**Meeting of the**

**Yellow Jacket Water Conservancy District**

**Thursday, December 3, 2015**

**2:00 p.m. to 4:00 p.m.**

**Rio Blanco County**

**Commissioners’ Meeting Room**

**200 Main Street, Meeker, CO 81641**

Call to Order

The meeting was called to order at 2:05 p.m.

Roll Call

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| Directors Present:Kelly SheridanBen RogersWalter Proctor Kai Turner Shawn WelderPaul Neilson | Staff Present:Scott Grosscup, District AttorneyCraig Ullman, Applegate Group and Consulting EngineerOthers Present:Brad McCloud, EIS SolutionsAl Vandenbrink, Rio Blanco Water Conservancy DistrictErin Light, Division Engineer |

Approval of Minutes from October 29, 2015

Director Proctor identified two typographical errors in the minutes from October 29, 2015, and moved to approve the minutes as amended from the October 29, 2015 meeting, Director Rogers second, all in favor.

Approval of Accounts Payable

Director Proctor discussed the status of the District’s accounts and indicated that the District is on target to spend the money appropriated for 2015 as outlined in the 2015 Budget.

Director Proctor moved to pay Balcomb & Green, P.C. for its invoice, Director Rogers second, all in favor.

Director Proctor moved to pay Applegate Group for its invoice, Director Nielson second, all in favor.

2016 Budget Hearing

Director Rogers moved to open the 2016 Budget Hearing, director Proctor second, all in favor.

Scott presented the 2016 Budget that was mailed to the Directors on October 15, 2015, copies of which were also provided to Rio Blanco County and Moffat County. Notice of the budget hearing had been published as required in the Rio Blanco Herald Times and Craig Daily Press.

Scott stated that the budget follows the similar format from past years. He indicated that overall, revenues and expenditures remain relatively constant. However, there were some slight changes in the valuations from all of the counties, resulting in a decreases in anticipated revenues from what was originally provided in the October version of the Budget.

Scott indicated that he had not received any comments from the public. Director Sheridan asked if there was any one from the public who wished to comment on the budget. Hearing none, the public comment period on the budget closed.

Director Proctor moved to adopt the Resolution to Set the Mill Levy 2016 attached to the 2016 Budget, Director Welder second, all in favor.

Director Proctor moved to adopt the Resolution adopting the 2016 Budget attached to the 2016 Budget, Director Rogers second, all in favor.

Director Proctor moved to adopt the Resolution to Appropriate Sums of Money for the 2016 Budget Year attached to the 2016 Budget, Director Nielson second, all in favor.

Director Rogers moved to close the budget hearing, Director Proctor second, all in favor.

Yellow Jacket Study Update

Scott introduced Craig Ullman of Applegate Group who has been tasked with studying potential water projects based on the District’s remaining water rights portfolio. He indicated that his first phase of the study took a preliminary look at possible storage locations and needs and demands for the District.

Craig presented a draft report of the first phase of a new effort to identify potential reservoir locations. He described the water rights included in the study and discussed water needs of the District, focusing on potential needs from the energy industry, municipal needs, agricultural needs, and other non-consumptive needs, specifically in meeting flows for maintaining a healthy fishery in the White River and meeting the Colorado Water Conservation Board’s instream flow right. He indicated that these needs ranged from 3,635 to 14,457 af/year, but could rise significantly based upon further study of instream flow needs. Currently, Colorado Parks and Wildlife (“CPW”) has made releases from Lake Avery for fish flows under a temporary lease of water rights. However, that need can only be met three out of ten years.

Craig then described the three locations that the study considered. The first is a 3,000 af reservoir at the Sawmill Mountain location; the second is an enlarged Lake Avery; and the third consists of several potential off-channel reservoirs located above the Oak Ridge Park Ditch that would be filled from a pump station on the ditch. Craig described some pros and cons of each of the reservoir locations.

Craig reported that he and Scott had met with CPW and that CPW staff was interested in exploring an enlarged reservoir. There are a number of additional questions that staff from the Division raised, which would need to be addressed in further study of that potential project. These include payment, partnership, CPW’s ownership of the reservoir and that storage would be limited to CPW lands. Enlarging Lake Avery may be possible with a simple raise of the dam spillway. The State Engineer’s Office will be studying whether dam design could be modified to allow for a smaller spillway.

The off-channel sites also had a number of benefits by reducing diversions from the White River by the Oak Ridge Park Ditch as well as potential recreational benefits. While these locations would have some pumping costs, construction costs would be less than costs for a small Sawmill Mountain Reservoir.

The Board then discussed possible next steps for the study. These could include further study of water availability for filling one or more of these possible projects, need for providing augmentation water, and use of remaining water rights that would not be used to fill any of the projects identified.

The Board will review the draft study and discuss the scope of further work in 2016.

New Business:

Scott reported that in the transition for the treasurer, he and Director Proctor had reviewed the District’s bond schedule and that coverage under the bond did not apply equally to all directors.

Director Proctor moved to increase the bond for the President to $50,000, and to allow the Treasurer to pay the bond fee as a routine expense, Director Nielson second, all in favor.

Scott will follow-up with the holder of the bond to make sure that the Treasurer and President have equal coverage.

Adjourn:

The meeting adjourned at 3:25 p.m.

Read and approved this 16 day of March, 2016

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Attest: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_