

MINUTES¹
2020/2021 CRWCD BUDGET HEARING/SPECIAL JOINT MEETING 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

December 3, 2020

Pursuant to notice duly and properly given, the 2020/2021 CRWCD Budget Hearing/Special Joint Meeting 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 December 3, 2020 via Zoom.

Directors participating during all or part of the meeting:

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

Directors not participating in the meeting:

John Ely

Others participating during all or part of the meeting:

Andrew Mueller, General Manager, CRWCD
Peter Fleming, General Counsel, CRWCD
Audrey Turner, Chief of Operations, CRWCD
Jason Turner, Senior Counsel, CRWCD
Ray Tenney, Deputy Chief Engineer, CRWCD
Ian Philips, Chief Accountant, CRWCD
Laurie DePaolo, Executive Assistant, CRWCD
Dave Kanzer, Deputy Chief Engineer, CRWCD
Don Meyer, Sr. Water Resources Engineer, CRWCD
Hunter Causey, Sr. Water Resources Engineer, CRWCD
Jim Pokrandt, Director of Community Affairs, CRWCD
Brendon Langenhuizen, Sr. Water Rights Engineer, CRWCD
Lorra Nichols, Paralegal, CRWCD
Alesha Frederick, Director of Outreach & Information, CRWCD
Eleanor Hasenbeck, Water Policy & Communications Fellow, CRWCD
Luci Wilson, Accountant, CRWCD
Gracie Wright, Contract Administrator/Information Specialist, CRWCD
Orla Bannan, Western Water Resources
Kathrine Duncan
Chris Treese
Heather Sackett, Aspen Journalism
Dennis Webb, The Daily Sentinel
April Long

¹ An 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.

President Merritt found a quorum and called the meeting to order at 12:05 p.m.

Andy Mueller reported on the recent election results and the passage of 7A, the River District's ballot initiative to increase its mill levy. The measure passed in 14 of the River District's 15 counties. Approximately 86% of those funds will be allocated to the Partnership Project Funding Program to fund cooperative projects throughout the District.

Budget Hearings.

Ian Philips reviewed the proposed 2021 General Fund, Capital Projects Fund, and Enterprise Fund budgets and the increased property tax revenues commencing in 2021.

President Merritt opened the budget hearings and requested public comments. No comments were received.

Resolution for 2020 General Fund Budget Amendments:

Director Chandler-Henry moved, seconded by Director Whitmore, to adopt a resolution summarizing expenditures and revenues for the General Fund and adopting an amended budget for the Colorado River Water Conservation District, Colorado for the calendar year beginning on the first day of January 2020 and ending on the last day of December 2020. Motion carried unanimously.

Resolution to Adopt 2021 General Fund Budget:

Director Acquafresca moved, seconded by Director Whinnery, to adopt a resolution summarizing expenditures and revenues for the General Fund and adopting a budget for the Colorado River Water Conservation District, Colorado for the calendar year beginning on the first day of January 2021 and ending on the last day of December 2021. Motion carried unanimously.

Resolution for 2020 Capital Projects Fund Budget Amendments:

Director Ritschard moved, seconded by Director Vanden Brink, to adopt a resolution summarizing expenditures and revenues for the Capital Projects Fund and adopting an amended budget for the Colorado River Water Conservation District, Colorado for the calendar year beginning on the first day of January 2020 and ending on the last day of December 2020. Motion carried unanimously.

Resolution to Adopt 2021 Capital Projects Fund Budget:

Director Vanden Brink moved, seconded by Director Stiegelmeier, to adopt a resolution summarizing expenditures and revenues for the Capital Projects Fund and adopting a budget for the Colorado River Water Conservation District, Colorado for the calendar year beginning on the first day of January 2021 and ending on the last day of December 2021. Motion carried unanimously.

Resolution for 2020 Enterprise Fund Budget Amendments:

Director Alvey, moved, seconded by Director Chandler-Henry, to adopt a resolution summarizing expenditures and revenues for the Colorado River Water Projects Enterprise and adopting an amended budget for the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise for the calendar year beginning on the first day of January 2020 and ending on the last day of December 2020. Motion carried unanimously.

Resolution to Adopt 2021 Enterprise Fund Budget:

Director Catlin moved, seconded by Director Alvey, to adopt a resolution summarizing expenditures and revenues for the Colorado River Water Projects Enterprise and adopting a budget for the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise for the calendar year beginning on the first day of January 2021 and ending on the last day of December 2021. Motion carried unanimously.

Resolutions to Appropriate Sums of Money. (General and Capital Projects Funds):

Director Vanden Brink moved, seconded by Director Stiegelmeier, to adopt resolutions appropriating sums of money to the various funds in the following amounts and for the following purposes, for the Colorado River Water Conservation District, Colorado for the 2021 budget year: General Fund, \$12,749,570 and Capital Projects Fund, \$3,839,690. Motion carried unanimously.

Resolution to Appropriate Sums of Money. (Enterprise Fund).

Director Catlin moved, seconded by Director, Trampe, to adopt a resolution appropriating a sum of money to the Enterprise Fund for Colorado River Water Conservation District's Colorado River Water Projects Enterprise for the 2021 budget year in the amount of \$7,026,414. Motion carried unanimously. (The resolutions are attached as Appendices A.- H.).

President Merritt closed the budget hearings.

Review and Acceptance of Treasurer's Reports, Check Registers and Draft Financial Statements for June-September 2020.

Director Whitmore moved, seconded by Director Acquafresca, to accept the treasurer's reports, check registers and draft financial statements for June-September 2020. Motion carried unanimously.

General Manager's Report.

Presentation of Partnership Projects Application and Staff Recommendation Process:

Andy Mueller presented a framework for evaluation of proposed partnership projects within the River District to be funded by the additional property tax revenue resulting from the passage of ballot initiative 7A. The framework incorporates the five project categories from the Fiscal Implementation Plan (productive agriculture, infrastructure, healthy rivers, watershed health and water quality, and conservation efficiency), an in-depth staff review process of project applications, requires Board approval of projects, requires an analysis and report by staff to the Board of a running accounting of fund expenditures by category and geographic region, local community support for a proposed project, and leverage of River District funds by project applicants. Mr. Mueller requested Board input on the proposed framework.

Board input included delegating approval authority to the General Manager for projects involving District funding with an annual limit. Other suggestions ranged from including an applicant appeal process if an application is not funded, reviewing recommended applications on a quarterly basis, doing loans for projects in addition to partnerships and investments and creating an account with in the intention of building a fund for larger contributions to large projects or multi-year contributions to a large project. Staff was directed to present an amended framework for consideration at the January 2021 quarterly board meeting.

General Counsel's Report.

Jason Turner reported that, consistent with prior Board direction, the River District has re-aligned itself as a co-applicant in the Application of Ouray County, Ouray County Water Users Association, and Tri-County Water Conservancy District, Case No. 19CW3098. The purpose of the project is to provide additional water supplies to water users in Ouray County. Mr. Turner reported that the applicants intend to file an amended application in December to better define some of the exchange reaches and to identify the volume of water the applicants propose to store in Ridgway Reservoir.

Adjourn

There being no further business before the Board, President Merritt adjourned at 1:59 p.m.



Martha Whitmore , President

ATTEST:



Andrew A. Mueller, Secretary/General Manager

RESOLUTION TO AMEND 2020 GENERAL FUND BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR THE GENERAL FUND AND ADOPTING AN AMENDED BUDGET FOR THE COLORADO RIVER WATER CONSERVATION DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2020 AND ENDING ON THE LAST DAY OF DECEMBER 2020.

WHEREAS, the Board of Directors of the Colorado River Water Conservation District has appointed Andrew A. Mueller, Secretary/General Manager, to prepare and submit a proposed amended budget to said governing body at the proper time; and

WHEREAS, Andrew A. Mueller, Secretary/General Manager, has submitted a proposed amended budget to this governing body for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with the law, said proposed amended budget was open for inspection by the public at a designated place, a public hearing was held on December 3, 2020, and interested electors were given the opportunity to file or register any objections to said proposed amended budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Colorado River Water Conservation District, Colorado:

Section 1. That the budget as submitted, amended and hereinabove summarized, hereby is approved and adopted as the budget of the Colorado River Water Conservation District for the year 2020.

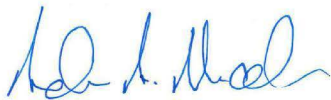
Section 2. That the amended budget hereby approved and adopted shall be signed by the President and Secretary and made a part of the public records of the Colorado River Water Conservation District.

ADOPTED, this 3rd day of December A.D., 2020.



David H. Merritt
President

ATTEST:



Andrew A. Mueller
Secretary/General Manager

RESOLUTION TO ADOPT 2021 GENERAL FUND BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR THE GENERAL FUND AND ADOPTING A BUDGET FOR THE COLORADO RIVER WATER CONSERVATION DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board of Directors of the Colorado River Water Conservation District has appointed Andrew A. Mueller, Secretary/General Manager, to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, Andrew A. Mueller, Secretary/General Manager, has submitted a proposed budget to this governing body for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 3, 2020, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Colorado River Water Conservation District, Colorado:

Section 1. That the budget as submitted, amended, and herein above summarized, hereby is approved and adopted as the budget of the Colorado River Water Conservation District for the year 2021.

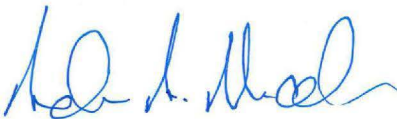
Section 2. That the budget hereby approved and adopted shall be signed by the President and Secretary and made a part of the public records of the Colorado River Water Conservation District.

ADOPTED, this 3rd day of December A.D., 2020.



David H. Merritt
President

ATTEST:



Andrew A. Mueller
Secretary/General Manager

RESOLUTION TO AMEND 2020 CAPITAL PROJECTS FUND BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR THE CAPITAL PROJECTS FUND AND ADOPTING AN AMENDED BUDGET FOR THE COLORADO RIVER WATER CONSERVATION DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2020 AND ENDING ON THE LAST DAY OF DECEMBER 2020.

WHEREAS, the Board of Directors of the Colorado River Water Conservation District has appointed Andrew A. Mueller, Secretary/General Manager, to prepare and submit a proposed amended budget to said governing body at the proper time; and

WHEREAS, Andrew A. Mueller, Secretary/General Manager, has submitted a proposed amended budget to this governing body for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with the law, said proposed amended budget was open for inspection by the public at a designated place, a public hearing was held on December 3, 2020, and interested electors were given the opportunity to file or register any objections to said proposed amended budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Colorado River Water Conservation District, Colorado:

Section 1. That the budget as submitted, amended and hereinabove summarized, hereby is approved and adopted as the budget of the Colorado River Water Conservation District/Capital Projects Fund for the year 2020.

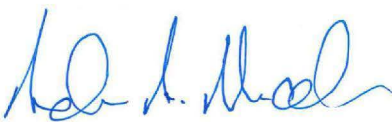
Section 2. That the budget hereby approved and adopted shall be signed by the President and Secretary and made a part of the public records of the Colorado River Water Conservation District.

ADOPTED, this 3rd day of December A.D., 2020.



David H. Merritt
President

ATTEST:



Andrew A. Mueller
Secretary/General Manager

RESOLUTION TO ADOPT THE CAPITAL PROJECTS FUND 2021 BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR THE CAPITAL PROJECTS FUND AND ADOPTING A BUDGET FOR THE COLORADO RIVER WATER CONSERVATION DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board of Directors of the Colorado River Water Conservation District has appointed Andrew A. Mueller, Secretary/General Manager, to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, Andrew A. Mueller, Secretary/General Manager, has submitted a proposed budget to this governing body for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 3, 2020, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Colorado River Water Conservation District, Colorado:

Section 1. That the budget as submitted, amended, and summarized, hereby is approved and adopted as the budget of the Colorado River Water Conservation District/Capital Projects Fund for the year 2021.

Section 2. That the budget hereby approved and adopted shall be signed by the President and Secretary and made a part of the public records of the Colorado River Water Conservation District.

ADOPTED, this 3rd day of December A.D., 2020.



David H. Merritt
President

ATTEST:



Andrew A. Mueller
Secretary/General Manager

RESOLUTION TO AMEND 2020 ENTERPRISE FUND BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR THE COLORADO RIVER WATER PROJECTS ENTERPRISE AND ADOPTING AN AMENDED BUDGET FOR THE COLORADO RIVER WATER CONSERVATION DISTRICT ACTING BY AND THROUGH ITS COLORADO RIVER WATER PROJECTS ENTERPRISE FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2020 AND ENDING ON THE LAST DAY OF DECEMBER 2020.

WHEREAS, the Board of Directors of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise has appointed Andrew A. Mueller, Secretary/General Manager, to prepare and submit a proposed amended budget to said governing body at the proper time; and

WHEREAS, Andrew A. Mueller, Secretary/General Manager, has submitted a proposed amended budget to this governing body for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with the law, said proposed amended budget was open for inspection by the public at a designated place, a public hearing was held on December 3, 2020, and interested electors were given the opportunity to file or register any objections to said proposed amended budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Colorado River Water Conservation District, acting by and through its Colorado River Water Projects Enterprise:

Section 1. That the budget as submitted, amended and hereinabove summarized, hereby is approved and adopted as the budget of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise for the year 2020.

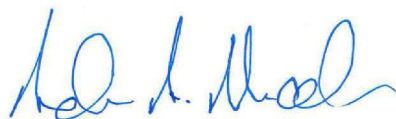
Section 2. That the amended budget hereby approved and adopted shall be signed by the President and Secretary and made a part of the public records of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise.

ADOPTED, this 3rd day of December A.D., 2020.



David H. Merritt
President

ATTEST:



Andrew A. Mueller
Secretary/General Manager

RESOLUTION TO ADOPT 2021 ENTERPRISE FUND BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR THE COLORADO RIVER WATER PROJECTS ENTERPRISE AND ADOPTING A BUDGET FOR THE COLORADO RIVER WATER CONSERVATION DISTRICT ACTING BY AND THROUGH ITS COLORADO RIVER WATER PROJECTS ENTERPRISE FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.

WHEREAS, the Board of Directors of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise has appointed Andrew A. Mueller, Secretary/General Manager, to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, Andrew A. Mueller, Secretary/General Manager, has submitted a proposed budget to this governing body for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 3, 2020, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Colorado River Water Conservation District, acting by and through its Colorado River Water Projects Enterprise:

Section 1. That the budget as submitted, amended and hereinabove summarized, hereby is approved and adopted as the budget of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise for the year 2021.

Section 2. That the budget hereby approved and adopted shall be signed by the President and Secretary and made a part of the public records of the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise.

ADOPTED, this 3rd day of December A.D., 2020.



David H. Merritt
President

ATTEST:



Andrew A. Mueller
Secretary/General Manager

RESOLUTION TO APPROPRIATE SUMS OF MONEY

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE COLORADO RIVER WATER PROJECTS ENTERPRISE FUND OF THE COLORADO RIVER WATER CONSERVATION DISTRICT ACTING BY AND THROUGH ITS COLORADO RIVER WATER PROJECTS ENTERPRISE IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW FOR THE 2021 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on December 3, 2020; and

WHEREAS, the Colorado River Water Conservation District acting by and through its Colorado River Water Projects Enterprise has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COLORADO RIVER WATER CONSERVATION DISTRICT ACTING BY AND THROUGH ITS COLORADO RIVER WATER PROJECTS ENTERPRISE:

Section 1. That the following sum is hereby appropriated from the Revenue of the fund:

Colorado River Water Projects Enterprise	\$ <u>7,026,414</u>
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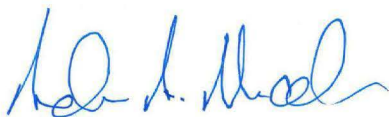
BE IT FURTHER RESOLVED, that the President and Secretary to the Board of Directors are hereby authorized and directed to file this Budget with the Colorado Division of Local Governments and to execute and deliver to the County Treasurers of the several counties of the District the affidavits required by law, certifying to the filing of this Budget with the Colorado Division of Local Governments.

ADOPTED THIS 3rd day of December A.D., 2020.



David H. Merritt
President

ATTEST:



Andrew A. Mueller
Secretary/General Manager

RESOLUTION TO APPROPRIATE SUMS OF MONEY

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES AS SET FORTH BELOW, FOR THE COLORADO RIVER WATER CONSERVATION DISTRICT, COLORADO, FOR THE 2021 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budgets in accordance with the Local Government Budget Law on December 3, 2020; and

WHEREAS, the Board of Directors has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budgets; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budgets to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COLORADO RIVER WATER CONSERVATION DISTRICT, COLORADO:

Section 1. That the following sums are hereby appropriated from the Revenue of each fund, to each for purposes stated:

General Fund: \$ 12,749,570

Capital Projects Fund \$ 3,839,690

BE IT FURTHER RESOLVED, that the President and Secretary to the Board of Directors are hereby authorized and directed to file these Budgets with the Colorado Division of Local Governments and to execute and deliver to the County Treasurers of the several counties of the District the affidavits required by law, certifying to the filing of these Budgets with the Colorado Division of Local Governments; and

BE IT FURTHER RESOLVED, that the Secretary/General Manager is instructed to make the necessary mathematical calculations of levy necessary to satisfy the budget adopted and to certify the levy.

ADOPTED THIS 3rd day of December A.D., 2020.



David H. Merritt
President

ATTEST:



Andrew A. Mueller
Secretary/General Manager