

MINUTES¹
SPECIAL JOINT MEETING AND 2022 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 30, 2021

Pursuant to notice duly and properly given, a special joint meeting and 2022 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 Thursday, September 30, 2021, via Zoom and in person at Colorado Mesa University, 1100 North Avenue, Room 213, Grand Junction, Colorado 81501.

Directors participating during all or part of the meeting:

Martha Whitmore, President, Ouray County
Kathy-Chandler Henry, Vice President, Eagle County
Tom Alvey, Delta County
John Ely, Pitkin County
Steve Beckley, Garfield County
Mike Ritschard, Grand County
Kathleen Curry, Gunnison County
Scott McInnis, Mesa County
Tom Gray, Moffat County
Marc Catlin, Montrose County
Alden Vanden-Brink, Rio Blanco County
Doug Monger, Routt County
Rebie Hazard, Saguache County

Directors not participating:

Stan Whinnery, Hinsdale County
Taylor Hawes, Summit County

Other participating during all or part of the meeting:

Andy Mueller, General Manager, CRWCD
Peter Fleming, General Counsel, CRWCD
Jason Turner, Senior Counsel, CRWCD
Audrey Turner, Chief of Operations, CRWCD
Lorra Nichols, Paralegal, CRWCD
Stephanie Moore, Executive Assistant, CRWCD
Hunter Causey, Director of Asset Management/Chief Engineer, CRWCD
Ian Philips, Chief Accountant, CRWCD
Luci Wilson, Accountant, CRWCD
Lyzzi Borkenhagen, Administrative Assistant, CRWCD

Quorum.

President Whitmore found a quorum and called the meeting to order at 1:04 p.m.

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.

2022 CRWCD Budget Workshop, General Fund, and Capital Fund.

Ian Phillips provided an overview of the River District's budgets and their funding mechanisms. The General Fund revenues are primarily derived from property taxes and specific ownership taxes. The 2022 proposed budget shows an increase to 'Net Property Tax' of over 5%, reflecting the increase in District wide valuations. The 2022 proposed budget for expenditures shows a slight increase over the 2021 amended expenditures.

The Capital Projects Fund is used to pay for District owned capital assets, such as improvements to the building, computers, and fleet vehicles. The ending balance for the 2021 Capital Fund is budgeted to be just under \$4 million. The 2021 amended budget includes the remaining grant contracts from 2018 at a figure of \$15,375. The prior grant program has been replaced with the CFP program.

In 2021, Staff recommends that the District create a new Community Funding Partnership (CFP) Fund. The CFP Fund revenues are derived from an annual transfer from the General Fund of \$4,221,389, and staff is recommending the Board consider additional funding for the CFP Fund through transfers from the General Fund of unspent revenues and earned interest for the 2021 amended and the 2022 proposed budgets. Expenditures are for projects awarded through the District's new CFP program.

Colorado River Water Projects Enterprise Budget.

The Enterprise Fund covers the operation of active projects. Revenues are from water sales, Denver Water's anticipated OM&R payments for Wolford Mountain Reservoir, rental income, and previously from project contributions (e.g. RCPP). The 2021 amended budgeted expenses in the Enterprise Fund are higher than the original proposed budget mainly due to an increase in anticipated RCPP expenditures. These expenditures are reimbursed by the NRCS, are included in the revenue account entitled, 'Project Contributions' and are neutral to the Enterprise Fund. The 2022 proposed budget shows a significant drop in revenues, mainly due to the cessation of the RCPP program (7/14/2021).

General Manager's Report.

Director Catlin moved, seconded by Director Vanden Brink, to amend HDR Engineering, Inc.'s agreement regarding the 2020 Comprehensive Dam Safety Evaluation (CDSE) from \$323,840 up to \$473,840, subject to review and approval by River District's counsel. Motion carried unanimously.

General Counsel's Report-Executive Session.

Peter Fleming reported that the following matter qualified for discussion in Executive Session pursuant to C.R.S. §§ 24-6-402(4)(b)(legal advice) and (e)(negotiations:) Wolford Mountain Reservoir. (An Enterprise Matter).

Director Monger moved, seconded by Vice President Chandler-Henry, to move into executive session pursuant to C.R.S. §§ 24-6-402(4)(b)(legal advice) and (e)(negotiations). Motion carried unanimously.

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 matter: Wolford Mountain Reservoir. (An Enterprise Matter). Staff members Andy Mueller, Peter Fleming, Jason Turner, Audrey Turner, Hunter Causey and Lorra Nichols were present during Executive Session.

Adjourn.

There being no other business before the Board, President Whitmore adjourned the meeting at 4:35 p.m.



Martha Whitmore, President

ATTEST:



Andrew A. Mueller, 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