

MINUTES¹
SPECIAL JOINT MEETING AND 2018 BUDGET WORKSHOP
OF THE BOARD OF DIRECTORS OF THE
COLORADO RIVER WATER CONSERVATION DISTRICT
AND OF THE COLORADO RIVER WATER CONSERVATION DISTRICT
ACTING BY AND THROUGH ITS
COLORADO RIVER WATER PROJECTS ENTERPRISE

September 13-14, 2017

Pursuant to notice duly and properly given, the Special Joint Meeting and 2018 Budget Workshop of the Board of Directors of the Colorado River Water Conservation District (CRWCD) and of the Colorado River Water Conservation District Acting by and through its Colorado River Water Projects Enterprise was held on Wednesday and Thursday, September 13-14, 2017 at the Spring Hill Suites, 236 Main Street, Grand Junction, Colorado

Directors present during all or part of the meeting:

Tom Alvey, President	David H. Merritt, Vice President
William S. Trampe	Mike Ritschard
Steven Acquafresca	Marc Catlin
Martha Whitmore	Doug Monger
Rebie Hazard	Karn Stiegelmeier
John Ely	Kathy Chandler-Henry
Alden Vanden Brink	Stan Whinnery

Directors not present:

Tom Gray

Others present during all or part of the meeting:

Eric Kuhn, General Manager, CRWCD
Peter Fleming, General Counsel, CRWCD
John Currier, Chief Engineer, CRWCD
Chris Treese, Director, External Affairs, CRWCD
Jason Turner, Senior Counsel, CRWCD
Jim Pokrandt, Director, Community Affairs, CRWCD
Ian Philips, Chief Accountant, CRWCD
Audrey Turner, Administrative Chief, CRWCD
Ray Tenney, Deputy Chief Engineer, CRWCD
Zane Kessler, Communications Director, CRWCD
Laurie DePaolo, Executive Assistant, CRWCD
Denise Hussain, Records Specialist, CRWCD
Alesha Frederick, Business Support Specialist, CRWCD

Vice President Merritt found a quorum and called the meeting to order at 6:15 p.m.

Review Meeting Agenda and Objectives.

No changes to the agenda were recommended.

General Manager's Update.

Eric Kuhn reported that remodeling of the recently acquired conference room has been delayed until a building permit is issued by the City of Glenwood Springs. As a result, the October 17-18, 2017 quarterly board meeting will be held at the Hotel Denver. Mr. Kuhn also discussed River District hiring practices.

¹An audio recording has been made of the meeting. The motions described herein may not necessarily represent a verbatim transcription. The audio recordings are available for listening at the CRWCD offices during regular office hours. These minutes are the official record of the Colorado River Water Conservation District's meeting.

General Counsel’s Report.

Matters Proposed for Executive Session:

Peter Fleming reported that the following matters qualify for discussion in Executive Session pursuant to C.R.S. §§ 24-6-402(4) (a)(property acquisition)(b)(legal advice) and (e)(negotiations):

- i. CRCA Implementation Matters.
- ii. Windy Gap Firing Project and Windy Gap Connectivity Channel.
- iii. Remand of GVWUA v. Busk-Ivanhoe, Inc., Case No 09CW142, Water Division 2.

Director Ritschard moved, seconded by Director Hazard, to move into Executive Session pursuant to C.R.S. §§ 24-6-402(4) (b)(legal advice) and (e),(negotiations). Motion carried unanimously.

Vice President Merritt reconvened into Public Session at 7:22 p.m.

General Counsel’s Report.

Public Session:

Peter Fleming reported that during Executive Session the Board provided guidance to staff and General Counsel on the following matters:

- i. CRCA Implementation Matters.
- ii. Windy Gap Firing Project and Windy Gap Connectivity Channel.
- iii. Remand of GVWUA v. Busk-Ivanhoe, Inc., Case No 09CW142, Water Division 2.

Director Whitmore moved, seconded by Director Ritschard, to authorize the execution of a letter agreement between the parties to the Colorado River Cooperative Agreement (CRCA) to document the parties’ clarification of the meaning of “resolution of Blue River Decree issues” for purposes of the Colorado River Cooperative Agreement. Motion carried unanimously.

2018 CRWCD Budget Workshop, General Fund and Capital Projects Fund.

Eric Kuhn provided an overview of the River District’s budgets and their funding mechanisms. The General Fund is the administrative fund and covers approximately 75% of District staff and board activities. It is funded principally through property taxes. For 2018, it is projected tax revenues will increase slightly.

The Capital Projects Fund is funded in large part by unspent General Fund monies transferred at the end of the fiscal year. The District’s Grants Program is financed through this fund. The 2018 grants pool is projected to be \$225,000. Mr. Kuhn presented two options for the 2018 cycle with one option being the full amount being used for traditional grants. The second option is to allocate \$150,000 for grants and \$75,000 for infrastructure investment by the Grand Valley Water Users Association under its pilot project. The options will be discussed by the Board at its October 2017 quarterly meeting.

Colorado River Water Projects Enterprise Budget.

The Enterprise Fund covers the operations of Wolford Mountain Reservoir, the River District’s Eagle River water supplies, Elkhead Reservoir, and the River District’s Ruedi Reservoir supplies. It is funded through water sales, the Denver Water-Wolford Mountain Reservoir lease, occasional grants and contributions. For 2018, anticipated expenditures include restoration of the dam crest at Wolford Mountain Reservoir, continued Wolford mitigation area maintenance for stream stabilization work, and normal operational and maintenance expenses at Wolford and Elkhead Reservoirs.

Vice President Merritt recessed the meeting at 8:30 p.m.

Thursday September 14, 2017

President Alvey found a quorum and reconvened the meeting at 8:00 a.m.

General Counsel’s Report: (Continued):

Matter Proposed for Executive Session:

Jason Turner reported that agenda item 6.c.i. qualified for discussion in Executive Session pursuant to C.R.S. §§ 24-6-402(3.5) and (4)(e) and (f). and recommended that the Board convene into Executive Session as a search committee to discuss the General Manager hiring process, conduct scheduled interviews, receive a report from the staff interview committee, and conduct any deliberations regarding the General Manager hiring process.

Director Stiegelmeier moved, seconded by Director Hazard, to proceed into Executive Session as a search committee pursuant to C.R.S. §§ 24-6-402(3.5) and (4) (e) and (f). Motion carried unanimously.

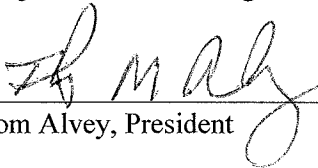
President Alvey reconvened into Public session at 4:25 p.m.

Public Session:

President Alvey reported that the Board discussed agenda item 6.c.i.


Director Whitmore moved, seconded by Director Monger, to schedule a teleconference meeting on Tuesday September 19, 2017, to determine and name a finalist for the General Manager position. Motion carried unanimously.

There being no further business before the Board, President Alvey adjourned the meeting at 4:26 p.m.



Tom Alvey, President

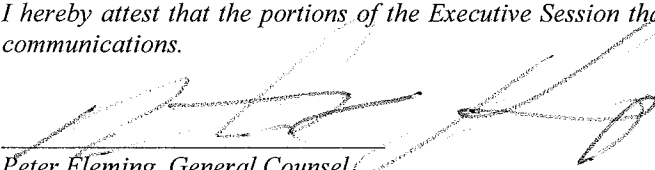
ATTEST:



R. Eric Kuhn, Secretary/General Manager

Executive Session Attestations.

I hereby attest that the portions of the Executive Session that were not recorded constituted privileged attorney-client communications.



Peter Fleming, General Counsel

