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# MEMORANDUM

To: Yellow Jacket Water Conservancy District

From: Scott Balcomb and Scott Grosscup

RE: Meeting August 30, 2012

Directors:

Attached to this memo are several documents for discussion at the upcoming Board meeting on August 30, 2012. Please note the change in location. The meeting will occur at the White River Electric conference room. Following summarizes some of the issues for discussion.

**YJWCD Appeal.** Attached is a letter and settlement offer from Mr. Livingston’s attorney. It essentially requests the Board to reconsider its prior rejection and requests that two board members meet with Mr. Livingston as part of a settlement meeting. We believe that as a constituent of the District, he is entitled to a meeting.

Please let us know if you would be willing to meet with Mr. Livingston immediately before the meeting on August 30. Either call or email us to let us know if you can attend this pre-meeting.

Related to this request, Mr. Livingston’s attorney has presented us with a “courtesy copy” of the complaint that they have prepared alleging budget violations. If successful, the result would be cancellation of any of the debt the District has incurred; i.e., the attorneys do not get paid.

**YJWCD Feasibility Study**. Earlier this month, we met with representatives from the Colorado River Water Conservation District (“River District”) to discuss next steps in YJWCD’s feasibility study. The Yampa/White/Green Basin Round Table (“BRT”) has given notice that it is suspending funding for the study until such time that the YJWCD provides an update on the study and describe the scope of work for the next stages.

The River District expressed concern over what has been perceived as the YJWCD change course and deciding not to serve oil shale. As previously discussed, the feasibility study and grant request to the BRT was apparently premised on using the YJWCD’s rights to serve oil shale development. We have informed the River District representatives that the YJWCD does not intend to provide water for oil shale development, rather it needs to consider how to serve its constituents in the event oil shale development increases overall water demand within the District’s boundaries.

The River District requested that the YJWCD provide a letter indicating its ongoing intent to continue with the study. In addition, it requests that a representative from the YJWCD be present for a discussion with the BRT concerning further phases of the study. The River District has agreed to be provide support in continuing with the study, however, it wants the YJWCD to champion the need for continued effort. A proposed letter is attached for consideration.

**Director Appointments**. Terms for Districts 3 (Reed Kelley), 6 (Gary Dunham) and 7 (Ben Rogers) expire in October of 2012. Gary Dunham has indicated that he may not seek re-appointment.