

Ute Water Conservancy District
Board Meeting
May 8, 2024

Meeting No. 995 of the Ute Water Conservancy District's Board of Directors and the Ute Water Activity Enterprise was called to order by President Greg Green at 5:30 p.m. at the District office.

ROLL CALL

Board Members: Pat Brennan, Newt Burkhalter, Dan Cronk, Tammy Eret, Robert Foster, Greg Green, Ken Henry, Sally Huddle, Ben Miller, Troy Waters, and Bob Wilson were present. Carl Conner attended remotely. Briana Board and Bruce Talbott were absent.

Ute Water employees at the meeting included Justin Bates, Nick Bierman, Sam Briscoe, Larry Clever, Gary Coup, John Eklund, Jamie George, Ben Hoffman, Tony Ibarra, Joe Isley, Andrea Lopez, Jeremy Lyon, Tim Moore, Scott Olsen, Pat Orient, Dave Payne, Dave Priske, Rick Stengel, Greg Williams, and Tim Wygant. Ute Water's general counselors, Chris Geiger and Sara Dunn, were also in attendance. Ms. Dunn attended remotely.

Guests in attendance included Debra Green.

PUBLIC COMMENTS

President Greg Green introduced his wife, Debra Green.

MINUTES

A motion was made by Sally Huddle to approve the April board meeting minutes, No. 994. Robert Foster seconded the motion. The board voted unanimously in favor of approving the April board meeting minutes.

BILLS

A motion was made by Newt Burkhalter to approve the April bills. The motion to approve the bills was seconded by Pat Brennan. The board voted unanimously in favor of approving the April bills.

REORGANIZATION OF THE BOARD

General Counsel Chris Geiger gave the board a brief overview of reorganizing the board member officer positions. Mr. Geiger stated that the Executive Committee met in April, and the Executive Committee recommended nominating the current officers for re-election. Currently, Greg Green serves as President, Ben Miller serves as Vice President, Briana Board serves as Secretary, and Bob Wilson serves as Treasurer. Mr. Geiger noted that President Green and Vice President Miller have served two years in their current roles, but their terms could be extended if the board decides that circumstances warrant an extension. Mr. Geiger opened the floor for nominations. There was no additional discussion or nominations. The board voted unanimously in favor of the recommendation.

Mr. Geiger then turned the gavel over to President Green to run the remainder of the meeting.

MONUMENT RESERVOIR UPDATE

Dave Priske, District Engineer, suggested that the board create a series of workshops and establish a new committee to evaluate Monument Reservoir's enlargement. Mr. Priske believes that the new committee would provide input and coordination of the design, opinions on probable costs, funding strategies, and cost-benefit analysis.

According to Mr. Priske, the design of the Monument Reservoir enlargement is approaching 30 percent, and there are significant concepts that the District must decide on. Mr. Priske estimates that the 30 percent design will be completed by the end of June. According to Mr. Priske, the District has a planning level of project construction cost to consider when making decisions regarding the enlargement and gave a brief overview of the breakdown of the costs. Mr. Priske also gave the board an update on the District's permits relating to the enlargement and the status of applications submitted by the District.

Preliminary aspects of the reservoir enlargement project, including the access road improvements, could begin as early as 2025, as presented in the Water and Construction Committee meeting. However, according to Mr. Priske, a 2026 construction start is more likely while the District awaits the State Engineer's approval of the dam design.

President Green asked about the committee's composition. Mr. Priske responded that he envisioned a combination of a board committee and staff, with insight from RJH Consultants as necessary.

Board member Troy Waters complimented Tom McDougal, RJH Consultant's Project Manager, on his Water and Construction Committee meeting presentation. Director Waters expressed concern about the project's expense and recent legislation that may cause the district to overcome some future hurdles. Director Waters asked if, under Colorado water law, the District could fill Monument Reservoir if it were expanded. Mr. Priske stated that Director Waters's concerns and thoughts would be some of the discussions and decisions the committee would be responsible for.

Treasurer Bob Wilson agreed that the District has invested time and money into the preliminary work to expand Monument Reservoir. At some point, the board must decide whether the expansion is fiscally feasible and within the proposed timeline.

Vice President Ben Miller commended RJH Consultants for starting the project with a nearly \$200 million plan and, through research and exploring alternatives, have reduced the cost to approximately \$100 million. Vice President Miller asked Mr. Priske if the District had a strategy for identifying and prioritizing the questions that still remain regarding the expansion to make the best decision. Assistant Manager Dave Payne stated that developing source water is a difficult task; whether it occurs now or in the future, the District will always have difficult decisions to make when developing source water.

Board member Dan Cronk asked about the cost and processes to convert agricultural water rights to domestic water rights for the properties the District currently owns as an alternative to the expansion. Mr. Payne assured the board that work is currently being done to explore that option, but if Monument Reservoir is expanded, that water would be deemed for domestic use. Assistant Manager Greg Williams added that one of the issues the District currently experiences with

converting water rights is that a need or demand must be shown for the water courts to convert the water rights. General Counsel Chris Geiger added that within the District's current agricultural water rights portfolio, some would be worth converting, and others would have less utility.

Director Wilson asked how much was budgeted to continue working on the Monument Reservoir Enlargement for the remainder of the year. Mr. Priske has \$650,000 in this year's budget to get the engineering designs to 75 percent.

There was no other discussion.

WATER & CONSTRUCTION COMMITTEE MEETING MINUTES

A motion was made by Pat Brennan to approve the Water and Construction Committee minutes. The motion to approve the minutes was seconded by Ben Miller. The board voted unanimously in favor of approving the Water & Construction Committee minutes.

EXECUTIVE COMMITTEE MEETING MINUTES

A motion was made by Ben Miller to approve the Executive Committee minutes. The motion to approve the minutes was seconded by Pat Brennan with the following change. The board voted unanimously in favor of approving the Executive Committee minutes with the following revision:

The Executive Committee's recommendation is to nominate the current officers for re-election with the ability for alternative nominations for any of the offices to come from the full Board when considered at the May 2024 Board Meeting.

ENGINEERING DEPARTMENT REPORT

Board member Robert Foster asked if the work on the firm yield modeling has yielded different results in the District's needs and demands after significant upgrades. Project Engineer Jeremy Lyon informed the board that the overall firm yield has not changed, but the District has added the ability to adjust the hierarchy of the source water.

DISTRIBUTION DEPARTMENT REPORT

No additional questions were asked of the Distribution department.

TREATMENT & SOURCE DEPARTMENT REPORT

Dave Payne, Assistant Manager, stated that the District started filling the Jerry Creek Reservoirs on April 29th and they are expected to fill.

Mr. Payne announced that upgrades to the Chemical Feed System Improvement project have been integrated into the Treatment Plant's processes and procedures. The substantial completion date is May 10th.

Mr. Payne also announced that the District has submitted the narrative to the state regarding the District's compliance with the Lead and Copper Rule. Mr. Payne has contacted the state to ensure that the District has ample time before the October deadline to make any changes if necessary. Mr. Payne has not heard back from the state.

FINANCE DEPARTMENT REPORT

Finance Director Scott Olsen reminded the board that the Finance Committee will meet on May 21st. Mr. Olsen has coordinated with Squire and Company PC, the District's auditors, to give a presentation on the audit.

HUMAN RESOURCES/RISK MANAGEMENT DEPARTMENT REPORT

Jamie George, Human Resources/Risk Manager, provided the board with an update on a claim detailed in her board report.

EXTERNAL AFFAIRS DEPARTMENT REPORT

External Affairs Manager Andrea Lopez provided the board with an update regarding the 29th Annual Western Colorado Children's Water Festival, scheduled for Monday, May 13th, and Tuesday, May 14th, at Las Colonias Park & Amphitheater.

Ms. Lopez invited the board to attend the VIP Lunch and Tour of the Children's Water Festival on Tuesday, May 14th at 11:30 a.m.

MANAGER'S REPORT

Larry Clever, General Manager, provided an update on Lake Powell and Lake Mead. Lake Powell is 32.4 percent full. Lake Mead is 35.91 percent full.

Mr. Clever provided the board with a copy of a Free Press article that was written in 2004 about a past Ute Water employee who provided CPR to an infant while reading meters. The grandmother had contacted Mr. Clever, as the infant is now graduating from high school, wanting to thank the District for providing the training and autonomy for employees to exercise what they've been trained in.

GENERAL COUNSEL REPORT

No additional questions were asked of the General Counsel.

QUARTERLY OUTSIDE COUNSEL REPORT

No additional questions were asked of the Quarterly Outside Counsel Report.

GENERAL INFORMATION/DISCUSSION

Board member Robert Foster asked for an update on House Bill 1379, Regulate Dredge and Fill Activities in State Waters. Assistant Manager Greg Williams stated that Senate Bill 127, Regulate Dredge and Fill Materials State Waters, targeted the gap waters, and Senator Kirkmeyer had entered discussions with Representative McCluskie, who subsequently dropped Senate Bill 127 due to amendments that were added to House Bill 1379. According to Mr. Williams, Colorado Water Congress and Colorado Chamber of Commerce had taken positions of support, dropping their previous amend or oppose positions. General Counsel Sara Dunn informed the board that House Bill 1379 had passed.

President Green adjourned the meeting at 6:35 p.m.

Respectfully submitted,

BBoard

Briana Board, Secretary