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| Balcomb LetHead Logo 2.jpg |    |
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September 22, 2016

 *Via U.S. Mail*

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| --- | --- | --- | --- | --- |
| Kelly SheridanP.O. Box 865Meeker, CO 81641 |  | Benjamin J. RogersP.O. Box 1083Meeker, CO 81641 |  | Walter N. ProctorP.O. Box 642Meeker, CO 81641 |
| David Smith, Jr.P.O. Box 359Meeker, CO 81641 |  | Kai M. Turner45840 Highway 13Meeker, CO 81641 |  | Shawn Welder P.O. Box 2318Meeker, Co 81641 |
| Paul Neilson P.O. Box 656Meeker, CO 81641 |  | Bailey FranklinP.O. Box. 1236Meeker, CO 81641 |  |  |

 **Re: September 27, 2016 Meeting**

 Dear Directors:

 Enclosed are meeting materials for the next meeting of the Yellow Jacket Water Conservancy District, to be held Tuesday September 27, 2016 from 2:00 to 4:00 pm. The meeting will be held at the Fairfield Center, 200 Main Street, in Meeker, CO.

 Enclosed is a preliminary draft from Applegate Group that identifies additional storage sites and evaluates need and demands for water within the White River Basin. It also addresses possible storage locations for the District’s remaining water rights portfolio and the pros and cons of such locations. This report is still and draft form, and there are a number of typographical errors and formatting issues that will need to be addressed. I believe Craig Ullmann will be at the meeting to discuss his findings.

 Additionally, we will have a discussion about the 2017 budget and future of the District. As you are aware, the District does have a limited budget. It is primarily funded from property taxes. An increase in property taxes requires an affirmative vote from the electorate. Also attached is a letter from Walt Proctor describing some of the hurdles with the budget and near term and long term demands. Without some mechanism to increase the District’s budget, its long-term health and viability is questionable.

 See you next week.

Very truly yours,

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Scott Grosscup