c.f.s. Eric reported that Ruedi Reservoir's discharge rate is down 154 c.f.s. compared to this time last year at 109 c.f.s. and that Ruedi Reservoir is 88.6% full, which is down by 10,848 acre feet ("AF") compared to this time last year. Eric noted that the Shoshone call came on July 1.

Eric reported that the month of July has equal chances of precipitation.

b. Roaring Fork River Gage Flow Comparison Versus Previous Water Years

Eric explained that he evaluates the Roaring Fork River gage flows to determine if he needs to measure flows in the river and make sure there is sufficient exchange potential. He reported that flows are generally mimicking the drought year of 2020, especially the Aspen and Emma gages. The Cameo call in 2020 came on July 30, so Eric will continue to monitor flows. Water Commissioner Heather Ramsey noted that the Division of Water Resources (“DWR”) is anticipating the call to come on within the week.

c. Crystal River Augmentation Plan Update

Eric reported that he attended another meeting on this subject on June 18 at the Colorado River Water Conservancy District’s (“River District”) office with the District’s attorneys, River District staff, and the engineer and attorney for the West Divide Water Conservancy District (“West Divide”). Eric reported that the Jane Way recharge project is confirmed as no longer an option and that Beaver Lake will be the main source of supply in West Divide’s plan for augmentation. West Divide has an agreement with Colorado Parks and Wildlife (“CPW”) to operate out of Beaver Lake. In exchange, West Divide will provide CPW with Ruedi water to augment against the Cameo Call. Director Jim Nieslanik inquired about reservoir ownership. Eric noted that West Divide is preparing a water court application that may also include additional supplies. West Divide will provide the District with a plan ahead of filing for the District’s review. West Divide is limiting irrigation for its contractees that will be served under this plan for augmentation and will not cover evaporative losses from ponds.

At the meeting, legal and engineering consultants discussed how the District could be involved, including: (1) contracting with West Divide to maintain the District’s service area, or (2) entering into an agreement with West Divide to let West Divide cover the District’s contractees.

Director Gary Knaus inquired about potential developable land. The Board discussed the District’s boundaries as they relate to West Divide’s proposed plan.

The Board directed B&G and LRE to map the locations of existing and potential future contractees, and outline the pros and cons of the District’s involvement options.

Chris Geiger commented that this decision is more of a policy question of whether the District wants to be active in the Crystal River. Chris noted that an intergovernment agreement benefits constituents in the Crystal River basin, but bars entry for the District to be involved there in the future. Director Gary Knaus suggested that the District stay on Pitkin County’s radar to be a part of their discussions on this topic.

d. Missouri Heights Phase II Monitoring Program Memo (Joe Nuzzarelo)

Eric Mangeot reminded the Board of the guest that attended last month's meeting, Joe Nuzzarelo, who discussed growth in Missouri Heights. Eric reported that he is working on a report for the Board and has communicated the same to Joe.

e. Billing Update

Eric Mangeot reported that Melody Morris has billed \$521,000 compared to \$274,201 at this time last year. He noted that the projection for contract fees was around \$618,000, so the billing process this year is ahead of the last several years.

f. Other

None.

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

a. Inclusion No. 265 / Contract No. 861 – Wildize Foundation

Eric Mangeot presented this contract application for service under the District's Case No. 02CW77 plan for augmentation to cover depletions associated with a single-family residence, ADU, 22,000 square feet of lawn and landscape irrigation, and evaporation associated with a pond. The property is in Pitkin County. The Applicant is also requesting inclusion into the District's boundaries. The source of supply for in-house diversions is from a proposed well (Wildize Well). The source of supply for outdoor use will be from a pump and pipeline near the Roaring Fork River. The contract amount is for 0.089 cfs and 2.3 AF. Andie Hall reported that notice of both the petition for inclusion and the application was properly published; the Board has jurisdiction to consider the inclusion and the request to operate the contract within Case No. 02CW77. Director Jim Nieslanik made a motion to approve the contract and inclusion. Director Charles Bailey seconded the motion, which passed unanimously.

b. Inclusion No. 266 / Contract No. 862 – 34 Twining LLC and 50 Twining LLC

Eric Mangeot presented this contract application for service under the District's Case No. 02CW77 plan for augmentation to cover depletions associated with a single-family dwelling, a tri-plex, and 1.0 acre of lawn and landscape irrigation. The property is in Pitkin County and consists of two parcels. The Applicant is also requesting inclusion into the District's boundaries. The source of supply is from a shared well (Permit No. 308230). The contract amount is for 0.033 cfs and 2.3 AF. Chris Geiger reported that notice of both the petition for inclusion and the application was properly published; the Board has jurisdiction to consider the inclusion and the request to operate the contract within Case No. 02CW77. Eric noted that the applicant provided the District with copy

of its well sharing agreement and that this is a medium size contract with a higher fee due to serving a tri-plex and single family dwelling. Director Jim Nieslanik made a motion to approve the contract and inclusion. Director Charles Spickert seconded the motion, which passed unanimously.

c. Contract No. 863 – Thomas P. Reagan

Eric Mangeot presented this contract application for service under the District's Case No. 02CW77 plan for augmentation to cover depletions associated with the Reagan Pond Well. Eric explained that the pond exposes groundwater, so the applicant needs to augment evaporative losses and that surface diversions into the pond are from the Middle Ditch under free river conditions. The contract will not augment the pond filling. The property is located in Garfield County and has an address of 3 Saint Finnbar Farm Road, Carbondale. The contract amount is for 0.001 c.f.s. and 0.6 AF. The application was properly published on the website; the Board has jurisdiction to consider operating the contract within Case No. 02CW77. Director Charles Bailey made a motion to approve the contract. Director Jim Nieslanik seconded the motion, which passed unanimously.

d. Amendment to Contract No. 762 – Sunnyside Property LLC

Eric Mangeot presented this amendment application for service under the District's Case No. 02CW77 plan for augmentation to cover depletions associated with a single family dwelling, guest house, equipment storage building, hay storage building, indoor swimming pool, one acre of lawn and landscape irrigation, 6 horses, and evaporative depletions associated with three ponds. The property is located in Pitkin County and has an address of 3777 McLain Flats Road, Aspen. The purpose of the amendment is to add an additional source of supply. The three sources are Becker House Well, Becker Pond Well, and Beckley Pond Well 3. The rate of diversion is increasing from 0.067 to 0.100 but the contract depletions will remain the same at 3.5 AF. Eric noted that the wells will need to be repermited for any additional uses. Andie Hall reported that the application was properly published on the website; the Board has jurisdiction to consider operating the amended contract within Case No. 02CW77. Water Commissioner Bill Blakeslee and the Board discussed the sources, hydrology, and permitting of pond wells. Bill Blakeslee noted that augmenting evaporative losses is necessary regardless of whether the pond intercepts groundwater. Director Jim Nieslanik made a motion to approve the amendment. Director Charles Bailey seconded the motion, which passed unanimously.

e. Assignment of Contract No. 516b – THSMLI, LLC to DOVFAM McLain LLC.

Chris Geiger reported the assignment was completed last month.

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

a. Case No. 25CW3099 – BWCD Application for Diligence

Andie Hall reported that Balcomb & Green filed the diligence application for the District's Area A-3 exchange and will report to the Board on whether the application receives any opposition by the end of August.

b. Case No. 25CW3096 – City of Aspen Change of Water Rights

Chris Geiger reported that the City of Aspen filed a water court application in Case No. 25CW3096. He provided the board with background on the subject water rights that the City received significant opposition during the last diligence cycle about reservoirs being located at high altitude. As a result, the people of Aspen implored the city to move the reservoirs from high alpine valleys down lower, which is what this application seeks to do. Chris explained that one reservoir location is above the District's operating area, but 4 of the 5 are within the District's operating area. Moving reservoir sites off tributaries onto the mainstem might increase opportunity to store water by going from small sources to larger sources. Chris recommended that the District file a Statement of Opposition to make sure the relief requested in the application will not interfere with District's operations and to monitor the case generally.

Director Charles Bailey abstained from voting because he is an employee of City of Aspen.

Director Jim Nieslanik moved to file a Statement of Opposition in Case No. 25CW3096. Director Jeff Nieslanik seconded the motion, which passed unanimously with one abstention.

c. Bylaws/Rules and Regulations/Water Marketing Policy

Chris Geiger reported that Balcomb & Green continues to work on this project and hopes to provide the Board with a draft next month.

d. Division No. 6 Director

Chris reminded the Board that he previously encouraged the Directors to seek out a possible director from the Basalt area to fill the vacancy in Division No. 6. He requested the Board continue to do so.

e. Shoshone Permanency Update

Chris Geiger reported that he included a letter in the Board packet detailing the status of the Shoshone Permanency effort. He summarized the same, explaining that on May

21, the River District made an initial proposal to donate to the Colorado Water Conservation Board (“CWCB”) an interest in the Shoshone water rights once it is changed for instream flow use. That presentation commenced a 120-day period, during which the CWCB must decide whether to accept or reject the donation. 120 days ends on September 18. Front Range entities requested that the CWCB hold a contested hearing on the donation, to which it agreed. The hearing will be between September 16-18 in Durango. The CWCB’s agreement to hold the hearing triggers a seven-day period for any interested party to obtain party status by submitting notice. Doing so is the only sure way to be allowed to present information to the CWCB at that hearing because public comment is at the discretion of the CWCB Board and there is no guarantee that the CWCB will read written comments. Party status does not obligate presentation. Chris reminded the Board that the District agreed to contribute \$100,000 towards the River District’s efforts, so the District’s Board is in a position of support. Chris explained that the River District requested any entities in support to obtain party status to determine how best to proceed to the contested hearing in September. Chris Geiger recommended that the Board authorize him to submit a letter to obtain party status on behalf of the District. Director Jeff Nieslanik moved to authorize Chris Geiger to submit a letter to the CWCB to obtain party status for the District. Director Tim Nieslanik seconded the motion, which passed unanimously.

f. Other

None.

**REPORT OF THE DIVISION OF WATER RESOURCES**

None.

**BILLS, AUDIT REPORTS, FINANCIAL STATEMENTS**

The Board reviewed the bills tendered in July for the month of June. Director Jim Nieslanik moved to approve payment, and Director Tim Nieslanik seconded the motion, which carried unanimously.

**DIRECTOR REPORTS AND COMMENTS**

None.

**EXECUTIVE SESSION**

Chris Geiger recommended that the Board move into executive session for purposes of discussing a historical stipulation with Pitkin County in Case No. 81CW253. Chris explained that this subject is appropriate for executive session because the Board will receive legal advice from counsel. Director Gary Knaus moved to enter executive session to discuss the historical stipulation in Case No. 81CW253. Director Tim Nieslanik seconded the motion, which passed unanimously.

Chris Geiger reported that Directors Gary Knaus, Jim Nieslanik, Michael Kennedy, Tim Nieslanik, Jeff Nieslanik, Charles Bailey, and Charles Spickert were present, in addition to Chris Geiger and Andie Hall of Balcomb & Green and Eric Mangeot of LRE. Chris Geiger stopped the meeting recording because the contents of the discussion constitute attorney client privilege.

Following executive session discussion, Director Jeff Nieslanik moved to adjourn executive session, the topic of which was confined to the history of the District's stipulation in Case No. 81CW253 and no action was taken. Director Tim Nieslanik seconded the motion, and it was approved unanimously.

### **CONCLUSION**

At 8:37 p.m., Director Charles Spickert moved to conclude the meeting. Director Jim Nieslanik seconded the motion, and it was approved unanimously.