

5. **Extent of Services.** The Manager shall devote his full time and attention to the District's business during the term of this Agreement and shall work such hours and such times as are reasonably necessary to accomplish his job duties.

6. **Other Business Activity.** The Manager shall not engage in the performance of engineering services or other business activity, regardless of whether it is pursued for gain or profit, which unreasonably affects his ability to perform the duties described in this Agreement.

7. **Expenses.** The Manager may incur reasonable expenses while performing the District's business, including mileage and expenses for travel, and similar items. The District will reimburse the Manager for all such expenses. To obtain reimbursement for such expenses, the Manager shall prepare monthly an itemized account of such expenditures which shall be subject to review and approval by the Board.

8. **Health Insurance.** Apart from the compensation provided for in this Agreement, the District shall as a separate benefit pay, in an amount approved by the board, the premiums for health insurance which the Manager has provided for himself. The limit of such health insurance benefit shall be an amount equal to the premium for Manager's basic hospital-surgical policy with the State Farm Insurance Company, Policy Number H4463639 0606. The provisions of this paragraph shall not be construed to require the District to provide a health insurance policy or program for the Manager.

9. **Vacation and Unpaid Leave.** The Manager shall be entitled each year to a vacation of three non-consecutive weeks, during which time his compensation shall be paid in full. The Manager shall be entitled to accumulate up to six weeks paid vacation. Accumulation in excess of the maximum accrual shall be subject to forfeit. The Manager shall be paid for all accumulated vacation at the time of termination of employment. In addition to the vacation described in this paragraph, the Manager shall be permitted, upon reasonable notice to the Board, to be absent from his duties without compensation, provided that the activities of the District will not be adversely affected thereby.

10. **Sick Leave.** The Manager shall be entitled each year to ten days of paid sick leave. The Manager shall be entitled to accumulate up to thirty days of paid sick leave. Upon separation from employment by permanent disability (or death), the Manager (or Manager's estate) shall be paid 100% of all accrued sick leave up to a maximum of 30 days at the Manager's then current rate of pay. Upon separation from employment for any other reason the manager shall receive payment at the then current rate of pay for accrued sick leave based upon the following formula: Number of sick leave days accrued (up to 30 days), divided by 3, equals sick leave payment.

11. **Termination Without Cause.** The District may, without cause, terminate this Agreement at any time by giving thirty days' written notice to the Manager. In that event, the Manager, if requested by the District, shall continue to render his services, and shall be paid his regular compensation up to the date of termination. The Manager may, without cause, terminate this Agreement by giving thirty days' written notice to the District. In such event, the Manager, if requested by the District, shall continue to render his services and shall be paid his regular compensation up to the date of termination.

12. **Arbitration.** Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

13. **Notices.** Any notice required or desired to be given under this agreement shall be given in writing and delivered by personal service or sent by certified mail, return receipt requested, to the Manager's residence or to the District's business office, with a copy by first-class mail to the President of the Board.

14. **Waiver.** The District's waiver of a breach of any provision of this Agreement by the Manager shall not operate or be construed as a waiver of any subsequent breach by the Manager. No waiver shall be valid unless in writing and signed by an authorized representative of the District.

15. **Entire Agreement.** This Agreement contains the entire understanding of the parties. It may not be changed orally but only by an agreement in writing signed by each of the parties to this Agreement.

16. **Headings.** The headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

17. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement.

DRAFT

IN WITNESS WHEREOF, the parties have executed this Agreement on January
9, 1995 ~~January 10, 1994~~.

UPPER GUNNISON RIVER
WATER CONSERVANCY DISTRICT

ATTEST:

Mark Schumacher, Secretary

By: _____
William S. Trampe, President

MANAGER

Tyler Martineau

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: October 4, 1994

SUBJECT: Agenda Item 9, October 10, 1994, Board Meeting --
Proposed 1995 Budget.

Attached is the proposed budget for the Upper Gunnison River Water Conservancy District for the year 1995. The following should be noted:

- 1) Revenues for the 1995 budget have been projected based upon the current mill levy being reduced so as to maintain property tax revenues at the same level as in 1994. This is the same practice that the board has followed for the past two years.
- 2) Expenditures for 1995 have been revised based upon the discussion of the board at the September 26, 1994 work session.
- 3) Based upon discussions with Bev Tezak I have modified the treatment of designated funds from that shown in the preliminary budget. Designated funds are now treated as a subcategory of reserved funds instead of as a subcategory of unreserved funds. We believe this is a conservative approach for the district given the requirements of Amendment 1.
- 4) I have included an estimate for the decrease in designated funds that will take place at the end of 1994. Designated funds includes accounts payable at the end of the year. At the end of 1993 the District had about \$18,000.00 in accounts payable to Bratton & McClow. At the end of 1994 it will be \$2,000.00 or less. The reduction in designated funds will result in additional funds being available for the Water Resource Protection and Development reserve.
- 5) If the District collects the amount of property tax revenues proposed in this budget it will be approximately \$10,000 under its Amendment 1 limitations for 1995.

- 6) As discussed at the end of the budget message, I have proposed that the District levy a gross mill levy of 1.581 mills, a temporary mill levy reduction of 0.203 mills, and a net levy of 1.378 mills. The actual property tax revenues collected by the District will be based upon the net mill levy (see page 2 of the budget). The District used a similar temporary mill levy reduction in 1994. Amendment 1 provides that a government entity's mill levy may not be raised without holding an election. In this budget I am proposing that the District maintain its gross mill levy at the same amount as in 1993 and 1994, and that the District lower its net mill levy below the net amount levied in 1994. The purpose of levying the gross mill levy at the same level as in 1993 and 1994 is to provide the District with some limited flexibility to end the temporary mill levy reduction and to return its mill levy to previous levels without needing to conduct an election. Whether such use of temporary mill levy reductions will be allowed by the courts remains to be seen. I have taken this approach in case the board does at some time desire to return its mill levy to previous levels and the courts ultimately rule favorably. It should be noted that Amendment 1 and statutory limitations on the amount that property tax revenues can be increased from year to year will likely allow only a partial return of the mill levy to its prior year level without an election being required.

Recommendation

At the October 10, 1994 board meeting I recommend that the board:

- 1) Provide direction concerning any needed revisions to the proposed 1995 budget and budget message.
- 2) Establish a budget hearing date.
- 3) Authorize the notice of budget to be published.



Colorado Water Workshop

Western State College

Gunnison, Colorado 81231

(303) 943-7156

October 5, 1994

Members of the Board
Upper Gunnison River Water Conservancy District
275 South Spruce Street
Gunnison, Colorado 81230

Dear Members of the Board:

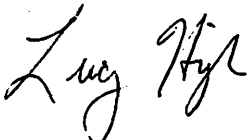
Planning for the 20th Anniversary Colorado Water Workshop will soon be underway. As you prepare the District's budget for 1995, I hope you will choose to continue the board's support of the Water Workshop's efforts to promote communication and education in western water issues.

In 1994, the Workshop attracted 230 people. Many new participants attended this summer's conference, bringing different perspectives. The Workshop also received tremendous press coverage, including an 8-minute story on Colorado Public Radio.

For 1995 several special events are being planned to celebrate the Workshop's 20th anniversary. I will be working with conference advisors to develop a display of historical photos of water development, a film festival, simulation games, and "armchair discussions" with top water policymakers. In response to suggestions from past participants, more small interactive sessions will be offered. I look forward to hearing your suggestions for topics and activities.

In 1994, the Upper Gunnison District contributed \$1,200 to the Workshop. I hope the members of the board will choose to continue the District's support of the Water Workshop in 1995. Thank you.

Sincerely,



Lucy High
Program Director

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

good

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: October 3, 1994

SUBJECT: Agenda Item 9, October 10, 1994, Board Meeting --
Proposed 1995 Budget.

Recently several board members have requested information about the District's compliance with Amendment 1 (also known as the Tabor Amendment). Attached are summaries for 1993 (the first year Tabor was in effect), 1994, and 1995. The District appears to be in compliance for each year based upon the actual revenues received during 1993, revenues estimated to be received in 1994, and revenues currently proposed for 1995.

Attached is a summary of information received from the three county assessors' offices to be used for computing the assessed valuation within the District and calculating local growth for the 1995 budget. Attached also for 1995 is a simple worksheet developed by the State Auditor's Office which serves as a check on the District's Tabor compliance.

REVENUE & FISCAL YEAR SPENDING LIMITATIONS - BUDGET YEAR 1993

AMENDMENT ONE LIMITATIONS:

1. Mill Levy Limit on Property
Tax Revenue

Prior Year's Mill Levy	1.607	
Times the Current Year's Valuation	\$133,277,777.00	
1993 Property Tax Revenue Limit #1		\$214,177.39

2. Growth and Inflation Limit on
Property Tax Revenue

1992 Actual Property Tax Revenue	\$209,841.00	
1992 Property Tax Revenue Base	\$209,841.00	
Denver/Boulder CPI	3.74%	<i>added</i>
Local Growth	1.910%	
1993 Property Tax Revenue Limit #2		\$221,697.02

3. Growth and Inflation Limit on Fiscal
Year Spending

1992 Actual Non-Operating Revenue	\$230,685.00	
1992 Revenue Base	\$230,685.00	
Denver/Boulder CPI	3.74%	
Local Growth	1.910%	
1993 Non-Operating Revenue Limit and Fiscal Year Spending Limit	\$243,718.70	
1993 Actual Revenues other than Property Tax	\$20,844.00	
1993 Property Tax Revenue Limit #3		\$222,874.70

STATUTORY 5.5% LIMITATION

4. 1993 Property Tax Revenue Limit #4 (See separate calculations)		\$224,797.00
--	--	--------------

SUMMARY

Maximum Allowable Property Tax for 1993 (Lesser of 1,2,3, or 4)		\$214,177.39
Actual Property Tax for 1993		<u>\$213,580.00</u>
Amount Under (Over) Maximum Allowable		\$597.39

Notes:

Analysis is based upon 1993 Audit figures
Accounting is on a modified accrual basis

REVENUE & FISCAL YEAR SPENDING LIMITATIONS - BUDGET YEAR 1994

AMENDMENT ONE LIMITATIONS:

1. Mill Levy Limit on Property
Tax Revenue

Prior Year's Mill Levy	1.581	
Times the Current Year's Valuation	\$145,999,072.00	
1994 Property Tax Revenue Limit #1		\$230,824.53

2. Growth and Inflation Limit on
Property Tax Revenue

1993 Property Tax Limit	\$221,697.00	
1993 Actual Property Tax Revenue	\$213,580.00	
1993 Property Tax Revenue Base	\$213,580.00	
Denver/Boulder CPI	4.20%	
Local Growth	2.545%	
1994 Property Tax Revenue Limit #2		\$227,985.97

3. Growth and Inflation Limit on Fiscal
Year Spending

1993 Non-Operating Revenue Limit	\$243,719.00	
1993 Actual Non-Operating Revenue	\$238,456.00	
1993 Revenue Base	\$238,456.00	
Denver/Boulder CPI	4.20%	
Local Growth	2.545%	
1994 Non-Operating Revenue Limit and Fiscal Year Spending Limit	\$254,539.86	
1994 Estimated Revenues other than Property Tax	\$23,000.00	
1994 Property Tax Revenue Limit #3		\$231,539.86

STATUTORY 5.5% LIMITATION

4. 1994 Property Tax Revenue Limit #4 (See separate calculations)		\$228,098.00
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SUMMARY

Maximum Allowable Property Tax for 1994 (Lesser of 1,2,3, or 4)		\$227,986.00
Estimated Property Tax for 1994		<u>\$210,778.00</u>
Amount Under (Over) Maximum Allowable		\$17,208.00

Notes:

Analysis is based upon an estimate of 1994 revenues made as of 8/31/94
Accounting is on a modified accrual basis

REVENUE & FISCAL YEAR SPENDING LIMITATIONS - BUDGET YEAR 1995

AMENDMENT ONE LIMITATIONS:

1. Mill Levy Limit on Property
Tax Revenue

Prior Year's Net Mill Levy	1.444	
Times the Current Year's Valuation	\$152,948,719.00	
1995 Property Tax Revenue Limit #1		\$220,857.95

2. Growth and Inflation Limit on
Property Tax Revenue

1994 Property Tax Limit	\$227,986.00	
1994 Estimated Property Tax Revenue	\$210,778.00	
1994 Property Tax Revenue Base	\$210,778.00	
Denver/Boulder CPI	3.70%	
Local Growth	4.100%	
1995 Property Tax Revenue Limit #2		\$227,218.68

3. Growth and Inflation Limit on Fiscal
Year Spending

1994 Non-Operating Revenue Limit	\$254,540.00	
1994 Estimated Non-Operating Revenue	\$234,208.00	
1994 Revenue Base	\$234,208.00	
Denver/Boulder CPI	3.70%	
Local Growth	4.100%	
1995 Non-Operating Revenue Limit and Fiscal Year Spending Limit	\$252,476.22	
1995 Proposed Revenues other than Property Tax	\$23,000.00	

1995 Property Tax Revenue Limit #3		\$229,476.22
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STATUTORY 5.5% LIMITATION

4. 1995 Property Tax Revenue Limit #4 (See separate calculations)		\$231,230.00
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SUMMARY

Maximum Allowable Property Tax for 1995 (Lesser of 1,2,3, or 4)		\$220,857.95
Proposed Property Tax for 1995		<u>\$210,778.00</u>
Amount Under (Over) Maximum Allowable		\$10,079.95

Notes:

Analysis is based upon revenues proposed for 1995

Accounting is on a modified accrual basis

Analysis assumes that a temporary mill levy reduction is NOT allowable

Upper Gunnison River Water Conservancy District 10/3/94

ASSESSED VALUATION COMPARISONS 1993 - 1994

	TOTAL		NEW CONSTRUCTION	
	1993	1994	1993	1994
Gunnison	\$129,930,300.00	\$136,611,010.00	\$3,372,720.00	\$5,093,970.00
Hinsdale	\$14,242,781.00	\$14,532,129.00	\$198,540.00	\$223,874.00
Saguache	\$1,822,411.00	\$1,805,580.00	\$19,203.00	\$132,225.00
Totals	\$145,995,492.00	\$152,948,719.00	\$3,590,463.00	\$5,450,069.00

OMITTED PROPERTIES REVENUE

	1993	1994
Gunnison	\$599.88	\$79.14
Hinsdale	\$0.00	\$0.00
Saguache	\$0.00	\$10.08
Totals	\$599.88	\$89.22

CALCULATION OF LOCAL GROWTH BASED ON ACTUAL VALUE
1994

	Gunnison	Hinsdale	Saguache	Totals
1994 Total Actual Value	\$689,473,270.00	\$77,281,838.00	\$8,184,186.00	\$774,939,294.00
Additions				
New Construction	\$29,167,380.00	\$1,615,002.00	\$644,521.00	\$31,426,903.00
Annexations	\$0.00	\$0.00	\$0.00	\$0.00
Prev. Exemp. Prop.	\$0.00	\$0.00	\$0.00	\$0.00
Real Prop. Omitted	\$58,480.00	\$0.00	\$31,843.00	\$90,323.00
Total Additions	\$29,225,860.00	\$1,615,002.00	\$676,364.00	\$31,517,226.00
Deletions				
Real Prop. Destr.	\$114,660.00	\$0.00	\$0.00	\$114,660.00
Prev. Taxbl. Prop.	\$328,040.00	\$0.00	\$0.00	\$328,040.00
Total Deletions	\$442,700.00	\$0.00	\$0.00	\$442,700.00
1993 Total Actual Value	\$660,690,110.00	\$75,666,836.00	\$7,507,822.00	\$743,864,768.00
Local Growth	4.357%	2.134%	9.009%	4.177%

Local growth equals additions minus deletions divided by 1993 total actual value.

Calculation of TABOR LOCAL GROWTH

Additions to Taxable Real Property:

New Construction	\$ 31,426,903.00
Annexation/Inclusions	\$ 0
Previous Exempted Prop.	\$ 0
Real Property Omitted	\$ 90,323.00
Mine Production	\$ 0
Oil or Gas Production	\$ 0

Deletions from Taxable Real Property:

Disconnections/Exclusions	\$ 0
Real Property Destroyed	\$ 114,660.00
Previous Taxable Property	\$ 328,040.00

TOTAL Additions to \$ 31,517,226.00

TOTAL Deletions from: \$ 442,000.00

A = Additions to \$31,517,226 - Deletions from \$442,000 = \$31,074,526

B = All Real Property \$ 774,939,294

$\frac{A}{B-A} = 4.177\%$ Round down to 4.1%

TABOR CALCULATIONS:

The following worksheet can be used to calculate the TABOR "fiscal year spending" and "property tax revenue" limitations. Information used in this calculation may have to be modified for your jurisdiction.

Data required:

1. Total actual expenditures 1994	EST. + \$160,800	3. Total reserve expenditures	\$ 0
2. Total reserve increases 1994	+ \$ 73,408	4. Total reserve transfers	\$ 0
		5. Total refunds	\$ 0
		6. Total gifts	\$ 0
		7. Total federal funds	\$ 0
		8. Total collections for another gov't	\$ 0
		9. Total pension cont. by employees	\$ 0
		10. Total pension fund earnings	\$ 0
		11. Total damage awards	\$ 0
		12. Total property sales	\$ 0
13. "Local growth"	4.1 %		
14. Inflation	3.7 %		
15. Prior years property tax levied	\$ 210,778		

Steps for calculating fiscal year spending limit:

16.	\$ 160,800	+	\$ 73,408	=	\$ 234,208
	Line 1		Line 2		
17.	\$ 234,208	-	\$ 0	=	\$ 234,208
	Line 16		Total of lines 3-12		Fiscal Year Spending Base
18.	\$ 234,208	x	7.8 %	=	\$ 18,268
	Line 17		Total of lines 13+14		Increase allowed
19.	\$ 234,208	+	\$ 18,268	=	\$ 252,476
	Line 17		Line 18		Fiscal Year Spending Limit for 1995

PROPOSED 1995
FY SPENDING
\$ 233,778

TABOR Property Tax Revenue Calculation:

20.	\$ 210,778	x	7.8 %	=	\$ 16,441
	Line 15		Line 13+14		Increase allowed
21.	\$ 210,778	+	\$ 16,441	=	\$ 227,219
	Line 20		Line 15		Limit for Property Tax for 1995

PROPOSED 1995
PROPERTY TAX REVENUE
\$ 210,778

received
9/15/94



City of Grand Junction, Colorado
250 North Fifth Street
81501-2668
FAX: (303) 244-1599

The Honorable Ben Nighthorse Campbell
United States Senate
380 Russell Senate Office Building
Washington, DC 20510

September 12, 1994

Dear Senator Campbell,

On behalf of the City of Grand Junction, Colorado, I am writing to share several comments and reactions to S 2284, the Black Canyon Conservation Act. The City of Grand Junction is approximately 80 miles downstream from the existing Black Canyon of the Gunnison National Monument at the junction of the Colorado and Gunnison Rivers. Although the City would not be directly impacted by the proposed National Park and its related components, the City does have water rights in the lower Gunnison River. Furthermore, the City is involved in and monitoring, with other Gunnison Basin water users, negotiations between the State of Colorado, the Bureau of Reclamation and the U.S. Fish and Wildlife Service over the provision of water to maintain flows for endangered fish species. As the water for the fish will likely be provided from the Wayne N. Aspinall Unit, we strongly urge that any actions which would change or impact the operation of the Aspinall Unit be undertaken in coordination with the existing Recovery Implementation Program Recovery Action Plan for endangered fish in the Upper Colorado River Basin.

As mentioned above, the City of Grand Junction has a 120 c.f.s. water right on the Gunnison River at the Redlands Diversion Dam. As such, the City joins with other Gunnison River water users in opposing any diminution of existing rights either under a federal reserved water rights scheme or as part of the fish recovery program. Most fundamentally, we believe that the Aspinall Unit must continue to be operated in a manner which prevents calls on the mainstem of the Gunnison River. We understand that specific language which would ensure this has been proposed by the Upper Gunnison River Water Conservancy District.

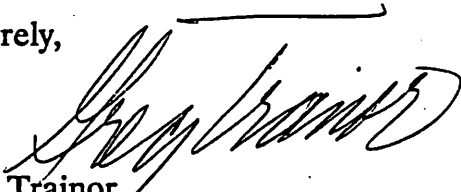
existing rights

In addition, the City of Grand Junction believes that the federal reserved water right and any permanent designation of flows resulting from the USFWS interim endangered fish study should be coordinated to the greatest extent possible. We would oppose any proposal that would "stack" water for endangered fish on top of a federal reserved right for the Black Canyon. While we understand that the water service contract proposed in Section 8 (c) is designed to establish a set of operating principles for the Aspinall Unit which would govern the delivery of water to the proposed National Park, Conservation Area and the Wild and Scenic River segment in the event that quantification of the federal reserved water right is delayed, quantification of the right remains a high priority for many Gunnison basin water

users. Consequently, a water service contract should not be finalized until the existing federal reserved water right is quantified. Furthermore, the contract should either be delayed until the results of the USFWS interim study are known in no more than five years or crafted so that it can be modified based upon the results of the fish study.

Thank you for the opportunity to provide comments on S 2284. We applaud the effort you have put into crafting this legislation, especially the attention to finding consensus among the diverse interests which are involved. Should you have any questions or which to consult further on any of the above, please contact either Kristen Dillon at 303/244-1507 or myself at 303/244-1564.

Sincerely,



Greg Trainor
Utilities Manager

cc: City Council
Mark Achen, City Manager
Dan Wilson, City Attorney
Tyler Martineau, Upper Gunnison Water Conservancy District
Mike Gross, Colorado River Water Conservancy District
Jim Hokit, Uncompahgre Valley Water Users Association
Louie Brach, Redlands Water and Power Company
Wayne Schroeder, Water Counsel
Dee Jacobson, Grand Junction Office of Senator Campbell

STATE OF COLORADO

Colorado Water Conservation Board
Department of Natural Resources

721 State Centennial Building
1313 Sherman Street
Denver, Colorado 80203
Phone (303) 866-3441
FAX (303) 866-4474

received
10/3/94



Roy Romer
Governor

James S. Lochhead
Executive Director, DNR

Daries C. Lile, P.E.
Director, CWCB

September 22, 1994

Senator Ben Nighthorse Campbell
United States Senate
Washington, DC 20510-0605

Dear Senator Campbell:

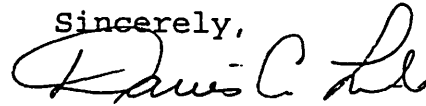
At the Colorado Water Conservation Board's July, 1994 meeting in Gunnison, you asked the Board to review the, "Black Canyon National Conservation Act." This letter is to inform you that based on a review of the bill at the Colorado Water Conservation Board's September, 1994 meeting the Board voted to endorse the concepts embodied in your "Black Canyon National Conservation Act."

It was our intent to provide you with specific comments and suggestions on the bill, however, we were unable to complete this effort. Therefore, our detailed comments will be sent to you in the near future. It is our hope that the detailed comments will help further the goals embodied in your bill and generate strong support from Colorado citizens. The Board believes that legislation can be enacted which will provide meaningful protection to the natural resources of the Black Canyon of the Gunnison and still fully protect the interests of Colorado water users.

The Board also appreciates the fact that the bill will help coordinate and focus the energies of the U.S. Bureau of Reclamation, the U.S. Fish and Wildlife Service, and the National Park Service, with respect to their analysis of federal water rights and the impact of water projects on endangered fish. In particular, the Board is fully aware that the U.S. Bureau of Reclamation must reinitiate consultation with the U.S. Fish and Wildlife Service on the operation of the Aspinall Unit to determine if Aspinall operations should be changed to protect fish and wildlife habitat in the Gunnison River pursuant to the Endangered Species Act.

The Board is most appreciative of your efforts to carry this legislation on behalf of Colorado and its citizens. The Board sincerely thanks you for seeking its review. We are hopeful that our forthcoming comments will help achieve the goals of the legislation and generate strong support for the Act from Colorado citizens.

Sincerely,



Daries C. Lile

DCL\DRS

cc:

C:\BLKCNCN.CON.LET

Governor Romer

CWCB Members

Tyler Martineau-Upper Gunnison River Water Conservancy District

Jim Hokit-Uncompahgre Valley Water Users Association

Ken Gale-Montrose Chamber of Commerce

Owen Williams-National Park Service, Fort Collins

John Welch-National Park Service, Montrose

John Chapman-National Park Service, Gunnison

John Hamill-U.S. Fish & Wildlife Service, Denver

Keith Rose-U.S. Fish & Wildlife Service, Montrose

Frank Phiefer-U.S. Fish & Wildlife Service, Grand Junction

Carol DeAngelis-U.S. Bureau of Reclamation, Grand Junction

Brent Uilenberg-U.S. Bureau of Reclamation, Grand Junction

Mike Gross-Colorado River Water Conservation District, Glenwood

Ken Knox-Colorado Division Of Water Resources, Montrose

Carol Angel-Colorado Attorney General's Office, Denver

Ralph Clark-Gunnison Basin POWER, Gunnison

Steve Glazer-High Country Citizens Alliance, Crested Butte

Greg Walcher-Club 20, Grand Junction

Greg Trainor-City of Grand Junction

Greg Strong-Redland Water & Power, Grand Junction

Dick MacRavey-Colorado Water Congress

Doug Kemper-City of Aurora & Colorado Water Congress

Thomas Eggert-Arapahoe County Board of Commissioners, Aurora

Tom Pitts-Pitts and Associates

Dan Luecke-Colorado Environmental Defense Fund

DRAFT

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

SPECIAL BOARD MEETING MINUTES

September 26, 1994

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a Special Meeting on September 26, 1994 at 7:00 p.m. in the Gunnison County Community Building at the Rodeogrounds, Gunnison, Colorado.

Board members present were: Ralph E. Clark, III, Carol Drake, Susan Lohr, Diane Lothamer, Ramon Reed, Peter Smith, Lee Spann, Dennis Steckel, Doyle Templeton, and William S. Trampe. Board members not present were Mark Schumacher.

Others present were:
Tyler Martineau, Manager

1. CALL TO ORDER

President Trampe called the meeting to order at approximately 7:15 p.m. Mr. Trampe asked if there was any comment prior to the board going into executive session for the performance evaluation of the manager. There was discussion by the board of whether an executive session or session open to the public would be preferable for the discussion of personnel matters.

2. EXECUTIVE SESSION: PERSONNEL MATTERS - PERFORMANCE EVALUATION OF MANAGER

Lee Spann moved and Susan Lohr seconded that the board adjourn into executive session. The motion carried.

DRAFT

3. ADJOURNMENT

President Trampe adjourned the September 26, 1994 special board meeting at 8:10 p.m.

Respectfully submitted,

Mark Schumacher, Secretary

APPROVED:

William S. Trampe, President

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

WORK SESSION SUMMARY

September 26, 1994

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a Work Session on September 26, 1994 at 8:00 p.m. in the Gunnison County Community Building at the Rodeogrounds, Gunnison, Colorado.

Board members present were: Ralph E. Clark, III, Carol Drake, Susan Lohr, Diane Lothamer, Ramon Reed, Peter Smith, Lee Spann, Dennis Steckel, Doyle Templeton, and William S. Trampe. Board members not present were Mark Schumacher.

Others present were:

Tyler Martineau, Manager

Laura Anderson, Crested Butte Chronicle & Pilot Reporter

DISCUSSION OF PRELIMINARY 1995 BUDGET

President Trampe called the work session to order at approximately 8:15 p.m.

The board discussed the proposal by Dennis Steckel for gathering, organizing, and filing board records, and Ramon Reed's cost estimate for computerizing UGRWCD records. Ramon Reed described the three primary steps needed for complete conversion of the District's records. Mr. Reed said that the best way to obtain the needed equipment would be through a mail order catalog, and that he would volunteer to install the new hardware in the district's existing computer.

The consensus of the board was to add the following funds to the 1995 budget:

Office Supplies	\$ 900.00
Office Equipment	\$1,700.00
Data Entry Salary	\$5,000.00
Payroll Taxes	\$ 700.00

The board consensus was that a committee of board members would be established to decide how to proceed with the first two steps of the conversion in 1995 and that the manager would not be involved in the undertaking.

The board discussed the WSC Water Workshop line item and reached consensus that the line item should be increased from \$1,200.00 to \$1,500.00.

The board discussed the Board of Directors fees. The sense of the board was to budget the Board of Directors fees at \$5,500.00.

The board discussed the East River water quality monitoring proposed by the U. S. Geological Survey. The consensus of the board was for the district to budget 1/2 of the local cost share of \$6,825.00 for a continuous water quality monitor at the East River below Cement Creek gage, and 1/2 of the local cost share of \$11,000.00 for samples to be taken at nine data collection sites. The consensus of the board was for Lee Spann to ask the Colorado River Water Conservation District if they would fund 1/2 of \$6,825.00 for the continuous water quality monitor and 1/4 of \$11,000.00 at the nine water quality sampling sites. The board also asked the manager to contact other water interests in the upper East River basin to seek their contributions to the cost of the monitoring program.

The board discussed the Legal Expenses line item. The consensus of the board was to move \$10,000.00 from the Legal Expenses line item and an amount to be recommended by the manager from the Engineering Services line item to a new line item entitled "Augmentation Plan Development". The consensus of the board was to also move \$5,000 from the Legal Expenses line item plus an additional \$500.00 to a new line item entitled "Water Rights Development".

The board discussed the Publications Acquisition line item and reached consensus that \$1000.00 should be budgeted to allow for the district to subscribe to a newspaper clipping service.

The board requested information on Amendment 1 compliance to be presented by the manager at the October 10, 1994 meeting.

President Trampe adjourned the September 26, 1994 work session at 10:00 p.m.

Upper Gunnison River Water Conservancy District

Monday, September 26, 1994

Gunnison County Community Building - County Fairgrounds
Gunnison, Colorado

A G E N D A

SPECIAL MEETING

- 7:00 p.m.
1. Call to Order
 2. Executive Session: Personnel Matters -
Performance Evaluation of Manager
 3. Adjournment

WORK SESSION

- 8:00 p.m. Discussion of Preliminary 1995 Budget

Persons with special needs due to a disability are requested to call the district at 641-6065 at least 24 hours prior to the meeting.

275 South Spruce Street • Gunnison, Colorado 81230
Telephone (303) 641-6065 • Fax (303) 641-6727

1011 1/2

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Up to 26 Sep 94 Worksession - Budget

Ramona - Record Keeping -
Domestic.

Open Board -
Inshore flexibility,
College Internship -
Priority, Manning,

11,000 is total
5,000

Tri Annual
Compensation

Supplement to Steckel proposal for computerizing UGRWCD records.

There are three primary steps for complete conversion of the District's records:

- 1. Digitizing - making a scanned image copy which can be stored, duplicated and reproduced.

This is a fast and simple process which only requires the computer hardware for scanning and storage, and staff time.

- 2. OCR Text Conversion - converting the graphics image created in step 1 to text is done using Optical Character Recognition software, followed by basic proof-reading to check for conversion errors.

Conversion to text allows use of the documents in any word processor, database, etc. Simple text searches can be done with inexpensive and free software. This would allow quick and easy access to all converted documents.

The cost of this step would involve initial outlay for OCR software and staff time for conversion and proof-reading.

- 3. Indexing and Cross-referencing - complete cross-referencing for search and retrieval of data is a complex and time-consuming process requiring a much higher level of expertise than steps 1 and 2. However, the text files created in step 2 could be used at any time in the future with virtually any comprehensive cataloging and cross-reference software.

Computer Capital Outlay

Upgrade Existing Office PC (AST Bravo 386SX) with the following:

Hard Disk - 500 MB internal	\$350.00
Tape Drive - 250 MB external	350.00
Scanner - 8½" x 14" flatbed, gray-scale	500.00
OCR software	500.00

17
 1700
 6000
 10000

8,300

Estimate of Needed Resources to accomplish steps 1 and 2 above (scan documents, convert to text, proof-read, store and catalog files):

- Staff Time: 70 hours per 1000 pages
- Staff Cost: \$300-600 per 1000 pages
- File Size: 50-75 MB per 1000 pages (Image & Text files)

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: September 29, 1994

SUBJECT: Agenda Item 7, October 10, 1994, Board Meeting --
Employee Leave and Benefits Policy.

Attached is a proposed Employee Leave and Benefits Policy including revisions requested by the Board at the September 12, 1994 board meeting. The major changes from the September 2, 1994 draft include:

- 1) Part-time status employees will not be eligible for District benefits.
- 2) The policy has been broadened to apply to all employees, not just hourly employees.

I recommend that the board adopt the attached Employee Leave and Benefits Policy. The adoption of this policy should be viewed as a step towards the development of a District personnel manual that will eventually address additional needed policies.

DRAFT

September 29, 1994

EMPLOYEE LEAVE AND BENEFITS POLICY

I. GENERAL

This policy does not constitute nor is it intended to imply a contract of employment or a contract of any kind, but is simply a statement of employment guidelines and practices for the information of the employee, and shall not affect the at will relationship of any employee with the District. The Board of Directors reserves the right to make unilateral changes in this policy at any time. To the extent that the terms of any written employment contract approved by the board of directors are different than the guidelines and practices adopted and published in this policy, the terms of the contract shall prevail.

II. TYPES OF POSITIONS

A. Full-Time Status. Full-time status is designated to an employee who is regularly scheduled to work 35 to 40 hours per week. *Board to solve*
A full-time employee shall be entitled to District benefits including paid vacation, paid sick leave, paid holidays, and payment of basic medical insurance premiums for the employee.

B. Part-Time Status. Part-time status is designated to an employee who is regularly scheduled to work less than 35 hours per week. The hours worked shall be submitted each pay period. The employee is not eligible for District benefits including, but not limited to, vacation, sick leave, holidays, and medical insurance premiums.

III. LEAVE

A. Vacation and Sick Leave Benefits.

1. Accruals of Vacation and Sick leave. Full-time status employees shall earn vacation for each full month of service at a rate of 6 2/3 hours per month and sick leave at a rate of 6 2/3 hours per month. If a full-time status employee completes 4 years of full-time service he/she shall earn vacation at a rate of 8 hours per month. If a full-time status employee completes 8 years of full-time service he/she shall earn vacation at a rate of 10 hours per month. Vacation and sick leave shall not accrue until the end of each month and may not be used prior to the beginning of the following month.

2. New employees. Earned vacation accrues from the date of first employment but may not be taken prior to completion of six months' employment with the District.

3. Use of Sick Leave. An employee may use sick leave with pay for absences necessitated by injury, illness, disability, dental, medical or optical care of the employee or a member of their immediate family. Sick leave may also be used to attend funerals. At the discretion of and upon advance approval of the Board an employee may use up to 16 hours per year of sick leave as personal leave.

4. Reporting of Sick Leave. In order to be eligible for sick leave with pay, employees must report the reason for their absence to the manager on the first day of their absence, keep the manager informed of their condition, and expected day of return, and furnish a medical certificate or other applicable documentation regarding the use of sick leave if requested to do so by the manager or Board.

5. Accumulation of Vacation. The amount of accumulated vacation available to the employee at any time is the sum of the monthly accruals of vacation less vacation used. An employee may not accumulate more than 160 hours of vacation. Accruals in excess of the maximum accumulation shall be subject to forfeit. Employees shall be paid for all accumulated vacation at the time of separation from the District.

6. Accumulation of Sick Leave. The amount of accumulated sick leave available to the employee at any time is the sum of the monthly accruals of sick leave less sick leave used. An employee may not accumulate more than 240 hours of sick leave. Accruals in excess of the maximum accumulation shall be subject to forfeit.

i. Retirement, Resignation, layoff, or dismissal. Upon retirement, resignation, layoff, or dismissal an employee shall receive payment for accrued sick leave based upon the following formula: Number of sick leave hours accrued (up to 240 hours), divided by 3 equals sick leave payoff (not to exceed 80 hours).

ii. Permanent Disability or Death. Upon separation from employment by permanent disability (or death), an employee (or the employee's estate) shall be paid 100 percent of all accrued sick leave up to a maximum of 240 hours.

iii. Payment. Payment for accumulated vacation or sick leave at the time of separation shall be at the employee's current rate of pay or the average hourly rate received by such employee during the past three years of employment whichever is higher.

7. A District holiday shall not be counted as a day of vacation or sick leave.

B. Holiday Benefits.

1. Full-time status employees shall be paid for 8 hours leave time for designated holidays.

2. Designated Holidays. Subject to the requirements in Colorado law, the Board shall determine the designated holidays for the year.

C. Disability or Maternity Leave. Upon approval by the Board of Directors a full-time status employee may be granted disability or maternity leave with pay and benefits to the extent the employee has accrued vacation, sick leave, and/or compensatory time. Upon approval of the Board an employee may be granted disability or maternity leave without pay for a period not to exceed six months. A written statement from the attending physician indicating the anticipated date of return may be requested. Vacation and sick leave shall not be accrued and holidays will not be paid during the period of disability or maternity leave without pay. For a full-time status employee the District will continue to reimburse the employee for medical insurance premiums for a period of disability or maternity leave without pay of two months. The District will not make any contribution for medical insurance premiums for the third and subsequent months. Failure to return to work by the date specified shall be considered a resignation.

D. Court Leave. An employee who is required to serve or appear as a juror, witness in a criminal case or witness in a case not resulting directly from the discharge of the employee's duties as an employee shall be granted court leave with pay for the first five days of service for the hours for which the employee would otherwise have been at work for the District. Any employee who has received fees or payment and has been granted court leave with pay shall have such fees deducted from their wages with the exception of pay for travel. After the first five days of court leave the employee may take leave without pay. If an employee is involved in litigation for personal purposes the employee may be granted leave without pay or use any accrued vacation or approved compensatory time.

E. Leave Without Pay. Upon approval by the Board of Directors an employee may be granted leave without pay for a period not to exceed one year. Vacation and sick leave shall not be accrued and holidays will not be paid during the period of leave without pay, nor will the District make any contribution during that period for medical insurance. Failure to return to work by the date specified shall be considered a resignation.

IV. MEDICAL INSURANCE BENEFITS

In addition to the wages paid to the employee by the District, the District will reimburse a full-time status employee, in an amount approved by the Board, for premiums incurred by the employee in providing basic medical insurance for himself or herself. The extent of the coverages for which medical insurance premiums will be reimbursed by the District shall be subject to approval by the Board. The District assumes no responsibility for obtaining or maintaining medical insurance for full-time status employees or for any other employees of the District.

V. WORKER'S COMPENSATION

All employees regardless of status are eligible for Workers' Compensation Insurance benefits in the event that they are injured or disabled on the job.

VI. UNEMPLOYMENT INSURANCE

The District participates in the State Unemployment Insurance Program.

VII. EXPENSES

Employees who incur expenses in the conduct of District approved business, such as the use of personal car, out-of-pocket miscellaneous expenses, or other travel expenses shall be reimbursed subject to review and approval by the Board. Exact records and receipts are required to be submitted to the District by the employee to verify all expenses.

VIII. BENEFITS NOT INCLUDED

The District does not provide: Group or individual medical insurance policies for its employees, dental insurance, life insurance, retirement program other than Social Security, or disability income other than workers' compensation. The District does not provide any benefits in addition to those specifically addressed above unless required by law.

PRELIMINARY BUDGET
UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
January 1 - December 31, 1995

9/22/94

DRAFT

GENERAL FUND

Estimated Revenues

	1993 <u>ACTUAL</u>	1994 <u>ESTIMATED</u>	1995 <u>PRELIMINARY</u>
Beginning Undesignated Funds	\$19,045.00	\$430.00	\$0.00
Non-Operating Revenues			
General Property Tax	\$215,317.00	\$210,778.00	\$210,778.00
Specific Ownership Tax	16,891.00	17,000.00	17,000.00
Other (Interest & Refunds)	6,248.00	6,000.00	6,000.00
Total Funds Available	\$257,501.00	\$234,208.00	\$233,778.00

Estimated Expenditures

	1993 <u>ACTUAL</u>	1994 <u>ESTIMATED</u>	1995 <u>PRELIMINARY</u>
Administrative Salary	\$42,569.00	\$47,500.00	\$47,500.00
Secretary Salary	11,539.00	8,200.00	10,500.00
Board Treasurer Salary	3,640.00	3,600.00	5,000.00
Payroll Taxes & Benefits	5,871.00	7,400.00	8,200.00
Compensated Absences	1,730.00	0.00	0.00
Staff Conference & Training	20.00	500.00	500.00
Legal Retainer Fees	600.00	0.00	0.00
Legal Expenses <i>over 10,000</i>	105,449.00	45,000.00	35,200.00
Audit & Accounting	1,069.00	1,700.00	5,500.00
Engineering Services	0.00	0.00	10,000.00
Rent and Utilities	1,500.00	1,500.00	1,500.00
Stream Gages O&M	6,850.00	12,400.00	13,600.00
Stream Gages Construction	0.00	2,000.00	0.00
Bonding	150.00	200.00	200.00
Insurance	0.00	300.00	300.00
Office Telephone	1,832.00	1,500.00	1,700.00
Legal Printing	1,066.00	1,500.00	1,700.00
Administrative Travel	1,555.00	2,400.00	2,700.00
Attorney Travel	284.00	0.00	0.00
Board of Directors Travel	0.00	200.00	500.00
Office Supplies & Expenses	1,163.00	1,000.00	1,100.00
Postage	994.00	1,100.00	1,300.00
Copying	901.00	1,000.00	1,200.00
Publications Acquisition <i>what?</i>	285.00	300.00	500.00
Office Equipment	6,016.00	1,000.00	1,000.00
Board of Directors Fees	4,125.00	5,500.00	5,500.00
Board of Directors Mileage	1,064.00	1,700.00	1,700.00
Uncompahgre Water Users	3,000.00	3,000.00	3,000.00
Taylor Park Water Management	0.00	0.00	10,000.00
CWC Membership <i>positions they take</i>	400.00	400.00	600.00
WSC Water Workshop <i>enough?</i>	1,200.00	1,200.00	1,200.00
Water Resources Study	4,349.00	0.00	0.00
Promotion & Guest Expense	439.00	1,700.00	1,700.00
County Treasurer's Fees	6,932.00	7,000.00	7,000.00
Subtotals	\$216,592.00	\$160,800.00	\$175,400.00
Contingency	\$0.00	\$0.00	\$10,000.00
Increase (Decrease) in Emergency Reserves	2,385.00	2,500.00	2,500.00
Increase (Decrease) in Water Resource Protection and Development Reserves	21,864.00	70,908.00	45,878.00
Total Expenditures	\$240,841.00	\$234,208.00	\$233,778.00
Total Funds Available Over (Under) Expenditures	\$16,660.00	\$0.00	\$0.00
Transfer from (to) Designated Funds	(\$16,230.00)	\$0.00	\$0.00
Ending Undesignated Funds	\$430.00	\$0.00	\$0.00

DRAFT

Total Fund Balance Analysis

	1993 <u>ACTUAL</u>	1994 <u>ESTIMATED</u>	1995 <u>PRELIMINARY</u>
Non-Operating Revenues Over (Under) Total Expenditures	(\$2,385.00)	(\$430.00)	\$0.00
Increase (Decrease) in Reserve Fund Balances	24,249.00	73,408.00	48,378.00
Total Fund Balance Increase (Decrease)	<u>\$21,864.00</u>	<u>\$72,978.00</u>	<u>\$48,378.00</u>
Total Fund Balance Beginning	137,943.00	159,807.00	232,785.00
Ending	<u>\$159,807.00</u>	<u>\$232,785.00</u>	<u>\$281,163.00</u>

Ending Fund Balance Analysis

	1993 <u>ACTUAL</u>	1994 <u>ESTIMATED</u>	1995 <u>PRELIMINARY</u>
Unreserved Fund Balance			
Designated Funds	\$25,128.00	\$25,128.00	\$25,128.00
Undesignated Funds	430.00	0.00	0.00
Reserved Fund Balances			
Emergency Reserves	2,385.00	4,885.00	7,385.00
Water Resource Protection and Development Reserves	131,864.00	202,772.00	248,650.00
Ending Total Fund Balance	<u>\$159,807.00</u>	<u>\$232,785.00</u>	<u>\$281,163.00</u>

**PRELIMINARY
 CALCULATION OF MILL LEVY**

1. Amount of General Property Tax required	\$210,778.00
2. Assessed Valuation: \$152,948,719	
3. Required Mill Levy: 1.378 Mills	

9/22/94

P R E L I M I N A R Y B U D G E T
UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
January 1 - December 31, 1995
Page 3

DRAFT

BUDGET MESSAGE

The Upper Gunnison River Water Conservancy District was formed on June 1, 1959 pursuant to the provisions of and for the purposes described in the Water Conservancy Act of Colorado, Section 149-6-1, et seq., C.R.S., 1953. The District was reorganized on October 8, 1991. The District is located within Gunnison, Hinsdale, and Saguache Counties and is generally defined as that area of the Upper Gunnison watershed which lies above the outlet of Blue Mesa Reservoir. The District is largely supported through a mill levy which is assessed on real property located in the District.

The District uses the modified accrual basis of accounting in which revenues are recognized when they become measurable and available as net current assets. Expenditures are recognized when the related fund liability is incurred.

The accounts of the Upper Gunnison River Water Conservancy District are organized on the basis of funds. The District maintains only a General Fund in which all activity is reported.

Principal activities of the District in 1995 will include on-going water rights litigation to protect the water resources of the Upper Gunnison basin, protection of Upper Gunnison basin interests in discussions concerning the re-operation of the Aspinall Unit to meet the needs of endangered species, participation in the development of a contract to deliver water from the Aspinall Unit to the Black Canyon of the Gunnison National Monument, protection of Upper Gunnison basin interests in connection with the quantification of the federal reserved water right in the Black Canyon, development of an agreement for the use of water in the upper basin from Taylor Park Reservoir, development of an Upper Gunnison basin augmentation plan to protect upper basin water users from downstream calls, participation in legislative efforts to protect water uses in the Upper Gunnison basin, development of computerized basin-wide water accounting and planning tools, planning for water resource development to meet water needs throughout the Upper Gunnison basin, operation of stream gaging stations to obtain information needed for developing and protecting the District's water resources, and participation in discussions of water supply and water quality needs in the East River basin.

The following is a description of major line items included in the 1994 budget:

Administrative Salary. The amount shown is for a full-time manager for the District.

Secretary Salary. The amount shown is for a half-time position plus attendance at board meetings.

Legal Expense. Legal expenses include the anticipated legal costs associated with the Arapahoe County Union Park water availability appeal, the NECO Rocky Point Project, the Arapahoe County Upper Gunnison Basin Project, negotiation of contracts including the Taylor Park Water Management Agreement with the Bureau of Reclamation, involvement in Gunnison River issues with the Bureau of Reclamation, endangered species matters, development of a basin-wide augmentation plan, the Nature Conservancy water right donation to the Colorado Water Conservation Board, the Dominguez Reservoir litigation, development of an application for an exchange for the first fill in Taylor Park Reservoir, and on-going district activities including development of the District's water rights, feasibility studies, and miscellaneous administrative matters.

add
Austin

PROPOSED BUDGET
UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT
January 1 - December 31, 1995

10/4/94

DRAFT

GENERAL FUND

Estimated Revenues

	1993 <u>ACTUAL</u>	1994 <u>ESTIMATED</u>	1995 <u>PROPOSED</u>
Beginning Undesignated Funds	\$19,045.00	\$430.00	\$0.00
Non-Operating Revenues			
General Property Tax	\$215,317.00	\$210,778.00	\$210,778.00
Specific Ownership Tax	16,891.00	17,000.00	17,000.00
Other (Interest & Refunds)	6,248.00	6,000.00	6,000.00
Total Funds Available	\$257,501.00	\$234,208.00	\$233,778.00

Estimated Expenditures

	1993 <u>ACTUAL</u>	¹⁹⁹⁴ <i>Annual Budget</i> <u>ESTIMATED</u>	1995 <u>PROPOSED</u>
Administrative Salary	\$42,569.00	\$47,500.00	\$47,500.00
Secretary Salary	11,539.00	^{14,000} 8,200.00	10,500.00
Data Entry Salary	0.00	0.00	5,000.00
Board Treasurer Salary	3,640.00	^{4,000} 3,600.00	0.00
Payroll Taxes & Benefits	5,871.00	7,400.00	8,900.00
Compensated Absences	1,730.00	0.00	0.00
Staff Conference & Training	20.00	500.00	500.00
Legal Retainer Fees	600.00	0.00	0.00
Legal Expenses	105,449.00	45,000.00	20,200.00
Augmentation Plan Devel.	0.00	0.00	18,500.00
Water Rights Development	0.00	0.00	5,500.00
Audit & Accounting	1,069.00	1,700.00	5,500.00
Engineering Services	0.00	0.00	1,500.00
Rent and Utilities	1,500.00	1,500.00	1,500.00
Stream Monitoring - O&M	6,850.00	12,400.00	21,700.00
Stream Monitoring - Const.	0.00	2,000.00	900.00
Bonding	150.00	200.00	200.00
Insurance	0.00	300.00	300.00
Office Telephone	1,832.00	1,500.00	1,700.00
Legal Printing	1,066.00	1,500.00	1,700.00
Administrative Travel	1,555.00	2,400.00	2,700.00
Attorney Travel	284.00	0.00	0.00
Board of Directors Travel	0.00	200.00	500.00
Office Supplies & Expenses	1,163.00	1,000.00	2,000.00
Postage	994.00	1,100.00	1,300.00
Copying	901.00	1,000.00	1,200.00
Publications Acquisition	285.00	300.00	1,000.00
Office Equipment	6,016.00	1,000.00	2,700.00
Board of Directors Fees	4,125.00	5,500.00	5,500.00
Board of Directors Mileage	1,064.00	1,700.00	1,700.00
Uncompahgre Water Users	3,000.00	3,000.00	3,000.00
Taylor Park Water Management	0.00	⁷ 0.00	10,000.00
CWC Membership	400.00	⁶ 400.00	600.00
WSC Water Workshop	1,200.00	1,200.00	1,500.00
Water Resources Study	4,349.00	0.00	0.00
Promotion & Guest Expense	439.00	1,700.00	1,700.00
County Treasurer's Fees	6,932.00	7,000.00	7,000.00
Subtotals	\$216,592.00	\$160,800.00	\$194,000.00
Contingency	\$0.00	\$0.00	\$10,000.00
Increase (Decrease) in Emergency Reserves	2,385.00	2,500.00	2,500.00
Increase (Decrease) in Water Resource Protection and Development Reserves	21,864.00	86,908.00	27,278.00
Increase (Decrease) in Designated Funds	16,230.00	(16,000.00)	0.00
Total Expenditures	\$257,071.00	\$234,208.00	\$233,778.00
Total Funds Available Over (Under) Expenditures	\$430.00	\$0.00	\$0.00

10/4/94

DRAFT

Total Fund Balance Analysis

	1993 ACTUAL	1994 ESTIMATED	1995 PROPOSED
Non-Operating Revenues Over (Under) Total Expenditures	(\$18,615.00)	(\$430.00)	\$0.00
Increase (Decrease) in Reserve Fund Balances	40,479.00	73,408.00	29,778.00
Total Fund Balance Increase (Decrease)	<u>\$21,864.00</u>	<u>\$72,978.00</u>	<u>\$29,778.00</u>
Total Fund Balance Beginning	137,943.00	159,807.00	232,785.00
Ending	<u>\$159,807.00</u>	<u>\$232,785.00</u>	<u>\$262,563.00</u>

Ending Fund Balance Analysis

	1993 ACTUAL	1994 ESTIMATED	1995 PROPOSED
Unreserved Fund Balance Undesignated Funds	\$430.00	\$0.00	\$0.00
Reserved Fund Balances			
Designated Funds	25,128.00	9,128.00	9,128.00
Emergency Reserves	2,385.00	4,885.00	7,385.00
Water Resource Protection and Development Reserves	131,864.00	218,772.00	246,050.00
Ending Total Fund Balance	<u>\$159,807.00</u>	<u>\$232,785.00</u>	<u>\$262,563.00</u>

**PROPOSED
 CALCULATION OF MILL LEVY**

- | | |
|--|--------------|
| 1. Amount of General Property Tax required | \$210,778.00 |
| 2. Assessed Valuation: \$152,948,719 | |
| 3. Required Net Mill Levy: 1.378 Mills | |

BRATTON & McCLOW LLC
 232 West Tomichi Ave., Suite 202
 P.O. Box 669
 Gunnison, Colorado 81230
 (303) 641-1903

Upper Gunnison River Water
 Conservancy District
 275 South Spruce Street
 Gunnison, Colorado 81230

November 5, 1994

	<u>Hrs/Rate</u>	<u>Amount</u>
Professional services:		
<u>Administrative</u>		
10/10/94 JHM Review agenda items; attend October regular board meeting	2.50 125.00/hr	312.50
<hr style="border: none; border-top: 1px solid black; margin: 5px 0;"/>		
SUBTOTAL:	[2.50	312.50]
<u>Union Park/FERC</u>		
10/11/94 JHM Review FERC Order to Deny Rehearing for Preliminary Permit Application by Arapahoe County and Town of Parker; dictate brief memo to Board	0.50 125.00/hr	62.50
<hr style="border: none; border-top: 1px solid black; margin: 5px 0;"/>		
SUBTOTAL:	[0.50	62.50]
<hr style="border: none; border-top: 1px solid black; margin: 5px 0;"/>		
For professional services rendered	3.00	\$375.00
Itemization of costs		
-Long distance telephone expense		4.23
-Photocopier expense		30.00
-Postage expense		3.19

PAYMENT IN FULL IS DUE ON RECEIPT OF STATEMENT: A LATE CHARGE
 OF 1½% PER MONTH WILL BE ASSESSED ON BALANCES NOT RECEIVED WITHIN 30 DAYS.

THIS STATEMENT DOES NOT INCLUDE DISBURSEMENTS FOR WHICH WE HAVE NOT YET BEEN BILLED.

Employee Leave Policy

Sec I - if Board changes policy what happens to leave accumulated?

Accumulated Board says 120 hours.

p3 Compensatory kind. Needs definition days that phrase.

Goed To how
these together
? Here others
Exclusion

Contract - Legal - in limited activities - there is no bargaining promotion.

- Breakdown of service costs by category of activity - ie availability pension park.

? Hire others - is this exclusive

? Conditions such as Termination in Agreement.

Para 6 of Agreement.

Bookkeeping - Nothing

Manager - ? Use of Engineering skills. 4d

says only manage engineering services.

- ? Work Termination and work products of manager - analysis

Budgets - Designated Funds

Taylor Mgt. \$10,000 in 1994 Budget

? Estimated Expenditure is not OK.

Principal purpose - provide for release of stored water so that agencies can continue to divert. Budget Message for 1995

Ans - Not in conflict with Powell's position

Water available only in priority - ie when very dry or Trump chooses not to "carry over water" or others if call.

- Can be used for in excess of by road

Stream Gage - Complementary -

- objective - establish data quality - by correlation of local studies with U.S.G.S.

- Coordinated data gathering - more than sum of parts

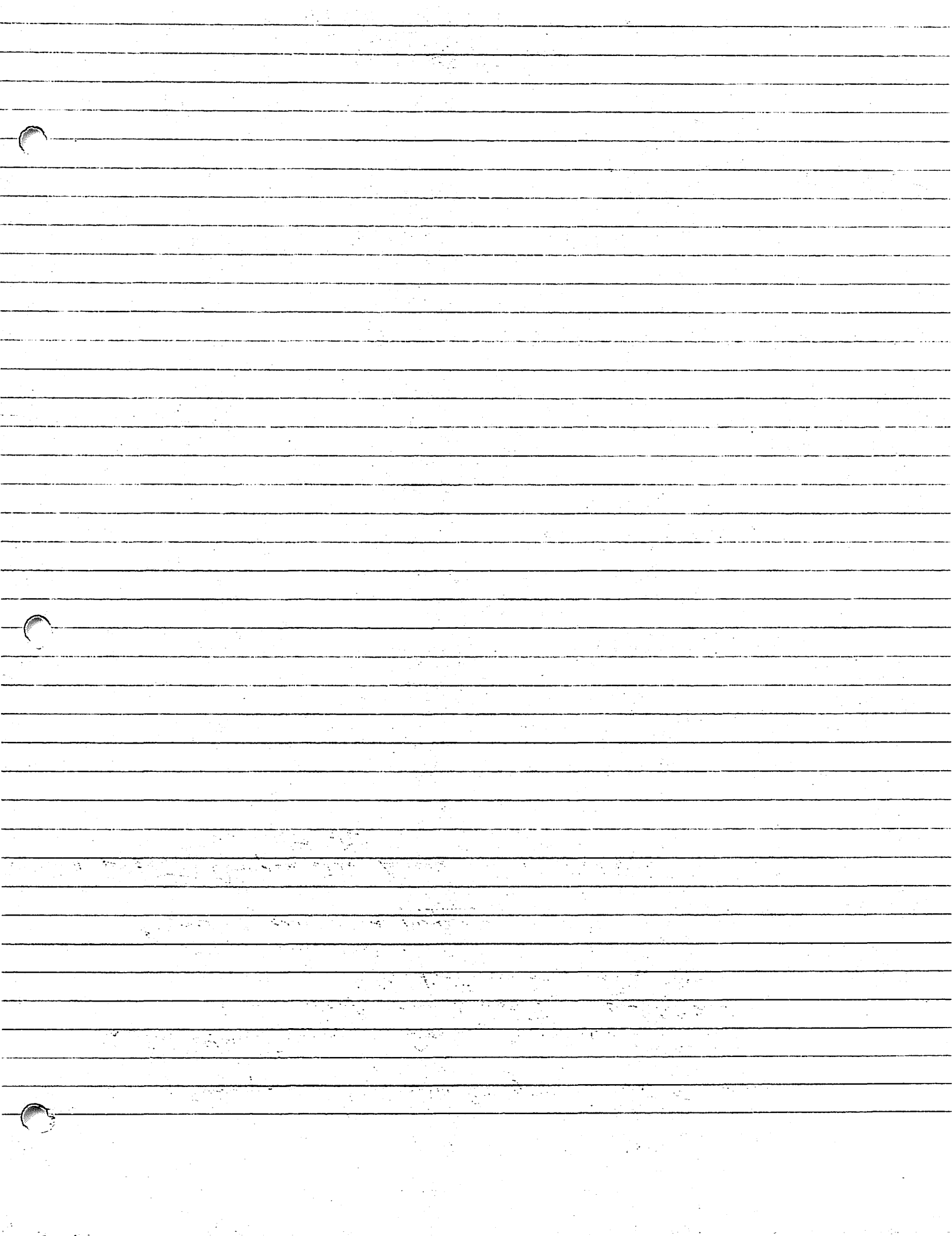
Have you
? talked
yet.
? Working

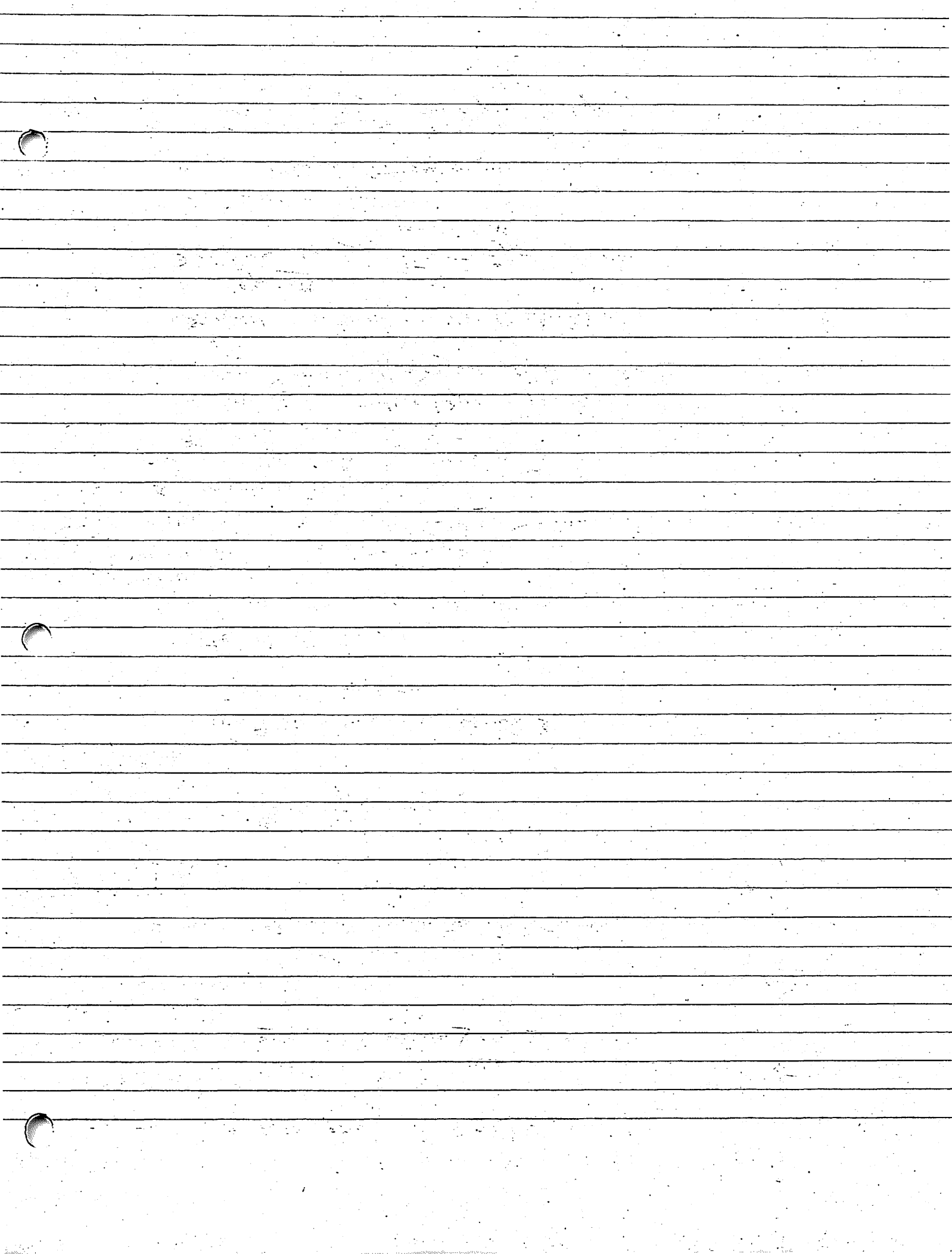
Has Up Gun proposed specific language? - see G-5 letter

Water Monitoring - Some activities would do
more - needs coordinated with about
value of whole effort much greater than
seems parts.

\$1,000 - can it be more

Budget Compensated Absences? included or
calculated later





Work Session

management agreement.

Mary Taylor under

- Need to know how ^{Taylor} you water right will go

Enclaf info - on Budget

Endangered Species Contract Sep 20 ^{negotiated}

Recog and agreement, contract unenforced in is protected area

2 month period, next negotiation

not want to

Don't take people - recommend.

Meeting

2 times - 1 less than 500 over budget

Some 2 law transfers.

Contract

Atty -

Contract with

if conflict of interest -

View this as exclusive contract.

Contracts

Expert Hill to participate in agreement later

Exclusivity of contract - Don't expect you & him another atty to do legal

Expert to do all legal work for Board.

60,000 ac - may need a second opinion

Maybe should get second opinion

Exclusivity issue - reduced hourly rate

charged client - based on flow of

work based on budget.

Black Canyon - also recommendations

Endangered Species -

Sep 2014

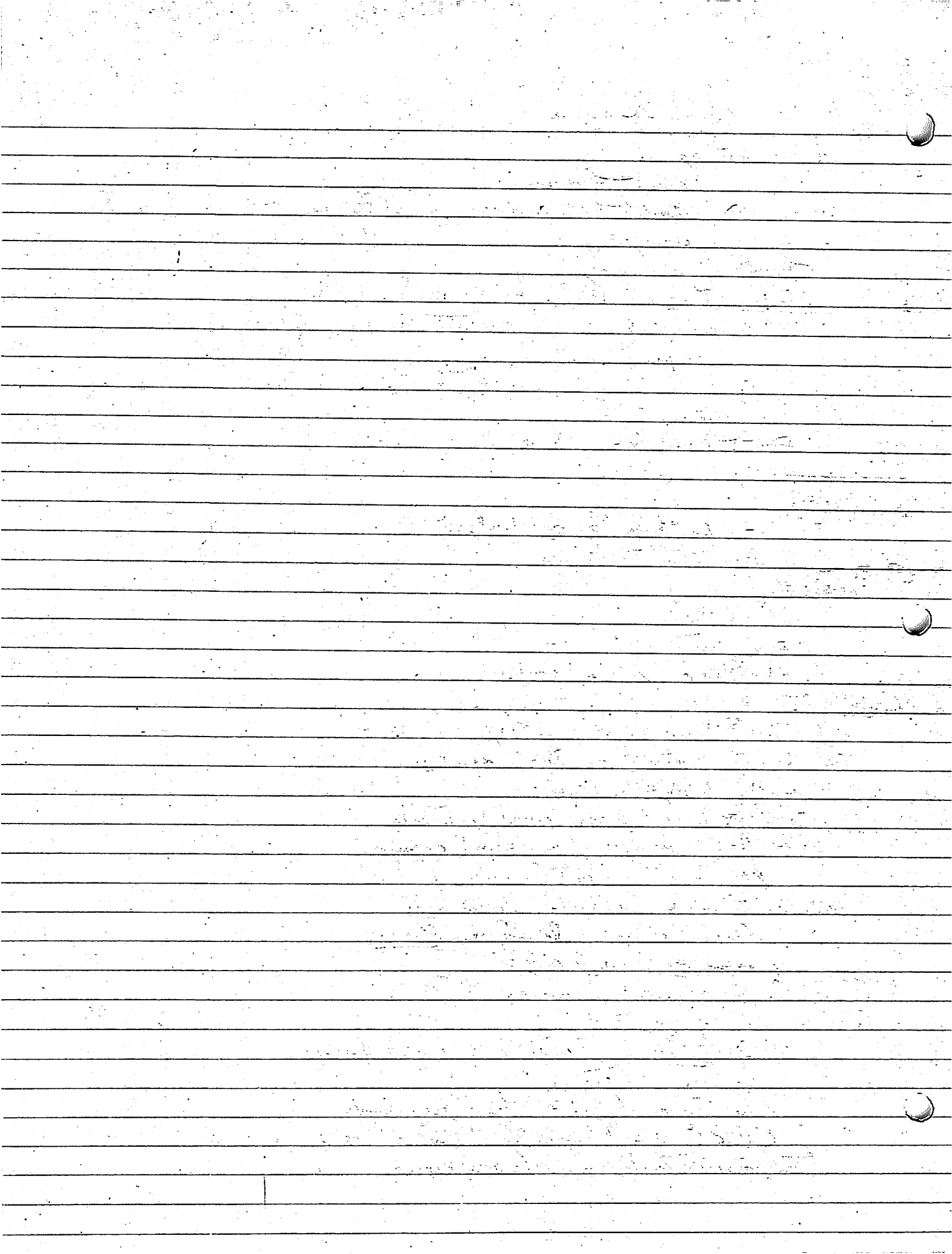
Protection of water users

is key in contract.

FLWS said protected historic use

CWCB said protected historic use.

Take 2 months to research historic use.



proceed in and permit under all circumstances
of the Milk Code Proceeding Appraisal Decree
commitment address primary needs of persons
obligations
1962 case system report. After operating
at present prior and safety development case
circulation.

How to get around primary protection
where a situation may be encountered
If park

some cases get caught in the
concern at individual level
For that this is under operating - Tower Co.
If park up to
Don't want
Not required

Remember when did under operating case up

Person
Don't know

Tom Knapp -

Local Engine Committee - Joe Turk
Mr. Administrator -
S. C. Johnson - 40-50% of time
C. C. Burt

Enderswell Speer - Working in Department (Department)

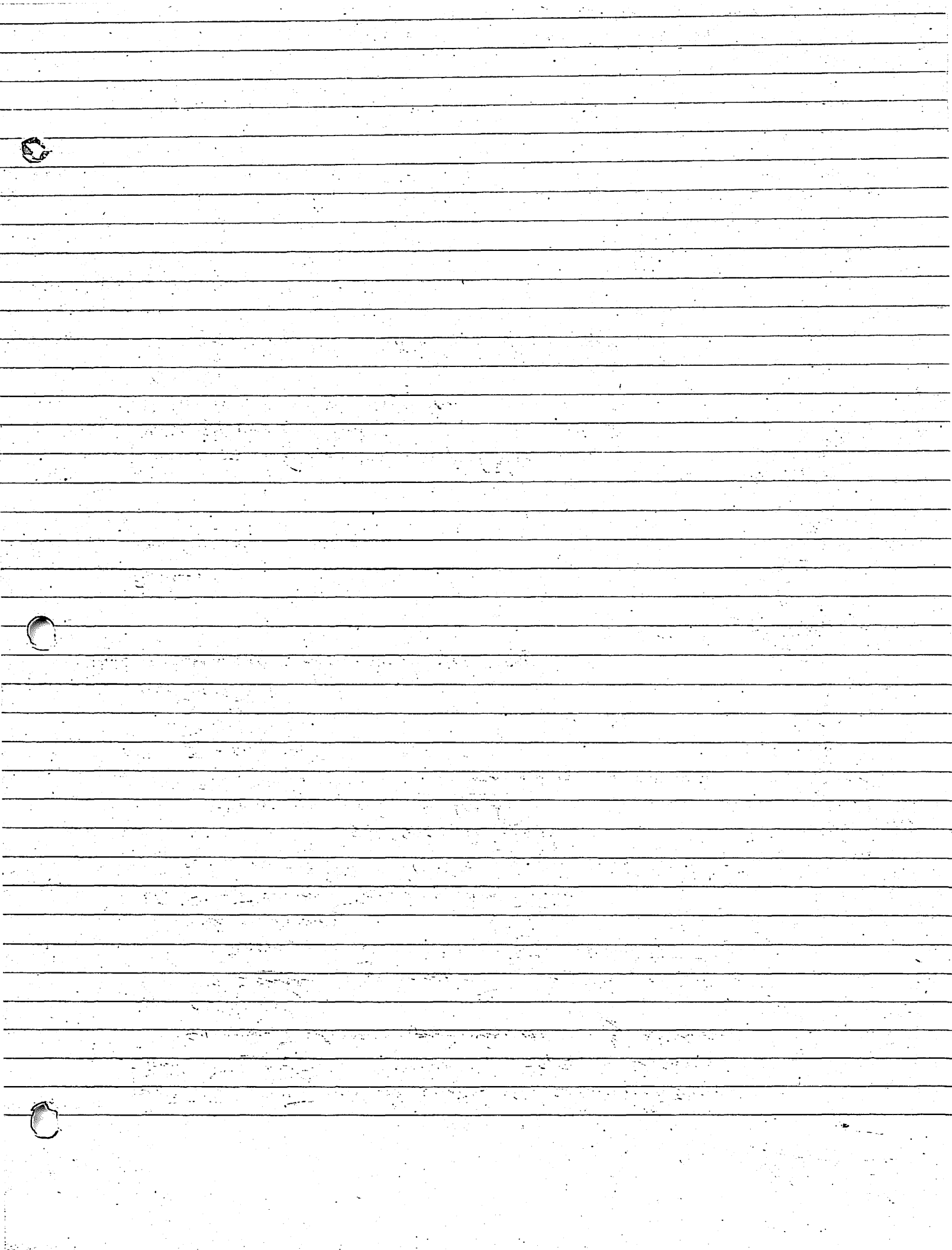
Person
of Historic
area
reserves
under operating

Conservation
Plans -

Department
State
of

Spreading

Nov 14 54



UGRWCD BUDGET SUMMARY-1994

	SEPTEMBER	YEAR TO DATE AS OF 9/30/94	1994 BUDGET	% Received or Expended
REVENUE				
General Property Tax-all counties	\$9,772.83	\$200,318.16	\$210,778.00	95.04%
General Property Tax-prior tax	\$32.31	\$29.80	\$0.00	
Specific Ownership	\$1,550.28	\$11,828.89	\$15,750.00	75.10%
Interest & Penalties-tax	\$367.00	\$704.37	\$0.00	
Interest on Investments	\$271.00	\$4,775.68	\$5,000.00	95.51%
Miscellaneous		\$75.00	\$0.00	
Total Revenue	\$11,993.42	\$217,731.90	\$231,528.00	94.04%
EXPENSES				
Administrative Salary	\$3,958.33	\$34,511.40	\$47,500.00	72.66%
Secretary Salary	\$0.00	\$5,702.85	\$14,000.00	40.73%
Board Treasurer Salary	\$273.75	\$2,523.75	\$4,000.00	63.09%
Payroll Taxes & Benefits	\$318.64	\$4,694.49	\$8,500.00	55.23%
Staff Conference & Training			\$500.00	0.00%
Legal Expenses	\$376.20	\$57,209.52	\$70,000.00	81.73%
Audit and Accounting		\$1,161.60	\$1,200.00	96.80%
Engineering Services			\$10,000.00	0.00%
Rent & Utilities		\$1,500.00	\$1,500.00	100.00%
Stream Gages O&M		\$943.68	\$12,800.00	7.37%
Stream Gages Construction			\$4,000.00	0.00%
Bonding		\$150.00	\$200.00	75.00%
Insurance/Premises		\$250.00	\$300.00	83.33%
Office Telephone	\$150.95	\$1,148.07	\$2,500.00	45.92%
Legal Printing	\$94.70	\$1,099.00	\$1,400.00	78.50%
Administrative Travel	\$67.50	\$1,308.96	\$3,000.00	43.63%
Board of Directors Travel			\$500.00	0.00%
Office Supplies	\$52.65	\$542.36	\$1,500.00	36.16%
Postage		\$695.00	\$1,200.00	57.92%
Copying		\$472.25	\$1,200.00	39.35%
Publications Acquisition	\$15.00	\$73.00	\$500.00	14.60%
Office Equipment			\$1,000.00	0.00%
Board of Directors Fees	\$500.00	\$3,550.00	\$5,000.00	71.00%
Board of Directors Mileage	\$138.00	\$1,150.50	\$1,400.00	82.18%
Uncompahgre Water Users		\$3,000.00	\$3,000.00	100.00%
Taylor Park Water Management			\$10,000.00	0.00%
CWC Membership		\$400.00	\$500.00	80.00%
WSC Water Workshop		\$1,200.00	\$1,200.00	100.00%
Water Resources Study		\$284.60	\$0.00	
Promotion & Guest Expense	\$55.02	\$1,250.75	\$1,700.00	73.57%
Country Treasurer's Fees	\$311.21	\$6,419.18	\$7,000.00	91.70%
Subtotals:	\$6,311.95	\$131,240.96	\$217,100.00	60.45%
Contingency			\$10,000.00	0.00%
Emergency Reserves			\$2,500.00	0.00%
Water Resource Protection & Development Reserves			\$1,928.00	0.00%
TOTALS:	\$6,311.95	\$131,240.96	\$231,528.00	56.68%

UGRWCD-FINANCIAL DATA-1994

SEPTEMBER

Balance on Hand-Aug 31, 1994

	RESTRICTED/ UNRESTRICTED	
Checking Account-FNSB-G		\$5,300.68
Petty Cash		\$100.00
Passbook Svgs-FNSB-G		\$58,338.01
Time CD-FNSB Gunnison		\$2,775.10
Time CD-Wetlands-FNSB		\$965.65
GS&L passbook-appl fees	\$7,965.72	
GS&L passbook-water rent	\$1,339.34	
Money Maker-GS&L		\$42,551.27
Time CD-GS&L		\$20,000.00
Time CD-FNB Lake City		\$42,564.77
Time CD-FNB Lake City		\$40,117.21
Passbook svgs-FNSB-CB		\$41,202.33
Accts Payable/Colo WH tax		(\$488.78)
TOTAL FUNDS 8/31/94	\$9,305.06	\$253,426.24

Net Aug Tax Receipts Collections Paid in September

Gen Property-Real Estate	\$9,772.83
Gen Property-Prior Tax	\$32.31
Specific Ownership	\$1,550.28
Interest & Penalties	\$367.00
TOTAL SEPTEMBER COLLECTIONS	\$11,722.42

Interest on Investments received in September

\$271.00

TOTAL FUNDS AVAILABLE **\$9,305.06** **\$265,419.66**

Less: Total Disbursements thru 9/30/94

\$6,311.95

TOTAL FUNDS 9/30/94 **\$9,305.06** **\$259,107.71**

Balances as of 9/30/94

	RESTRICTED/ UNRESTRICTED		INTEREST RATES	MATURITY DATES
Checking Acct-FNSB-Gunn		\$10,933.21	2.50%	
Petty Cash		\$100.00		
Passbook Svgs-FNSB-Gunn		\$58,338.01	3.25%	
Time CD-FNSB Gunnison	1yr	\$2,775.10	3.50%	1/18/95
Time CD-Wetlands-FNSB	1 yr	\$968.31	3.50%	8/16/95
GS&L Passbook-appl fees	\$7,965.72			
GS&L Passbook-water renta	\$1,339.34			
Money Maker-GS&L		\$42,677.94	3.25%	
Time CD-GS&L		\$20,000.00	3.75%	1/23/95
Time CD-FNB Lake City	6 mos	\$42,564.77	3.50%	10/3/94
Time CD-FNB Lake City		\$40,234.76	3.45%	1/24/95
Passbook Svgs-FNSB-CB		\$41,202.33	3.25%	
Accts Payable/Payroll taxes		(\$686.72)		
TOTAL FUNDS 9/30/94	\$9,305.06	\$259,107.71		

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau *TM*

DATE: November 28, 1994

SUBJECT: Agenda Item 16, December 5, 1994, Board Meeting --
Endangered Species Contract.

Last week I received a call from Ed Warner of the Grand Junction Projects office of the Bureau of Reclamation (USBR). As you know the next negotiating session for the contract to deliver Aspinall water to the endangered species below Redlands was scheduled for November 30, 1994. The USBR has decided to postpone the negotiating session to late January. The reason for the postponement is that Scott Loveless of the Solicitor's Office in Salt Lake City has indicated that his opinion concerning protection of historic water uses in the Gunnison basin will be available after December 21.

The Colorado Water Conservation Board and the U. S. Fish & Wildlife Service agreed that there was no point in holding another negotiating session until after everyone has had a chance to review the solicitor's opinion.

Upper Gunnison River Water Conservancy District

BOARD OF DIRECTORS

Monday, November 14, 1994

Gunnison County Community Building - County Fairgrounds
Gunnison, Colorado

A G E N D A

WORK SESSION

1:00 p.m. Discussion of Selected Items from the Agenda for the Regularly Scheduled Board Meeting.

REGULARLY SCHEDULED MEETING

2:00 p.m. 1. Call to Order
2:10 p.m. 2. Approval of October 10, 1994 Meeting Minutes
2:15 p.m. 3. Consideration of Operational Expenses Paid
2:20 p.m. 4. Consideration of Other Expenses Payable
2:25 p.m. 5. Monthly Budget Report
2:30 p.m. 6. Proposed Drafts of Contracts for Legal Services, Bookkeeping, and Manager for 1995
2:40 p.m. 7. Additional 1995 Budget Requests
a. Request for Funding for Snow Surveys and Streamflow Forecasts - John Scott, USDA Soil Conservation Service
b. Budget for Legal Opinion Concerning 60,000 Acre-Foot Subordination
c. Other Requests
3:15 p.m. 8. Public Hearing:
Proposed 1995 Budget of the Upper Gunnison River Water Conservancy District
3:30 p.m. 9. Continuation of Proposed 1995 Budget
3:50 p.m. 10. Legal Matters
4:00 p.m. 11. Black Canyon Legislation
4:10 p.m. 12. Endangered Species Contract
4:20 p.m. 13. Endangered Fish Flow and Compact Water Development Workgroup
4:30 p.m. 14. Miscellaneous Matters
4:45 p.m. 15. Unscheduled Citizens
4:55 p.m. 16. Future Meetings
5:00 p.m. 17. Adjournment

Persons with special needs due to a disability are requested to call the district at 641-6065 at least 24 hours prior to the meeting.

275 South Spruce Street • Gunnison, Colorado 81230
Telephone (303) 641-6065 • Fax (303) 641-6727

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

WORK SESSION SUMMARY

November 14, 1994

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a work session on November 14, 1994 at 1:00 p.m. in the Gunnison County Community Building at the County Fairgrounds, Gunnison, Colorado.

Board members present were: Ralph E. Clark, III, Carol Drake, Susan Lohr, Diane Lothamer, Ramon Reed, Mark Schumacher, Peter Smith, Lee Spann, Dennis Steckel, and Doyle Templeton. Board member not present was William S. Trampe

Others present were:

- Tyler Martineau, Manager
- Jill Steele, Secretary
- Laura Anderson, Crested Butte Chronicle & Pilot Reporter
- Greg Peterson
- Mary Vader, Gunnison Country Times Reporter

DISCUSSION OF SELECTED ITEMS FROM THE AGENDA FOR THE REGULARLY SCHEDULED BOARD MEETING

The board vice-president, Peter Smith, called the work session to order at approximately 1:08 p.m.

The district's goal of preventing impacts from downstream calls in 1995 was discussed by the board members. It was noted that other agencies have sided with the district in asking for historic uses call protection. The manager stated that the Bureau of Reclamation's next negotiation session has been scheduled to take place on November 30, and no word concerning the Bureau's willingness to protect historic uses can be expected before that time.

It was agreed that the district's top priority should be to keep a call off the river. Lee Spann recommended that the Board work closely with the following:

- 1) The U.S. Fish and Wildlife Service - to use the water stored for endangered fish recovery in Blue Mesa Reservoir.
- 2) The Colorado Water Conservation Board and the Bureau of Reclamation - to provide protection against calls through the operations of the Aspinall Unit
- 3) Senator Campbell's office - to obtain protection of historic uses of water in the Gunnison basin through the Black Canyon Bill.

Wood
Mutually
exclusive
Ash Res.

Mr. Martineau said that the proposed Wild and Scenic River designation continues to be controversial in Senator Campbell's Black Canyon National Park legislation. He said that the environmental community wants a full wild and scenic designation and the water users want protection for historic uses upstream. Since both sides' positions are very far apart, the issue could result in significant local conflict. He said that the Uncompahgre Valley Water Users and the Colorado Water Conservation Board and the Colorado River Water Conservation District have been supportive of the district's desire to protect historic water uses in the basin. He said that the board should continue to support the bill and seek ways to resolve the differences over the Wild & Scenic River designation.

Lee Spann said he thought the Fish and Wildlife Service is the district's best possibility for obtaining help. He said that some of the water in Blue Mesa Reservoir should be used for water users before all the water is allotted for endangered fish.

Dennis Steckel wanted to know why the manager was encouraged by the Fish & Wildlife position that the Bureau of Reclamation should provide protection of historic water uses in the basin. Mr. Martineau replied that he got the feeling that since the Bureau's sister agency and the state want protection of historic uses to be provided, they will find a way to do it, but not to expect full protection in a drought year like 1977. He stated that the Bureau of Reclamation is looking for an operational approach to provide enough water for endangered fish and enough to fill existing water rights.

>

conditional

The consensus of the board was to not pursue augmentation or other protection against downstream calls until the Bureau of Reclamation issues its statement on the protection of historic uses at the end of November.

Dennis Steckel asked for an update on the issues surrounding the second filling of Taylor Park Reservoir and the private instream flow water right on the Taylor River.

The manager stated that the opinion of the attorneys for the parties involved has been that a final resolution of the Arapahoe County/Union Park case is needed before trying to resolve other issues. The manager stated that as a result there have been two years of stop-gap measures concerning the private instream right.

Ramon Reed said the Board should wait and see what happens with the Supreme Court appeal, but not until May, and that the Board should speak with Ernest Cockrell before the first operations meeting in March to see if the issues can be resolved going in instead of after the meeting. There was agreement that the district should try to involve Mr. Cockrell in the district's activities on the Taylor River as one of the district's constituents.

There was agreement that the earlier work is done on the annual operation plan for Taylor Park Reservoir, the better.

Butch Clark recommended that the board obtain and look at John Musick's work in 1980 which deals with Colorado's development of its compact entitlement.

Peter Smith adjourned the work session at 1:56 p.m.

Up from 14 Nov 94 1:00

Calls for next year -

Tyler - Had heard anything from Brewer.

Feel by Rec is funding way to do this.

Sen - Keep call series. come up with something to provide needed necessary. E] FWS course

Aggressively. push on Campbell.

1 FWS use

2 Black Cat

3 Sen Campbell.

Has much dis conflict - locally -

Don't take position in wild and scenic

because we are getting good support.

Support Bill in concept.

1977 -

Operating Program

2nd Priority - Need to get this Agency behind us.

Budget - Review

Budget Requests

Plan 5000. - Water Supply forecast system

SCS will cooperate on snow fee and precip.

SCS and National Weather Service - do water

supply forecast monthly

~~Snow Fee~~ CB, Purphy, Park time

94% April 29, 94% water c

North fork - notable to split

snow 91%

Total cost \$15th and SCS would maintain

Cost share on new stream paper.

letter of request for stream flows at those points.

⊗
can get this

94%

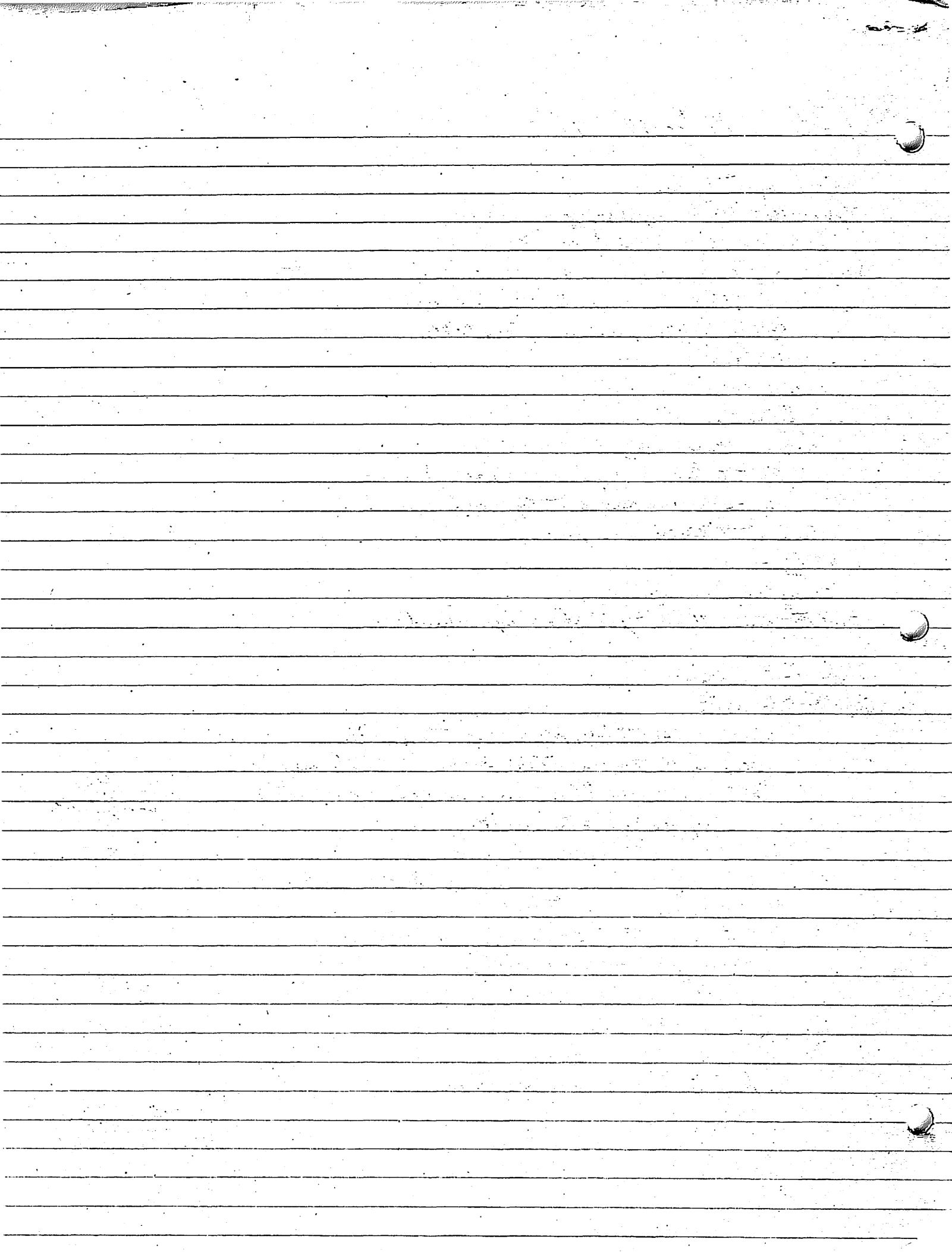
SCS
CRWCID
Glennwood

Used by B. J. Rec for reservoirs.

George Volk
George Swindell

Wild. Conserv.
Part of letter

WAPOT



Legal opinion for research 69,000 a year - Samuel Johnson
Tyler - in agreement with Bill -
David needs to develop position in Judges -

Several memo 1992 -

Step by step →

Overall legal opinion

69,000
subordinate

Subordinate -

What you ask.

Don't wide spread belief -
readily position.

In it with your opinion

answer come up undesirable

Others promised that protection as a cert

if some help best, forbid open house

Stur H. Hill

4.7
9

Subordination - {1100 call protection}

We are right to call out

Can we do selective subordination

all-or nothing.

Old correspondence.

Was promise - Don't want subordination

Put something

Little benefit to

Needs discussion - Need customer way to get

protection - recognition.

Creative thought

Pine District funded - £6000

Public Hearing Need

Have an around District - They could do this

Page -

Handwritten notes at the top of the page, including the word "Introduction" and some illegible text.

Handwritten notes in the upper middle section, possibly starting with "The first part of the paper" and "concerns the" followed by illegible text.

Handwritten notes in the middle section, including the phrase "The second part of the paper" and "focuses on" followed by illegible text.

Handwritten notes in the lower middle section, including the phrase "The third part of the paper" and "discusses" followed by illegible text.

Handwritten notes in the lower section, including the phrase "The fourth part of the paper" and "concludes" followed by illegible text.

Handwritten notes in the lower section, including the phrase "References" and "are listed" followed by illegible text.

Handwritten notes at the bottom of the page, including the phrase "Appendix" and "is included" followed by illegible text.

Cost Breakdown

Availability Union Park	FERC/ Union Park	FERC/ Rocky Pt.	Taylor Res. Operations	Private Instream	CWCB Instream	Basin Augment.	Dominguez Reservoir	Endang. Species	Aspinall Operations	Service Costs
\$16,131.25 \$375.00						\$1,550.00				\$2,326.06
\$137.50					\$93.75	\$1,231.25	\$62.50			\$1,284.96
\$1,531.25										\$87.67
\$3,818.75 \$1,600.00		\$162.50	\$1,937.50	\$1,587.50						\$335.24 \$11.40
\$1,862.50				\$1,250.00			\$62.50			\$890.90
		\$62.50		\$93.75						\$70.79
								\$125.00	\$250.00	\$19.62
		\$62.50								\$1.20
	\$62.50									\$37.42
<hr/> \$25,456.25	<hr/> \$62.50	<hr/> \$287.50	<hr/> \$1,937.50	<hr/> \$2,931.25	<hr/> \$93.75	<hr/> \$2,781.25	<hr/> \$125.00	<hr/> \$125.00	<hr/> \$250.00	<hr/> \$5,065.26

Upper Gunnison River Water Conservancy District

1/10/94
Monday, October 10, 1994

Gunnison County Community Building - County Fairgrounds
Gunnison, Colorado

A G E N D A

WORK SESSION

1:00 p.m. Discussion of Selected Items from the Agenda for the Regularly Scheduled Board Meeting.

REGULARLY SCHEDULED MEETING

- 2:30 p.m. 1. Call to Order
- 2:40 p.m. 2. Approval of August 15, September 12, and September 26, 1994 Meeting Minutes
- 2:45 p.m. 3. Review of September 26, 1994 Work Session Summary
- 2:50 p.m. 4. Consideration of Operational Expenses Paid
- 2:55 p.m. 5. Consideration of Other Expenses Payable
- 3:00 p.m. 6. Monthly Budget Report
- 3:05 p.m. 7. Employee Leave and Benefits Policy
- 3:15 p.m. 8. Preliminary Drafts of Contracts for Legal Services, Bookkeeping, and Manager for 1995
- 3:30 p.m. 9. Proposed 1995 Budget
- 3:45 p.m. 10. Legal Matters
- 4:00 p.m. 11. Black Canyon Legislation
- 4:15 p.m. 12. Endangered Species Contract
- 4:30 p.m. 13. Manager's Quarterly Report
- 4:35 p.m. 14. Miscellaneous Matters *McDermott, Enterprise, Dishwashing* → *workshop 2000/93*
- 4:45 p.m. 15. Unscheduled Citizens
- 4:55 p.m. 16. Future Meetings
- 5:00 p.m. 17. Adjournment

Persons with special needs due to a disability are requested to call the district at 641-6065 at least 24 hours prior to the meeting.

district. However he said there is nothing in the contract which prohibits the use of other attorneys in the event that the board feels compelled to seek a second opinion for a specific issue.

The board discussed moving the words, "when requested to do so by the ...", to the beginning of Sections 2(a), 2(b), 2(c), and 2(d) of the proposed legal services contract. John McClow said he agreed with the change.

The board discussed how Bratton & McClow would use John Hill in 1995. Mr. McClow said that Mr. Hill would be used in connection with development of a plan for augmentation, and diligence in instances where he has special expertise.

Dennis Steckel asked Mr. McClow how the attorneys would feel about the district hiring an independent attorney to provide the district with a second opinion concerning the 60,000 acre-feet subordination. Mr. McClow said that it is not unreasonable for the district to seek a second opinion on such an important matter and that he would agree to have it done.

Dennis Steckel moved and Peter Smith seconded that the preliminary contract with the attorneys be approved with the following change: That the words, "when requested to do so by the board, the President of the District, or the Manger of the District", be moved to the beginning of Sections 2(a), 2(b), 2(c), and 2(d) of the legal services agreement.

Tyler Martineau pointed out that the legal services agreement was not scheduled to be adopted by the board until the December 5, 1994 board meeting.

Butch Clark suggested that the language in section 6(c) of the bookkeeping contract regarding delivery of records to the district should be included in the legal services agreement. John McClow agreed to have this language added as long as it does not apply to work in progress. Dennis Steckel and Peter Smith agreed to have the new language made a part of their motion.

The motion failed.

John McClow stated that Bratton & McClow currently charges the district a reduced hourly rate because, as the exclusive attorneys for the district, they receive a consistent flow of work. If the work requested of the attorneys is not regular in the future the attorneys will bill their work at the regular rates which they charge their other clients.

The board reached consensus that the words, "at any time" should be added to paragraph 6(b) of the agreement for bookkeeping services.

The board requested Tyler Martineau to rewrite paragraph 15 of the proposed manager's contract so that it could be integrated with the employee leave and benefits policy, to take out sections 8, 9, and 10 where they duplicate information provided in the employee leave and

Not really consistent

benefits policy, and to include the same type of termination language in the contract as is in the agreement for bookkeeping services.

Tyler Martineau agreed to re-write his contract so that it would end December 31³¹ 1995 and not January 31, 1996.

9. PROPOSED 1995 BUDGET

There were no comments concerning the proposed 1995 budget.

Diane Lothamer moved and Ramon Reed seconded that a public hearing on the budget be conducted on November 14, 1994, and that the proper notice be published. The motion carried.

10. LEGAL MATTERS

Butch Clark asked about the status of the Austin Dam and John McClow said he would have to find out the status and report back. Mr. McClow had nothing else to report.

11. BLACK CANYON LEGISLATION

Bill Trampe asked the manager for an update. Mr. Martineau called attention to his 10-7-94 memorandum and specifically to the three recommendations given to the board. He said that the board should focus on protection of historic uses, not on the wild and scenic designation, and that a balance should be struck between protection of the canyon and allowing in-basin uses to go forward. The suggestion was made that a letter be sent to Senator Ben Nighthorse Campbell to the effect that the board supports the bill and is working on specific language.

Ramon Reed moved and Butch Clark seconded to adopt Tyler Martineau's recommendations and that in Recommendation #1 the priority is on language regarding the operation of the Aspinall Unit and that in Recommendation #3, the letter to the Senator include that language. The motion carried.

12. ENDANGERED SPECIES CONTRACT

Tyler Martineau mentioned that protection of historic uses should be the board's main objective. He thanked Mike Gross for finding comments that address promises made by the Bureau of Reclamation to provide a full supply of water to downstream users. He said that if protection of historic uses is pushed to the Salt Lake City or Washington, D.C. level it would be killed because it would look like part of a national issue on the incidental use of water from reclamation projects. He recommended that the board work with the Grand Junction office.

Dennis Steckel moved to send a thank you letter to the CWCB for their strong position on protection of historic uses. Butch Clark seconded the motion. The motion carried.

13. MANAGER'S QUARTERLY REPORT

There were no comments received concerning the manager's quarterly report.

14. MISCELLANEOUS MATTERS

The board discussed the need to coordinate with the United States Geological Survey in their work on gauging. The need to see the watershed as a whole was discussed, as was the upcoming NAQUA meeting in Crested Butte.

Butch Clark suggested that other entities may want to contribute to the cost of water quality monitoring in the East River basin. He suggested that a meeting with the other entities be held in the upper East River area at the end of the month.

Ken Knox stated that he has hired a new assistant division engineer, Wayne Schieldt. He asked the board's help in finding a replacement for Joel Tuck who resigned as the District 59 Water Commissioner. Ken gave an update as to his activities including Colorado River decision support system and endangered species. He said he would meet with the CWCB and the attorney general's staff. He gave his view on water spreading in California and the Northwest.

15. UNSCHEDULED CITIZENS

There were no comments received from unscheduled citizens.

16. FUTURE MEETINGS

It was agreed to hold the next work session and regular board meeting on Monday, November 14, 1994 at 1:00 and 2:00 p.m., respectively. There was some discussion regarding the new format of holding the work session and scheduled meeting together and going through the agenda twice. The board's general consensus was to continue with the work session followed by the scheduled meeting. The consensus of the board was also to discuss no more than three items at the work session, to not go through the entire agenda for the scheduled meeting at the work session, and to discuss legal issues only at the regular meeting when the board attorney will be present.

DRAFT

17. ADJOURNMENT

President Trampe adjourned the October 10, 1994 meeting at approximately 4:27 p.m.

Respectfully submitted,

Mark Schumacher, Secretary

APPROVED:

William S. Trampe, President

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

WORK SESSION SUMMARY

October 10, 1994

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a Work Session on October 10, 1994 at 1:00 p.m. in the Gunnison County Community Building at the Rodeogrounds, Gunnison, Colorado.

Board members present were: Ralph E. Clark, III, Carol Drake, Susan Lohr, Diane Lothamer, Ramon Reed, Mark Schumacher, Peter Smith, Dennis Steckel, Doyle Templeton, and William S. Trampe. Board member not present was Lee Spann.

Others present were:

John McClow, Board Attorney
Tyler Martineau, Manager
Jill Steele, Secretary
Laura Anderson, Crested Butte Chronicle & Pilot Reporter
Ken Knox, Division Engineer
Enid Pepperd
Mary Vader, Gunnison Country Times Reporter

DISCUSSION OF SELECTED ITEMS FROM THE AGENDA FOR THE REGULARLY SCHEDULED BOARD MEETING

President Trampe called the work session to order at approximately 1:05 p.m.

The new secretary, Jill Steele, was introduced to the board members.

The board agreed to proceed through each of the items listed on the agenda for the regularly scheduled board meeting.

Approval of August 15, September 12, and September 26, 1994 Meeting Minutes

Susan Lohr noted several minor typographical errors in the August 15 minutes, and in the September 26 minutes.

Review of September 26, 1994 Work Session Summary

There were no comments.

Consideration of Operational Expenses Paid

There were no comments.

Consideration of Other Expenses Payable

The board discussed whether legal fees should be charged for the preparation of an estimate of legal expenses for 1995. The consensus of the board was to pay the legal fees for the preparation of the estimate.

Diane Lothamer suggested that in the future the board should state the top price the board wants the attorneys to incur on the board's behalf for the preparation of the estimate.

Monthly Budget Report

Diane Lothamer said that the board is still in transition with the new bookkeeper and that once the books are straight with regard to accruals, things should be clear with the books.

The manager said that some adjusting entries to the bookkeeper's 1993 books had not been posted and that some time would be needed to complete the adjustments.

Employee Leave and Benefits Policy

Ramon Reed asked how the policy had been broadened and said that on page 1, part II.A., the words, "or salaried full-time employees" should be inserted at the end of the first sentence.

Butch Clark suggested that on page 3, part III.D., the words, "compensatory time" be taken out and questioned the reference to accumulation of benefits on page 1, part I.

Butch Clark said that the board needs to look at what constitutes vesting of benefits.

Diane Lothamer asked about clause 15 of the manager's contract. Mr. Martineau said he would try to change the wording so it fits in with the employee leave and benefits policy.

Preliminary Drafts of Contracts for Legal Services, Bookkeeping, and Manager for 1995

The board discussed the preliminary contract for legal services for 1995 provided by Bratton & McClow. The board agreed to request termination language from Claire Ayraud's contract to be added to the legal services contract.

There was discussion of page 1, part 2(a), of the legal services agreement as to whether the attorneys should attend work sessions or just the regular meetings "when requested to do so". It was decided to take the last part of the sentence and move it to the beginning.

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau

DATE: November 3, 1994

SUBJECT: Agenda Item 6, November 14, 1994, Board Meeting --
Proposed Drafts of Contracts for Legal Services,
Bookkeeping, and Manager for 1995

Attached are copies of draft contracts for legal services, bookkeeping, and the manager for 1995 as revised following the October 10, 1994 board meeting.

The budget schedule calls for execution of the above contracts at the December 5, 1994 board meeting. At the November 14 meeting the board will be asked to provide additional direction concerning any desired revisions to the contracts.

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LEGAL SERVICES AGREEMENT

This Agreement is made this ____ day of _____, 1994, by and between the **UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT**, a water conservancy district established under the Water Conservancy Act (the District), and **BRATTON & McCLOW LLC**, a Colorado limited liability company (the Firm).

WHEREAS, the Board of Directors of the District (the Board) is authorized pursuant to the Water Conservancy Act to employ attorneys for the District; and

WHEREAS, the Board desires to contract with the Firm upon the terms and conditions set forth below;

In consideration of the mutual promises and obligations contained herein, the parties agree as follows:

1. **EMPLOYMENT.** The Firm is hereby employed to serve as legal counsel for the District. L. Richard Bratton and John H. McClow, Members of the Firm, are designated as the individual attorneys responsible for the performance of the duties set forth herein. It is understood, however, that associate attorneys of the Firm, either employees or of counsel, may perform certain legal services for the District under the supervision and control of the named individual attorneys.

2. **DUTIES AND RESPONSIBILITIES.** During the term of this Agreement, the Firm shall be responsible for the following:

(a) When requested to do so by the Board, the President of the District or the Manager of the District, to attend regular and special meetings and work sessions of the Board, and attend meetings of the Board's committees.

(b) When requested to do so by the Board, the President of the District or the Manager of the District, to provide legal advice, counsel and opinion on any matter of concern to the District.

(c) When requested to do so by the Board, the President of the District or the Manager of the District, to attend to matters of a legal nature affecting the District including, but not limited to, negotiation and preparation or review of all legal documents and resolutions.

(d) When requested to do so by the Board, to represent the District in judicial, quasi-judicial or administrative trials, proceedings or hearings wherein the District is a party or participant.

3. **COMPENSATION.** As compensation for the performance of the duties and responsibilities set forth herein, the Firm shall be paid at the following hourly rates:

- (a) For legal services performed by attorneys of the Firm, including L. Richard Bratton and John H. McClow, but excluding John R. Hill, Jr.: \$125.00 per hour;
- (b) For legal services performed by John R. Hill, Jr.: \$150.00 per hour.
- (c) For paralegal services: \$50.00 per hour;

provided, however, that hourly fees for attendance only at meetings and work sessions of the Board and the Board's committees which are attended by more than one attorney of the Firm shall be billed to the District for only one attorney.

4. **EXPENSES.** In addition to the hourly fees set forth above, the District shall reimburse the Firm for expenses incurred by the Firm on behalf of the District, including, without limitation, long distance telephone charges, copies, mailing expenses, travel expenses for travel on behalf of the District, electronic research charges, filing fees and other litigation costs.

5. **BILLING AND PAYMENT.** The Firm shall provide a monthly billing to the District which shall contain a description of the legal services provided to the District during the preceding billing period, itemized and subtotaled by categories which shall be mutually agreed upon by the parties, together with an itemization of expenses incurred on behalf of the District. The Board shall review each billing at the next regular meeting of the Board following receipt of the billing by the District and approve for payment such amount as the Board deems appropriate. The District shall pay each monthly billing within five (5) business days after the bill has been reviewed and approved by the Board.

*By
category*

6. **TERM.** The term of employment of the Firm shall be for a period of one year, beginning on the 1st day of January, 1995, and ending on the 31st day of December, 1995. Either party may terminate this Agreement, for any reason, upon thirty (30) days' written notice. Upon the effective date of termination of this Agreement, all documents, records, files and any other property of the District in the custody or control of the Firm shall be immediately surrendered to the District.

7. **QUALIFICATION.** The District's Attorneys shall at all times be licensed attorneys authorized to practice in the State of Colorado, and shall at all times maintain a high level of competency in the performance of their duties.

8. **MEDIATION.** In the event of any dispute relating to this agreement, the parties agree to submit such dispute to mediation with a mediator agreed upon by the parties. In the event the parties fail to resolve the dispute by mediation within thirty (30) days from the date of a notice by either party requesting mediation, the parties agree that the matter shall be submitted to binding arbitration. The arbitration shall be governed by Colorado law and shall be conducted according to the Commercial Arbitration Rules of the American Arbitration Association.

9. **MISCELLANEOUS.**

(a) All notices and other communications required or permitted under this agreement shall be in writing and shall be, as determined by the person giving such notice, either hand delivered or mailed by certified mail, return receipt requested to the required party at the following addresses:

DISTRICT: Upper Gunnison River Water Conservancy District
275 South Spruce Street
Gunnison, Colorado 81230
Attention: Tyler Martineau

FIRM: Bratton & McClow LLC
232 W. Tomichi, Suite 202
P. O. Box 669
Gunnison, Colorado 81230
Attention: L. Richard Bratton

Notice shall be deemed delivered at the time of personal delivery, or when mailed to the required party. Either party may change its address by giving written notice of a change of address to the other party in the manner provided in this paragraph.

(b) This agreement is executed in Gunnison County, Colorado, and shall be interpreted, construed and governed by the laws of the State of Colorado.

*Conflicts must
need be created
- Consensus of practice.*

DRAFT

(c) This agreement may be executed in counterparts, each of which shall for all purposes be deemed an original and all of which together shall constitute one and the same agreement.

UPPER GUNNISON RIVER WATER
CONSERVANCY DISTRICT

By: _____
William S. Trampe, President

ATTEST:

Mark Schumacher, Secretary

BRATTON & McCLOW LLC

By: _____
John H. McClow, Managing Member

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AGREEMENT FOR BOOKKEEPING SERVICES

This Agreement is entered into and effective January 1, 1995 between the Upper Gunnison River Water Conservancy District (District), a water conservancy district established under the Water Conservancy Act, and Claire D. Ayraud, doing business as Ayraud Accounting (Ayraud).

1. Employment. The District shall employ Ayraud and Ayraud shall serve the District, on the terms and conditions set forth in this Agreement.

2. Term. This Agreement shall commence on January 1, 1995, and continue until and including December 31, 1995.

3. Duties. During her employment hereunder, Ayraud shall perform the following services for the District, and such other bookkeeping services as are from time to time requested by the President, Treasurer, or Manager of the District.

a. Prepare monthly payroll for employees of the District and maintain all other payroll records, including:

- i. Individual payroll records;
- ii. Monthly payroll records;
- iii. Quarterly payroll reports, i.e. Federal 941, Colorado Withholding Tax Return, and Colorado Unemployment Insurance Tax Report;
- iv. Yearly payroll reports, i.e. Colorado Annual Reconciliation of W2's and Quarterly tax returns;
- v. Federal and Colorado withholding deposits;
- vi. W2's, 1099's and associated reports at year end;
- vii. Workmen's Compensation audit reports as required;

b. Receive a checklist and set of submittals from the District including invoices paid, check register, county treasurer's reports of property tax revenues received by the District, and bank statements;

c. Record all funds received by the District including property tax revenues, and bank interest.

DRAFT

AGREEMENT FOR BOOKKEEPING SERVICES

Page 2

- d. Reconcile all bank and investment accounts one per month.
 - e. Maintain a summary of interest rates on District bank accounts and expiration dates on certificates of deposit.
 - f. Keep a general journal, posting all receipts and disbursements.
 - g. Monthly, to prepare a balance sheet, and statement of revenues and expenses (budget vs. actual, monthly and year to date), a listing of operational expenses paid in each month and a listing of other expenses payable upon approval by the District for each month, and said reports to be delivered to the District six (6) days prior to the monthly Board of Directors meeting. It is understood that these statements will be preliminary only and that the bank reconciliation will be performed after this deadline with any necessary changes made and reported at the next scheduled meeting.
 - h. Compile bookkeeper's information needed for the District's annual audit.
 - i. Alert the Treasurer to any proposed disbursements not in compliance with the purchasing policy or to any unbudgeted expenditures.
 - j. Perform other tasks on a per hour basis as necessary to carry out the bookkeeping functions for the District.
4. Compensation. As compensation for the performance of the duties and responsibilities set forth herein, Ayraud shall be paid by the District at the rate of fifteen dollars (\$15.00) per hour; provided, however, that the District reserves the right to review and approve the total dollar amount billed by Ayraud for bookkeeping services for any month. Ayraud shall provide a monthly billing to the District which shall contain a description of the bookkeeping services provided to the District during the preceding month. The District shall review each billing at the next regular meeting of the Board of Directors following receipt of the billing by the District and approve for payment such amount as the Board deems appropriate.
5. Independent Contractor. Ayraud is retained only for the purposes and to the extent set forth in this Agreement, and her relationship to the District shall be that of an independent contractor. As such, Ayraud shall not be

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

Report for the scheduled meeting on October 10, 1994
OPERATIONAL EXPENSES PAID

DATE	PAYEE	AMOUNT
8/09	Harland check order-print checks/office supplies	48.65
9/12	Chronicle & Pilot-legal printing	94.70
9/12	US West-office telephone	148.41
9/12	The Paper Clip-office supplies	4.00
9/12	Trophy Shop-plaque for Rita McDermott	55.02
9/12	State Auditor's Office-financial management manual/publication acqu	15.00
9/29	MCI-office telephone	2.54
9/29	Tyler Martineau-september expenses/admin travel	67.50
9/30	Tyler Martineau-net administrative salary	2720.41
9/30	First National Summit Bank-941 deposit FICA/FWH	1358.62
TOTAL EXPENSES PAID FOR APPROVAL:		4514.85

OTHER EXPENSES PAYABLE
meeting attendance-\$25.00 per meeting plus reimb
for mileage at \$.25 per mile

DATE	PAYEE	AMOUNT
09/12/94	REGULAR SCHEDULED MEETING	
	Ralph Clark III-attendance	25.00
	Diane Lothamer-attendance	25.00
	Ramon Reed-attendance	25.00
	Lee Spann-attendance plus 6 miles	26.50
	Dennis Steckel-attendance	25.00
	William Trampe-attendance plus 14 miles	28.50
	Peter Smith-attendance	25.00
	Mark Schumacher-attendance plus 20 miles	30.00
	Total Meeting Attendance and mileage	210.00
09/26/94	SPECIAL MEETING	
	Ralph Clark III-attendance	25.00
	Diane Lothamer-attendance	25.00
	Ramon Reed-attendance	25.00
	Lee Spann-attendance plus 6 miles	26.50
	Dennis Steckel-attendance	25.00
	William Trampe-attendance plus 14 miles	28.50
	Peter Smith-attendance	25.00
	Carol Drake-attendance plus 110 miles	52.50
	Susan Allen Lohr-attendance plus 72 miles	43.00
	Doyle Templeton-attendance plus 64 miles	41.00
	Total meeting attendance and mileage	275.50
9/21	Ayraud Accounting-treasurer salary	345.00
9/22	Kimberly Temple, P.C. CPA-midyear review	260.00
9/30	Bratton & McCloy-legal	1000.00
TOTAL EXPENSES PAYABLE FOR APPROVAL:		2090.50



Claire Ayraud
 Ayraud Accounting
 Box 311/303 Elk Ave.
 Crested Butte, CO 81224
 Phone: (303) 349-7197

Date Rec: 9/29/94
 Inv. No. 7m
 Amt. Recd. 345.00
 Pd. Date _____ Acct. # Treasurer Salary
 Ed. by Appr. Date _____
 Board Member Initials _____

INVOICE NO. 8925

SOLD TO Copper Garrison River Water		SHIPPED TO	
STREET & NO. Copper Canyon District		STREET & NO.	
CITY 275 S. Spruce St.	STATE	ZIP	CITY STATE ZIP

CUSTOMER'S ORDER	SALESMAN	TERMS	F.O.B.	DATE 9/21/94
------------------	----------	-------	--------	-----------------

Post August Receipts & Disbursements
 8/31 Payroll and 941 Deposit
 Spread sheet refinements
 Meet w/ Tyler and Accountant
 Bank Reconciliation

23 hrs @ \$15

Total Due

345.00

INVOICE

Kimberly S. Temple, P.C., CPAs
 P.O. Box 1228
 243 N. Main Street
 Gunnison, CO 81230

Date Rec 9/23/94 Inv. No. TM
 Inv. Appr SM Total Appr 260.00
 Ac. Date _____ Acct Audit & Acctg
 Preparer Name _____ Date _____
 Journal Number _____

Invoice submitted to:
 Upper Gunnison River Water
 Conservancy District
 275 S. Spruce St.
 Gunnison, CO 81230

September 22, 1994

Invoice #13160

Professional services

	<u>Hrs/Rate</u>	<u>Amount</u>
8/25/94 Bev Start review thru 7/31/94.	1.00 65.00/hr	65.00
8/29/94 Deb Typed letters to send out to banks.	0.30 19.50/hr	NO CHARGE
Bev Worked on review.	3.00 65.00/hr	195.00
8/30/94 Deb Send out confirmation account letters.	0.30 19.50/hr	NO CHARGE
Bev Work on review and did confirmations.	3.00 65.00/hr	NO CHARGE
9/2/94 Bev Make final adjustments for review.	0.50 65.00/hr	NO CHARGE
9/8/94 Deb Pull infor off of disks and print for committee.	0.40 19.50/hr	NO CHARGE

	<u>Hrs/Rate</u>	<u>Amount</u>
9/9/94 Bev Review and finish notes on financial statement and letters.	2.80 65.00/hr	NO CHARGE
For professional services rendered	11.30	\$260.00
9/19/94 Payment - thank you		(\$310.50)
Balance due		<u>\$260.00</u>

Amount

Total costs

\$37.42

Total amount of this bill

\$412.42

Previous balance

\$1,000.00

10/13/94-Payment - thank you

(\$1,000.00)

Balance due

\$412.42

Upper Gunnison River Water Conservancy District

M E M O R A N D U M

TO: Board Members,
Upper Gunnison River Water Conservancy District

FROM: Tyler Martineau

DATE: November 3, 1994

SUBJECT: Agenda Item 9, November 14, 1994, Board Meeting --
Continuation of Proposed 1995 Budget.

Attached is the proposed budget for 1995 for the Upper Gunnison River Water Conservancy District as revised following board discussion at the October 10, 1994 board meeting.

The following should be noted:

- 1) Page one and two of the budget remain unchanged from the proposed budget presented at the October 10, 1994 meeting.
- 2) The budget message has been revised as requested.

At the November 14, 1994 board meeting I recommend that the board:

- 1) Provide direction concerning any desired revisions to the proposed 1995 budget, and budget message.
- 2) Authorize staff to make preparations for adoption of the budget at the December 5, 1994 board meeting.

Ralph E. Clark III

519 East Georgia Ave.
Gunnison, Colorado 81230
303-641-2907

19 Nov 94
November 7, 1994

Mr. Lee Spann
Board Member for Gunnison County
Colorado River Water Conservation District
36781 West U.S. Highway 50
Gunnison, Colorado 81230

Dear Lee:

I am writing to you in your appointed position as my county's Board Member of the Colorado River Water Conservation District to which I pay property taxes. I wish to say that I most strongly object to the District's charging \$27.50 plus postage for a copy of its proposed line item budget for 1995. I was made aware of this fee charged for the District's proposed budget in an article clipped from The Daily Sentinel for October 10th. Today I called the District's office in Glenwood Springs for confirmation of this practice which was indeed confirmed.

To charge \$27.50 plus postage for 46 pages is unconscionable in terms of providing the public with appropriate access to public information. The practice is certainly ill-advised in terms of gaining taxpayer goodwill and support for the District in the event of a future election under the provisions of Amendment 1 (1992). It is incongruous with a total budget of \$2.4 million for the District.

Few may actually ever request a copy of a proposed budget from the District. However, among those who do and are charged, the goodwill engendered by programs such as the Water Seminar '94 may be quickly lost. The cost of distributing the District's budgets for public review and providing copies upon request is a small part of providing public information throughout the district.

As you are aware, I did have an opportunity to review and comment on the District's proposed budget. My copy of the budget was obtained through the office of the Gunnison County Commissioners. I only became aware of the opportunity to review the District's budget by chance on the day before the budget was to be adopted by the District's Board. The Gunnison County Commissioners, the Mesa County Water Association, High Country Citizens Alliance, myself, and I am sure others remarked on the inadequate time allowed

for review and comment. The newspaper article noted that this was the first time the District had made its budget available to the public. That in itself is surprising and worrisome.

The District's budget does not, I believe, have to be certified to the various county commissioners before the beginning of December. The proposed budget provides for 20 meeting days each year per director (sometimes meeting days are consecutive) and I presume this to have been the practice in the past. Given this number of meeting days, surely a schedule for budget adoption could be arranged with adequate time allowed for public review and considered comment.

As a member of the Upper Gunnison River Water Conservancy District Board, I wish to make you aware that I intend to raise this matter at the November 14th meeting. I expect to make a motion to the effect that the Upper Gunnison Board recommends to the River District Board that its charge of \$27.50 for a copy of its budget be rescinded and refunds of cost and any postage be issued to all who purchased copies. I also intend to include in my motion that the River District be asked in the future to provide adequate notice of the availability of its budgets, to distribute them to public places such as county libraries and to the public at no charge, and to provide appropriate time for considered review and comment.

Respectfully:



Ralph E. Clark III

cs. Gunnison County Commissioners
Colorado River Conservation District
← Upper Gunnison River Water Conservancy District
The Daily Sentinel, Grand Junction

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

SCHEDULED BOARD MEETING MINUTES

November 14, 1994

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a scheduled meeting on November 14, 1994 at 2:00 p.m. in the Gunnison County Community Building at the County Fairgrounds, Gunnison, Colorado.

Board members present were: Ralph E. Clark, III, Carol Drake, Susan Lohr, Diane Lothamer, Ramon Reed, Mark Schumacher, Peter Smith, Lee Spann, Dennis Steckel, and Doyle Templeton. Board member not present was William S. Trampe.

Others present were:

John McClow, Board Attorney
Tyler Martineau, Manager
Jill Steele, Secretary
Laura Anderson, Crested Butte Chronicle & Pilot Reporter
Richard Harris, U.S. National Park Service
Lucy High
Greg Peterson
John Scott, U.S.D.A. Soil Conservation Service
Gary Sprung, High Country Citizens' Alliance
Mary Vader, Gunnison Country Times Reporter

1. CALL TO ORDER

Board Vice-President Peter Smith called the meeting to order at 2:07 p.m.

2. APPROVAL OF OCTOBER 10, 1994 MEETING MINUTES

Diane Lothamer noted a typographical error on page 4, item 8, saying that December 3, 1995 should be December 31, 1995.

Ramon Reed moved and Susan Lohr seconded that the minutes be approved as corrected. The motion passed.

The board discussed the summary for the October 10, 1994 work session. John McClow noted that the work session summary was in error in showing him present at the work session. No other corrections were made.

3. CONSIDERATION OF OPERATIONAL EXPENSES PAID

Susan Lohr moved and Ralph Clark seconded that the Operational Expenses Paid be approved. The motion passed.

4. CONSIDERATION OF OTHER EXPENSES PAID

Ramon Reed requested that mileage reimbursement be added to his meeting attendance fee for October.

Diane Lothamer calculated that 58 miles at \$.25 per mile = \$14.50, thereby bringing his fee to \$39.50, the board of directors' attendance and mileage to \$334.50, and the total of other expenses payable to \$1,048.92.

Dennis Steckel moved and Ramon Reed seconded that Other Expenses Payable be approved. The motion passed.

5. MONTHLY BUDGET REPORT

There were no corrections to the monthly budget report.

6. PROPOSED DRAFTS OF CONTRACTS FOR LEGAL SERVICES, BOOKKEEPING, AND MANAGER FOR 1995

It was noted that the board would consider adoption of the agreements at the December 5, 1994 meeting. No further revisions of the contracts were requested by the board.

7. ADDITIONAL 1995 BUDGET REQUESTS

7.a. REQUEST FOR FUNDING FOR SNOW SURVEYS AND STREAMFLOW FORECASTS - JOHN SCOTT, U.S.D.A. SOIL CONSERVATION SERVICE



John Scott handed out the booklet Snow Surveys and Water Supply Forecasting. He said that Kebler Pass could be a possible future site of a Snotel. He said that the Soil Conservation Service had no money to pay for the installation, nor does the North Fork Water Conservancy District have money to split the cost with the district. He said the cost to the district would be \$15,000.00 for the installation. The Service would do the installation and yearly maintenance at its cost.

Mr. Scott also mentioned that below Cochetopa pass was another possible site.

Mr. Scott explained that a stream gage provides a collection base for long-term streamflow data. The data from the gage plus data from a nearby Snotel site is then used to generate streamflow forecasts for that point. All that is needed for the Soil Conservation Service to prepare a streamflow forecast for a gaging site is a letter of request and there is no cost.

There was discussion as to whether the San Luis Valley water users or the Colorado River Water Conservation District could be potential cost sharers, and that the Town of Crested Butte is interested in more accurate readings and therefore could be a potential cost sharer for a Kebler Pass installation.

Lee Spann said that he had a problem with spending \$15,000.00 for a Snotel station when there is one only 4 miles away on Keystone Pass.

John Scott said that it is beneficial to have a station which will serve each side of a watershed divide.

Susan Lohr suggested looking for additional cooperators and considering the matter for a future budget.

7.b. BUDGET FOR LEGAL OPINION CONCERNING 60,000 ACRE-FOOT SUBORDINATION

The manager said that the board needs to develop a position on the 60,000 acre-foot subordination since currently there is no position that can be expressed to agencies who are looking to the district for an opinion.

The possibility of a second opinion being sought regarding the 60,000 acre-foot subordination was discussed.

John McClow said that Bratton & McClow had not given the board a first opinion on the matter.

Tyler Martineau noted that the expense for a first opinion was not included in the 1995 budget estimate given by Bratton & McClow.

Susan Lohr asked how much the first and second opinions might cost.

The manager replied that the second opinion meant starting over with research of materials and might be in the area of 100 hours of attorney time.

John McClow clarified that the 60,000 acre-foot subordination and downstream call protection are not the same and that the board needs to be specific as to which issue they are seeking an opinion.

Dennis Steckel said that the Bureau of Reclamation is not living up to its "promises" made when the Aspinall Unit was installed of not impeding historic uses and that the board needs to address that issue now or let it go.

John McClow said that if an opinion concerning protection from downstream calls is obtained and the answer is undesirable, the district could lose all the benefit it has so far obtained from its negotiation with the other agencies.

Lee Spann said that the board should not seek a first or second opinion now.

It was agreed by the board that a time should be set up in January to discuss the 60,000 acre feet of subordination once the Bureau has made a decision concerning protection of historic uses. It was noted that everybody has to have the same understanding as to what the 60,000 acre-foot subordination means and then decide how to deal with it.

John McClow said that he would distribute copies of the packet of information he has assembled on the subject to the board confidentially before the January 9, 1995 meeting at no charge.

Susan Lohr said that it sounded like a good idea for the January work session. She also said that putting a line item in the budget for an opinion concerning the 60,000 acre-foot subordination sends the wrong message in a public document. Other members of the board agreed.

There was discussion of John Hill's ability to be involved in the opinion due to his 1984 involvement in the same issue. John McClow saw no reason he could not participate and it was decided to have the first discussion with John McClow and Dick Bratton and then with John Hill later.

✓ The manager talked about the 60,000 acre-foot subordination. He said that the subordination means that the United States won't use its 1957 Aspinall rights to call out up to 60,000 acre-feet of depletions by juniors to the Aspinall Unit. He said that today there are not more than 500 acre-feet of diversions by juniors to the reservoir. The state engineer has said that he won't administer the subordination selectively, contrary to older documents that say that the 60,000 acre-foot applies to in-basin use only. He said that insisting on the 60,000 acre-foot subordination could be opening the door to Arapahoe county and that language in the Black Canyon legislation could formalize the 60,000 acre-foot subordination. He said that the board needs to spend time to come up with creative ways to protect local interests while not letting Arapahoe County in and that money for legal expenses needs to be budgeted for that purpose.

Mark Schumacher suggested that the manager work with the attorneys to come up with pros and cons to be presented to the board rather than having the board go around and around with the issue.

The board agreed to have a discussion of the 60,000 acre-foot subordination with the attorneys at the work session in January.

7.c. OTHER REQUESTS

There was discussion regarding paying the voluntary increase of 15% in the 1995 Colorado Water Congress dues. The board consensus was to not pay the increase, and to change the line item amount to \$500.00 instead of \$600.00.

Susan Lohr recommended adjusting the administrative salary to keep pace with cost of living.

8. PUBLIC HEARING: PROPOSED 1995 BUDGET OF THE UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

Laura Anderson objected to the restructuring of the legal expenses line item, saying that it looks like it has been cut in half because of being spread out into various line items.

Susan Lohr explained that the breakdown was an attempt at improving clarity and to indicate that the board is involved in augmentation.

Changing the name of the legal expenses line item to the general legal expenses or other legal expenses line item was discussed.

Lucy High suggested that work on the newsletter be continued and said that she would be willing to put it together if the board would help pay for the printing.

Gary Sprung said he liked the budget.

9. CONTINUATION OF PROPOSED 1995 BUDGET

Diane Lothamer asked about the Compensated Absences budget line item, noting that 1993 had an amount, and that 1994 and 1995 both had zero amounts.

The manager said that compensated absences was estimated to be zero in 1994 and 1995 and that he would add a line to the budget message.

Ramon Reed said that compensated absences should show up as a reserve and be carried over if it is a one-time amount.

Tyler Martineau said that compensated absences goes into designated funds.

Ramon Reed moved and Diane Lothamer seconded that the Colorado Water Congress membership line item be changed from \$600.00 to \$500.00 and that the Water Protection and Reserves Development amount be increased by \$100.00. The motion

carried.

Susan Lohr moved and Mark Schumacher seconded to increase the administrative salary by 4%.

Diane Lothamer said she had a philosophical objection to increasing a salary along with inflation, especially since it is unknown to the board what a water manager's salary typically is.

Susan Lohr said she had a philosophical objection to allowing a salary to be eroded by not keeping pace with cost of living.

The board was polled on the motion.

	<u>In favor</u>	<u>Opposed</u>
Butch Clark		x
Ramon Reed		x
Diane Lothamer		x
Mark Schumacher	x	
Peter Smith	x	
Susan Lohr	x	
Lee Spann		x
Doyle Templeton	x	
Carol Drake		x
Dennis Steckel		x

The motion failed 6 to 4.

10. LEGAL MATTERS

John McClow discussed the FERC preliminary permit application by Arapahoe County and the Town of Parker for the Upper Gunnison River Basin/Union Park Project. He said he had spoken with Sunny Maynard regarding her draft of a letter to Arapahoe County and Parker a copy of which was provided to the board in his November 10, 1994 memorandum. Mr. McClow provided an opinion that the letter should not come from attorneys, but rather from the clients; that the tone of the letter was too confrontational and aggressive; and that we should request cooperation, not threaten with litigation.

He asked if the Board wanted to become involved with the letter and if so, how?

Mr. McClow also presented information concerning a proposed appeal in the 10th Circuit Court of Appeals of FERC's recent denial of High Country Citizens Alliance, the district's,

and others' petition for rehearing on the preliminary permit for the Upper Gunnison River Basin Project. Mr. McClow recommended not appealing to the 10th Circuit Court because it would be costly and probably not winnable. He stated that the FERC preliminary permit does not authorize anything and merely means that Arapahoe and Parker are first in line of all those applying for permits at the same location. Mr. McClow stated that December 2, 1994 is the deadline for filing a notice of appeal of FERC's decision.

Mr. McClow also discussed whether a second case should be undertaken in state court seeking an injunction against Arapahoe and Parker forcing them to withdraw. Diane Lothamer asked how much time would be required to pursue a case in State Court. John McClow said four or five hours would be required for an appraisal of the feasibility of such a lawsuit.

Butch Clark stated that he is the named representative of Gunnison Basin POWER which is an intervenor in the FERC proceedings. He stated that he would continue to participate in the UGRWCD board discussion of the matter.

Ramon Reed said he supported pursuing the lawsuit in state court and noted that Arapahoe and Parker are causing the district to spend lots of money in legal fees. He said he thinks the district's legal dollars would be better spent elsewhere than the 10th Circuit Court.

John McClow said that a preliminary permit application is a very small step and that a license application would be more worthy of opposition.

It was asked whether the district would lose the opportunity to raise the issue of FERC's jurisdiction over Taylor Park Reservoir if it did not pursue the appeal in the 10th Circuit Court at this time.

John McClow said no. He said that the first issue that would arise in any subsequent case or appeal would be FERC's jurisdiction and that the district had raised that same issue three years earlier. He said also that the current appearance of a split jurisdiction between FERC and the Bureau of Reclamation might be to the district's advantage.

Susan Lohr moved and Ramon Reed seconded that the district sign as a client an amended letter to be addressed to Arapahoe County and the Town of Parker, that Bratton & McClow investigate pursuing a case against Arapahoe County and the Town of Parker in state court, and that the District not become a party in an appeal to the 10th Circuit Court of FERC's order denying a rehearing on the preliminary permit for the Upper Gunnison River Basin Project.

The motion carried with Butch Clark abstaining.

11. BLACK CANYON LEGISLATION

The manager referred the board to his update given during the work session. He discussed the language changes to the Black Canyon bill recommended by the staffs of the Colorado Water Conservation Board and the Colorado Attorney General's office.

12. ENDANGERED SPECIES CONTRACT

The manager gave a brief update on the endangered species contract negotiations.

13. ENDANGERED FISH FLOW AND COMPACT WATER DEVELOPMENT WORKGROUP

The manager referred the board to his memorandum November 4, 1994. He stated that the question faced by the Colorado Water Conservation Board is to decide how much water is needed for future development of Colorado's compact entitlement and then to allot the rest for the endangered fish.

The manager said that there is to be a permanent water right and a modifiable water right, and that the U.S. Fish and Wildlife Service want to see the permanent right as large as possible, and that the East Slope interests want to see the modifiable right be as large as possible. He said the modifiable right will probably be larger than the district would like. The consensus of the board was to include the development allowance concept on a future agenda with the understanding that a work session would be needed before a public hearing could take place because the matter will be very controversial.

14. MISCELLANEOUS MATTERS

Butch Clark moved and Ramon Reed seconded that the Colorado River Water Conservation District be asked in the future to provide adequate notice of the availability of its budgets, to refund and rescind its charge of \$27.50 for copies of its budget, to provide additional time for the public's review of the budget, and to distribute copies of the budget to county libraries.

Lee Spann said that there had been lengthy discussion at the River District regarding the distribution policy for the budget and that it was felt in the past that people who really wanted to view the budget could go to the River District office and County Commissioners' Offices and do so. He agreed with Butch Clark that there should be no charge for members of the public to receive copies of the budget and requested time to work on the issue.

Butch Clark moved and Ramon Reed seconded that the motion be tabled for six months. The motion passed.

15. UNSCHEDULED CITIZENS

Rick Harris from the U.S. National Park Service said that there is a public hearing regarding replacement power from the Glen Canyon dam in Denver on Friday, November 18, 1994 at 1:30 p.m..

Tyler Martineau asked Gary Sprung to update the board on High Country Citizens' Alliance's position on Senator Campbell's Black Canyon legislation. Gary Sprung said that he is not sure that agreement can be reached on the Wild and Scenic River designation. He said the Wild and Scenic designation opens a can of worms because it affects both upstream and downstream development. He said that it may be premature to consider the bill further until the Black Canyon contract and quantification of the reserved water right in the Black Canyon is completed. He said that Senator Campbell will support Gunnison Basin interests if those interests can come together. He said that an important question is if the needs of Wild and Scenic designation are the same as the needs of the Black Canyon. He said that the river's protection is intended to benefit the Gunnison Basin area, that the area would like to see call protection, and that work needs to continue on the bill.

Susan Lohr said that there will be a meeting of the Rangelands Ecosystems Awareness Program in the Montrose-Delta Vo-Tech center on December 7, 1994 from 8:00 a.m. to 4:00 p.m.

16. FUTURE MEETINGS

The next meeting was scheduled for Monday, December 5, 1994, at 2:00 p.m., with a work session immediately before it at 1:00 p.m.

17. ADJOURNMENT

Peter Smith adjourned the November 14, 1994 meeting at 5:10 p.m.

UGRWCD BUDGET SUMMARY-1994

REVENUE	OCTOBER	YEAR TO DATE AS OF 10/31/94	1994 BUDGET	% Received or Expended
General Property Tax-all counties	\$4,004.85	\$204,323.01	\$210,778.00	96.94%
General Property Tax-prior tax	\$67.56	\$97.36	\$0.00	
Specific Ownership	\$3,577.68	\$15,406.57	\$15,750.00	97.62%
Interest & Penalties-tax	\$202.31	\$906.68	\$0.00	
Interest on Investments	\$1,715.50	\$6,491.18	\$5,000.00	129.82%
Miscellaneous		\$75.00	\$0.00	
Total Revenue	\$9,567.90	\$227,299.80	\$231,528.00	98.17%
EXPENSES				
Administrative Salary	\$3,958.33	\$38,469.73	\$47,500.00	80.99%
Secretary Salary	\$480.00	\$6,182.85	\$14,000.00	44.16%
Board Treasurer Salary	\$345.00	\$2,868.75	\$4,000.00	71.72%
Payroll Taxes & Benefits	\$378.16	\$5,072.65	\$8,500.00	59.68%
Staff Conference & Training			\$500.00	0.00%
Legal Expenses	\$1,000.00	\$58,209.52	\$70,000.00	83.16%
Audit and Accounting	\$250.00	\$1,421.60	\$1,200.00	118.47%
Engineering Services			\$10,000.00	0.00%
Rent & Utilities		\$1,500.00	\$1,500.00	100.00%
Stream Gages O&M		\$943.66	\$12,800.00	7.37%
Stream Gages Construction			\$4,000.00	0.00%
Bonding		\$150.00	\$200.00	75.00%
Insurance/Premises		\$250.00	\$300.00	83.33%
Office Telephone	\$143.74	\$1,291.81	\$2,500.00	51.67%
Legal Printing	\$103.60	\$1,202.60	\$1,400.00	85.90%
Administrative Travel	\$326.77	\$1,635.73	\$3,000.00	54.52%
Board of Directors Travel			\$500.00	0.00%
Office Supplies	\$23.54	\$565.90	\$1,500.00	37.73%
Postage	\$46.00	\$741.00	\$1,200.00	61.75%
Copying	\$105.00	\$577.25	\$1,200.00	48.10%
Publications Acquisition		\$73.00	\$500.00	14.60%
Office Equipment			\$1,000.00	0.00%
Board of Directors Fees	\$450.00	\$4,000.00	\$5,000.00	80.00%
Board of Directors Mileage	\$76.50	\$1,227.00	\$1,400.00	87.64%
Uncompahgre Water Users		\$3,000.00	\$3,000.00	100.00%
Taylor Park Water Management			\$10,000.00	0.00%
CWC Membership		\$400.00	\$500.00	80.00%
WSC Water Workshop		\$1,200.00	\$1,200.00	100.00%
Water Resources Study		\$284.60	\$0.00	
Promotion & Guest Expense		\$1,250.75	\$1,700.00	73.57%
Country Treasurer's Fees	\$136.85	\$6,556.03	\$7,000.00	93.66%
Subtotals	\$7,833.49	\$139,074.45	\$217,100.00	64.06%
Contingency			\$10,000.00	0.00%
Emergency Reserves			\$2,500.00	0.00%
Water Resource Protection & Development Reserves			\$1,926.00	0.00%
TOTALS	\$7,833.49	\$139,074.45	\$231,528.00	60.07%

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

SCHEDULED BOARD MEETING MINUTES

December 5, 1994

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a scheduled meeting on December 5, 1994 at 2:00 p.m. in the Gunnison County Community Building at the County Fairgrounds, Gunnison, Colorado.

Board members present were: Ralph E. Clark, III, Carol Drake, Susan Lohr, Diane Lothamer, Ramon Reed, Mark Schumacher, Lee Spann, Dennis Steckel, Doyle Templeton, and William S. Trampe. Board member not present was Peter Smith.

Others present were:

Laura Anderson, Crested Butte Chronicle & Pilot Reporter
Claire Ayraud, Board Bookkeeper
L. Richard Bratton, Board Attorney
Steve Glazer, High Country Citizens' Alliance
John McClow, Board Attorney
Tyler Martineau, Manager
Jill Steele, Secretary
Mary Vader, Gunnison Country Times Reporter

1. CALL TO ORDER

Board President William S. Trampe called the meeting to order at 2:12 p.m. He expressed thanks to Vice-president Peter Smith for chairing the November 14 meeting.

2. APPROVAL OF NOVEMBER 14, 1994 MEETING MINUTES

Diane Lothamer moved and Ramon Reed seconded that the minutes be approved.

Lee Spann pointed out that on page three, paragraph three, Keystone Pass should read Keystone Mine.

Bill Trampe said that on page five, item nine, paragraph three, the words it and if were transposed.

Butch Clark questioned if the figure of \$15,000.00 on page two, item 7a for purchase and installation of a new SNOTEL station would be entirely charged to the district or if there was cost-sharing. It was confirmed that there was no cost-sharing currently committed, that \$15,000.00 would be the total cost of installation, and that the U.S.D.A. Soil Conservation Service would operate and maintain the facility at no cost to the district.

The motion carried, as corrected.

There was discussion of the November 14, 1994 work session summary. Butch Clark said that on page two, paragraph one, the full Wild and Scenic designation did not make for mutually exclusive positions for the environmentalists' and water users' interests.

3. CONSIDERATION OF OPERATIONAL EXPENSES PAID

Butch Clark moved and Dennis Steckel seconded that Operational Expenses paid be approved. The motion carried.

4. CONSIDERATION OF OTHER EXPENSES PAYABLE

The manager called attention to the invoice from The Computer Store for \$1,630.00 stating that the printer was purchased with money from the 1993 budget, that the printer was ordered in 1993 but delivered in 1994, and that the bill dated 1991 would be replaced with one dated correctly.

He also called the board's attention to the U.S. Geological Survey invoice for \$11,862.50 for Stream Gages O&M, saying that that amount was in the budget and that the district had entered into an agreement with the United States last year to pay that amount.

Susan Lohr moved and Carol Drake seconded that the Other Expenses Payable be approved. The motion carried.

5. MONTHLY BUDGET REPORT

Claire Ayraud handed out a summary of a proposed conversion to a modified accrual reporting system for the monthly budget reports. She said this new system would give the board a more accurate picture of financial information, although the board would receive the monthly budget summary one month later than it is now received.

Diane Lothamer moved and Lee Spann seconded to adopt the Proposal to Convert to Modified Accrual Accounting for the monthly budget report. The motion carried.

In further budget discussion, Butch Clark said that Compensated Absences should be reflected separately and held in a separate bank account and not held in the other restricted bank accounts. Diane Lothamer said she hesitated to set up another bank account since the district has so many already. She said that Compensated Absences could be footnoted on the budget report. The manager said it would be difficult to show the balance for Compensated Absences on a monthly basis but that he could place a breakout of funds accumulated for Compensated Absences in the annual budget next year. The consensus of the board was to accept an annual report on Compensated Absences.

6. PUBLIC HEARING: PROPOSED TRANSFER OF FUNDS BETWEEN LINE ITEMS IN THE 1994 BUDGET, INCLUDING THE TRANSFER OF FUNDS TO THE WATER RESOURCE PROTECTION AND DEVELOPMENT RESERVE

The manager said that three line items where expenses would exceed the amount budgeted for 1994 were in the Audit and Accounting line item, which would be less than \$500.00 over budget; the Board of Directors' Mileage line item, which would be less than \$100.00 over budget; and the Legal Printing line item, which would also be less than \$100.00 over budget.

There were no comments from the public concerning the proposed transfer of funds.

7. CONSIDERATION OF RESOLUTION AUTHORIZING LINE ITEM TRANSFERS IN THE 1994 BUDGET

It was noted that a second draft of the resolution had been circulated to the board which was the one proposed for adoption.

Ramon Reed moved and Butch Clark seconded adoption of Resolution 94-13 draft 2. The motion carried.

8. CONSIDERATION OF RESOLUTION DESIGNATING INCREASES IN YEAR-END TOTAL FUND BALANCE AS A RESERVE INCREASE

The manager said this resolution was needed so that the district would be in compliance with the requirements of Amendment 1 (TABOR).

Butch Clark moved and Diane Lothamer seconded adoption of Resolution 94-14. The motion carried.

9. CONSIDERATION OF APPROVAL OF CONTRACTS FOR LEGAL SERVICES, BOOKKEEPING, AND MANAGER FOR 1995

Butch Clark moved and Ramon seconded that the chairman be authorized to sign the contracts for legal services, the manager, and the bookkeeper. The motion carried.

10. CONTINUATION OF PROPOSED 1995 BUDGET

There was no discussion.

11. CONSIDERATION OF RESOLUTION TO ADOPT BUDGET FOR 1995

Susan Lohr moved and Ramon Reed seconded to adopt Resolution 94-15, a resolution to adopt the budget for 1995. The motion carried.

12. CONSIDERATION OF RESOLUTION TO SET MILL LEVY

Tyler Martineau said that he had made provisions for a temporary mill levy rate reduction in the draft resolution. He said that the temporary reduction might allow the district to increase its mill levy to the levels of previous years without an election being required, but that until the matter is resolved in the courts there is no guarantee that such an increase could be made.

Ramon Reed moved and Diane Lothamer seconded to adopt Resolution 94-16, a resolution to set mill levy. The motion carried.

13. CONSIDERATION OF RESOLUTION TO APPROPRIATE SUMS OF MONEY

Lee Spann moved and Susan Lohr seconded to adopt Resolution 94-17, a resolution to appropriate sums of money. The motion carried.

The manager pointed out the U.S. Geological Survey stream gaging budget information provided to the board in his November 28, 1994 memo. He said that the information provided was prior to his receiving a new estimate of stream monitoring costs from the Bureau of Reclamation.

14. LEGAL MATTERS

Board Attorney Dick Bratton said there had been some activity in the Dominguez Reservoir case and that Mr. Rinkle's deposition will be taken on December 13 and 14, 1994.

He also reported a little activity in the CWCB's instream water rights case in the Black

Canyon and that a motion and brief had been filed but nothing significant had transpired.

John McClow said that he had received the latest draft letter from Sunny Maynard to be sent to Arapahoe County and the Town of Parker but had not had time to review it yet and would like to postpone discussion of the letter with the board until the January 9, 1995 meeting.

Diane Lothamer asked if December 2, 1994 had not been a deadline for some action in the case. John McClow replied that that date was only significant if the board had decided to file a motion in the 10th Circuit Court of Appeals, and that that had not been done.

Mr. McClow said he had not received any information from Sunny Maynard considering the proposed lawsuit in state court. He said he would look at her proposal, and report back to the board when he receives it.

Butch Clark said that according to his conversation with Sunny, she wanted to get input and consensus from various sources.

Mr. Bratton recommended discussion of the proposed endangered species contract in executive session prior to adjournment of the regular meeting.

There was discussion by the board regarding the Crested Butte Town Council's recent statements concerning water rights and transbasin diversion.

15. BLACK CANYON LEGISLATION

The manager indicated that he had nothing to report, that the various interest groups have been working on it. He asked Steve Glazer if he had any news on the subject.

Steve Glazer said that the language in sections 4b and 8c was still unacceptable to the environmental community and that the High Country Citizens' Alliance was frustrated by the lack of ability to satisfy both the environmentalists and water users. He said that they are withdrawing support for the bill, and that they are asking the Colorado Water Conservation Board to withhold changes in the bill language. He said they would welcome efforts by water users to come up with Wild and Scenic language that would be acceptable, but that they will continue to oppose the language changes currently being considered by the CWCB.

Lee Spann asked why the High Country Citizens' Alliance wants a Wild and Scenic designation when a guaranteed flow exists and a National Park is in place already. Steve Glazer replied that it was an emotional issue, but that environmental groups were looking at whether they did, in fact, need a full Wild and Scenic River designation on the Gunnison at this time. He said the national environmental groups are wary of bringing up legislation in the new congress. Butch Clark added that the Wild and Scenic designation involves the protection of land uses as well as water flow.

16. ENDANGERED SPECIES CONTRACT

Tyler Martineau called attention to his November 28, 1994 memorandum to the board and said he believed the Bureau of Reclamation's reason for postponing the November 30, 1994 negotiating session was due to the Solicitor's workload and that the board could probably not expect any report until the February 13, 1995 board meeting. He said he did not foresee any downstream senior calls coming upstream in 1995 given the delays.

17. ENDANGERED FISH FLOW AND COMPACT WATER DEVELOPMENT WORKGROUP

Ramon Reed suggested that the Colorado Water Conservation Board and possibly the U.S. Fish & Wildlife service should consider providing funding so that each basin including the Gunnison basin could examine for itself how much water should be set aside for future water development.

Butch Clark suggested that perhaps the Colorado River decision making model could provide some information.

18. MISCELLANEOUS MATTERS

Tyler Martineau discussed his November 28, 1994 memorandum to the board on the East River Water Quality Monitoring and the December 8, 1994 meeting in Crested Butte to solicit input for the plan. He said that funding is the biggest concern and that the program will be more costly than originally thought in September. Based on the money the district has budgeted for this program, enough money is available to carry out the partial year monitoring program in 1995, but more money would need to be budgeted to carry out a full-year program in 1996.

The reasoning for selecting different possible sites was discussed. Lee Spann expressed concern with the four sites located above Crested Butte and that there were no sites located immediately below each of the wastewater treatment plants. Tyler Martineau said that the reason for the sites above Crested Butte is that the effect of mine drainage was being looked for on Oh-be-joyful Creek and between Oh-be-joyful Creek and Crested Butte in the Peanut Lake area. He said that the site on the Upper Slate River (Site number one) existed because a baseline site was needed.

Susan Lohr expressed concern that there was no site above the Brush Creek inflow and said that the level of monitoring was not the same for the East River as for the Slate River. She suggested placement of a site between Gothic and the water pumping station for Mt. Crested Butte since there is potential for development in the area. She also suggested a site above

Brush Creek to monitor ski area impact.

The manager reported that so far, the Town of Crested Butte will contribute \$1,000.00 and that the Colorado River Water Conservation District has budgeted one-half of the local cost share. He said that Mt. Crested Butte Water and Sanitation district are considering funding but have not given a decision yet, the East River Sanitation District said they could not assist in funding, and Gunnison County is interested but still to be heard from.

Bill Trampe said that if there is no support, the district has two options: To not carry out the project, or to enlarge the program to monitor water quality all over the basin.

Susan Lohr said that she would like to see the monitoring plan include the entire upper Gunnison basin, that downstream entities should participate, and that there should be more cost sharing by other entities.

Tyler Martineau said that the City of Gunnison has shown a great deal of interest in participating.

The board discussed approaching private entities for funding. The manager said that so far, the Crested Butte Mountain Resort is the only one that has been solicited.

Butch Clark pointed out that many entities had already set their budgets for 1995, and that more support might be obtained for 1996.

19. UNSCHEDULED CITIZENS

Steve Glazer encouraged the board to inform the State of Colorado of its desire for the state not to take a position on subordination since the state might do so in its duty to represent the whole state.

20. FUTURE MEETINGS

The president set the date and time of the next regular meeting on Monday, January 9, 1995 at 2:00 p.m. with the work session immediately before at 1:00 p.m.

The board agreed that Dick Bratton and John McClow would attend the work session to provide background information on the 60,000 acre-foot subordination for the board.

ADDED AGENDA ITEM - EXECUTIVE SESSION

Diane Lothamer moved and Dennis Steckel seconded that the board recess into executive

session to receive legal advice concerning the negotiations for the endangered species contract. The motion carried.

Board President Bill Trampe re-convened the regular meeting at 4:38 p.m.

Susan Lohr made a motion to authorize legal staff to participate in negotiations leading to the endangered species contract. Butch Clark seconded the motion.

Susan Lohr restated her motion so as to authorize legal staff to provide background information for negotiations for the endangered species contract. Butch Clark accepted the restatement of the motion.

The restated motion carried.

21. ADJOURNMENT

Board President Bill Trampe adjourned the December 5, 1994 meeting at 4:47 p.m.

Respectfully submitted,

Mark Schumacher, Secretary

APPROVED:

William S. Trampe, President

UPPER GUNNISON RIVER WATER CONSERVANCY DISTRICT

WORK SESSION SUMMARY

December 5, 1994

The Board of Directors of the Upper Gunnison River Water Conservancy District conducted a work session on December 5, 1994 at 1:00 p.m. in the Gunnison County Community Building at the County Fairgrounds, Gunnison, Colorado.

Board members present were: Ralph E. Clark, III, Carol Drake, Susan Lohr, Diane Lothamer, Ramon Reed, Mark Schumacher, Lee Spann, Dennis Steckel, Doyle Templeton, and William S. Trampe. Board member not present was Peter Smith.

Others present were:

Laura Anderson, Crested Butte Chronicle & Pilot Reporter
Tyler Martineau, Manager
Jill Steele, Secretary
Mary Vader, Gunnison Country Times Reporter

Board President William Trampe called the work session to order at approximately 1:10 p.m.

DISCUSSION OF ENDANGERED FISH FLOWS AND FUTURE COMPACT WATER DEVELOPMENT IN THE GUNNISON BASIN

The manager discussed and summarized the table, "Compact Development Options in the Gunnison River Basin," presented in his November 30, 1994 memorandum to the board. He pointed out that as much as 8.06 million acre-feet was being considered by the Colorado Water Conservation Board (CWCB) for appropriation under permanent instream flow water rights in the major tributaries of the Colorado River in order to recover endangered fish. He stated that when the CWCB proceeds with the appropriation of the instream rights it will not want to injure the State of Colorado's ability to develop all of the water that it is entitled to under the Colorado River Compact. He stated that the amount available for new development in Colorado under the compact is about 579,000 acre-feet.

The CWCB looked at two approaches to allocating Colorado's remaining compact entitlement between the major tributaries and basins of the Colorado River: Option one would be to allocate water on the basis of basin flow, i.e., since the Gunnison River basin delivers 22% of the total Colorado River flow, it would get 22% of the remaining compact water available. This approach would not be likely to work because the result would be no water for future development in the Colorado mainstem.

Option two would be to take the remaining 579,000 acre-feet of apportionment and allocate it based on existing water rights, based on seniority. However, this method of allocation would only satisfy existing conditional water rights up through July 30, 1949. Also, the majority of senior conditional rights are on the Colorado mainstem where there is physically very little water.

The CWCB is now working on a third approach to allocating the remaining compact entitlement. In this approach, a committee representing interested parties from around the state (the Compact Water Development Workgroup) has been established to make an estimate of the future water needs of each basin contributing to the Colorado River. The CWCB would allocate portions of the remaining compact entitlement to each basin based upon the projection of these needs.

The manager said that the State has to decide how much water to appropriate for modifiable water rights and how much for permanent water rights, and that existing water uses are not supposed to be affected. Colorado's remaining compact entitlement will be protected under the modifiable rights. As future development occurs the modifiable right will be decreased so that new upstream uses can take place.

The method of determining each area's needs for a portion of the remaining compact entitlement was discussed, with Susan Lohr saying that local needs are supposed to be determined by talking to area residents but that it is unknown how a final decision by the CWCB as to the allocation will be made from that.

The manager said that depending on how much of Colorado's remaining compact entitlement is allocated to the Gunnison basin, the delivery of water required in the Gunnison River at Grand Junction would range between 1.3 and 1.9 million acre-feet per year.

Butch Clark said that the downturn in the annual amount of natural water flow in the Colorado River should be considered when allocating water.

Ramon Reed said that the CWCB and U.S. Fish and Wildlife Service should provide a grant to the basin so that people within the basin can assess future local needs.

The manager said that he would provide an update to the Board on the CWCB process following the December 6, 1994 meeting of the state's compact water development workgroup.

The work session was adjourned by President Trampe at 2:00 p.m.

Upper Gunnison River Water Conservancy District

BOARD OF DIRECTORS

Monday, December 5, 1994

Gunnison County Community Building - County Fairgrounds
Gunnison, Colorado

A G E N D A

WORK SESSION

1:00 p.m. Discussion of Endangered Fish Flows and Future Compact Water Development in the Gunnison Basin

REGULARLY SCHEDULED MEETING

- 2:00 p.m. 1. Call to Order
- 2:10 p.m. 2. Approval of November 14, 1994 Meeting Minutes
- 2:15 p.m. 3. Consideration of Operational Expenses Paid
- 2:20 p.m. 4. Consideration of Other Expenses Payable
- 2:25 p.m. 5. Monthly Budget Report
- 2:30 p.m. 6. Public Hearing:
Proposed Transfer of Funds between Line Items in the 1994 Budget, including the Transfer of Funds to the Water Resource Protection and Development Reserve
- 2:40 p.m. 7. Consideration of Resolution Authorizing Line Item Transfers in the 1994 Budget
- 2:45 p.m. 8. Consideration of Resolution Designating Increases in Year-End Total Fund Balance as a Reserve Increase
- 2:50 p.m. 9. Consideration of Approval of Contracts for Legal Services, Bookkeeping, and Manager for 1995
- 2:55 p.m. 10. Continuation of Proposed 1995 Budget
- 3:00 p.m. 11. Consideration of Resolution to Adopt Budget for 1995
- 3:05 p.m. 12. Consideration of Resolution to Set Mill Levy
- 3:10 p.m. 13. Consideration of Resolution to Appropriate Sums of Money.
- 3:15 p.m. 14. Legal Matters
- 3:30 p.m. 15. Black Canyon Legislation
- 3:40 p.m. 16. Endangered Species Contract *void & end file in Data*
- 3:50 p.m. 17. Endangered Fish Flow and Compact Water Development Workgroup
- 4:00 p.m. 18. Miscellaneous Matters
- 4:15 p.m. 19. Unscheduled Citizens
- 4:25 p.m. 20. Future Meetings - *water quality issues*
- 4:30 p.m. 21. Adjournment

Persons with special needs due to a disability are requested to call the district at 641-6065 at least 24 hours prior to the meeting.

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