Meeting of the

Yellow Jacket Water Conservancy District

Thursday, December 5, 2019

3:00 to 5:00 p.m.

Meeker Library

490 Main Street, Meeker, CO 81641

Call to Order

The meeting was called to order at 3:00 p.m.

Roll Call Staff Present

Directors Present Scott Grosscup, District Attorney

Kelly Sheridan

Ben Rogers

Walter Proctor Others Present

David Smith None

Paul Neilson

Shawn Welder

Bailey Franklin

Anthony Theos

Approval of Minutes from October 17, 2019

Director Neilson moved to approve the minutes from October 17, 2019 as presented, Director Smith second, all in favor.

Public Comment

 No one from the public was in attendance.

Approval of Accounts Payable

Director Proctor presented a new spreadsheet showing bills for 2019.

Director Proctor then moved to pay accounts payable to Balcomb & Green, P.C., director Franklin second, all in favor.

Director Proctor notified the Board of an increase in the hourly rate from Balcomb & Green, P.C., for 2020, from $150 to $160, per hour.

Director Proctor moved to pay accounts payable to Applegate Group, Director Franklin second, all in favor.

Director Proctor reminded the Board that bills received for work done in December will be paid in January provided such payments are within the existing budgeted amounts and that the Board will review such bills at its next meeting. Director Smith asked about whether the Treasurer was incurring out-of-pocket expenses to be reimbursed by the District. Director Proctor indicated that at this time he is not seeking any reimbursement of expenses.

Budget Hearing for 2020 Budget

Director Proctor moved to open the hearing on the 2020 Budget, Director Smith second, all in favor.

Scott reported that the Budget had been submitted to the Directors prior to October 15, 2019, that notice of the Budget Hearing had been published in the Craig Daily Press and Rio Blanco Herald Times, that the Budget was available for inspection by the public, that he had not received any comments on the proposed Budget, and that the hearing was appropriate.

Scott reported that the budget had changed slightly from the previous presentation as the refined valuations from Rio Blanco County resulted in an $8 difference in projected revenues. He then reported that one item the budget considers is addressing property in the Yampa River watershed.

Director Proctor moved to adopt the Resolution to Set Mill Levy as proposed, Director Smith second, all in favor.

Director Proctor moved to adopt the Resolution to Adopt Budget as proposed, Director Smith second, all in favor.

Director Smith moved to adopt the Resolution to Appropriate Sums of Money as proposed, Director Proctor second, all in favor.

There being no further discussion on the budget, Director Proctor moved to close the Budget Hearing, Director Smith second, all in favor.

Yellow Jacket Water Storage Feasibility Study

***Lake Avery Expansion*** – Scott reported the he is still awaiting the Division Engineer’s consultation report. Scott will then work with the two opposers to resolve any concerns they may have.

***Little Beaver Reservoir*** – Scott indicated that there has not been any additional discussions with potentially affected landowners. He discussed past efforts to obtain landowner consent and offers that were made.

Director Franklin suggested that the off-channel reservoir location previously identified by Applegate Group be considered again as the sage grouse lek that had been of concern previously may now be a potential option.

 Director Proctor reminded the Board that it is under a deadline to move the conditional water rights and suggested that the Board schedule a meeting to discuss the remaining water rights and to put a plan in place for developing the conditional water rights or decide whether there is a continued future for the District.

New Business

 Scott shared a memorandum on the process for excluding property from the District’s boundary. This is a statutory process that only allows for the landowner to petition a water conservancy district to request that the property owner be excluded. The District cannot unilaterally exclude property owners. Director Proctor suggested that the District should consider removing property that is located in the Yampa River basin as the District collects tax dollars from those constituents but no longer has any water rights in that basin to serve the property owners and that it appears that the Juniper Water Conservancy District may have plans for a storage location within the Yellow Jacket Water Conservancy District boundaries.

 Scott reported on his conversation with the attorney for the Juniper District, Mr. Sherman Romney. Mr. Romney indicated that that district currently does not collect property taxes and that reserves are paying for annual costs of the district. There is the potential to enter into an inter-governmental agreement, however this may raise TABOR questions of providing funds to a government that exceed current revenues.

 Discussion then followed on what would be the next steps for the District to determine what to do with its existing water rights portfolio and planning on District boundaries. Board consensus is that expansion of Lake Avery is a good idea. However, the District does not currently have sufficient funds and would require partnering with other agencies.

 Director Welder discussed activities of the Yampa White Green Roundtable, including Trout Unlimited’s study of diversion structures, drought contingency discussions and impacts to water rights in the event of compact curtailment. He discussed apportionment concepts at the state level and the need for the Yellow Jacket to plan for its constituency and the importance of maintaining water rights to serve that future need and demand. Discussion followed about the role of the Yellow Jacket District in meeting anticipated future demands and planning for the future.

 Next meeting is scheduled for January 30, 2020.

Adjourn

The meeting adjourned at 5:00 p.m.

Read and approved this \_\_\_ day of January, 2020

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

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