**Meeting of the**

**Yellow Jacket Water Conservancy District**

**Tuesday, November 26, 2013**

**Rio Blanco County**

**Commissioners’ Meeting Room**

**200 Main Street, Meeker, CO 81641**

Call to Order:

The meeting was called to order at 3:30 p.m.

Roll Call:

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| --- | --- |
| Directors Present:  Ed Coryell, President  Kelly Sheridan  Benjamin Rogers  Walter Proctor | Others Present:  Scott Grosscup, General Counsel |

Appointment of Secretary

Scott Grosscup, General Counsel, was appointed Secretary of the meeting.

Approval of Minutes:

Director Sheridan moved to approve the minutes from the meetings of July 17, 2013 and October 25, 2013, Director Proctor second, all in favor.

Treasurer’s Report-Accounts Payable:

Director Brennan stated that the District had $33,440.82 in its checking account and $5,002.32 in its CD.

Scott informed the board that he is working with Mountain West Insurance on obtaining a new Directors’ and Officers’ insurance policy; that the existing policy terminates at the end of December and he expects to have the new policy in effect by the end of the year.

Director Proctor presented the attached accounting documents that show bills paid and amounts budgeted. He indicated that in order to pay present bills, certain of the funds would need to be re-allocated within the general operating budget. Director Proctor moved to re-program monies from several accounts to the legal account as follows: $2,500 from the Yellow Jacket Study; $3,000 from Engineering; and $1,000 from operating expenses. Director Sheridan second, all in favor.

Director Proctor then moved to allocate miscellaneous income in the amount of $3,283.22 to pay legal fees. Director Sheridan second, all in favor.

Director Proctor moved to pay Balcomb & Green in the amount of $1340 to cover the October and November billing, as well as $375.36 to cover expenses related to publication requirements, Director Brennan second, all in favor.

Director Proctor moved to pay White & Jankowski in the amount of $20,000, director Sheridan second, all in favor.

2014 Budget Hearing:

Director Sheridan moved to open the hearing on the 2014 budget, Director Rogers second, all in favor.

By unanimous consent, Director Proctor’s appointment as Budget Officer was confirmed by the board.

Director Proctor walked the Directors through the proposed budget, attached. In anticipation of ongoing litigation with respect to the District’s water rights, the District has allocated the majority of its operating account to pay for legal services. Director Proctor discussed how the budget does include two separate columns for 2014, one that included revenues from Moffat County and one that did not. The concept being that portion of the District’s boundaries lying within Moffat County no longer have any water rights to serve the constituency. This would result in a reduction of approximately $5,724 from the 2014 Budget.

Director Proctor moved to reduce the mill levy for those properties within Moffat County from 0.209 mills to 0.0 mills. Director Rogers seconded the motion for purposes of discussion. The directors then discussed the pros and cons of eliminating the mill levy for a portion of the District’s boundaries. Questions were raised regarding the ability to raise the mill levy in the future, effects to the overall budget, and potential for re-drawing of District boundaries. After discussion, the motion and second were withdrawn.

Director Sheridan moved to adopt a resolution setting the mill levy at 0.209 mills, attached, Director Rogers second, all I favor.

Director Sheridan moved to adopt the resolution adopting budget as proposed, attached, Director Rogers second, all in favor.

Director Sheridan moved to adopt a resolution appropriating sums of money, attached, Director Rogers second, all in favor.

Director Proctor moved to close the budget hearing, Director Brennan second, all in favor.

Highland Ditch Update:

Scott reported that he had sent an invoice to the Highland Ditch company for $659, which amount represented the amount remaining of the $1421 billed for use of this water right in 2013. The Directors discussed possible alternatives for use of the Highland Ditch water rights.

Attorney’s Report:

Scott stated that he had met with representatives from Shell who are looking at possibly selling their water rights in the White River Basin. Board members generally were interested in seeing whether there are any future opportunities for use of Shell’s water rights within the District’s boundaries.

Scott reported that the Colorado Supreme Court has not yet ruled on the District’s appeal of the case dismissing the Districts conditional water rights. He also indicated that he is in the process of preparing initial disclosures in regards to the complaint filed by Mr. Livingston.

Adjourn:

The meeting adjourned at 4:45 p.m.

Read and approved this \_\_th day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2014

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Attest: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_