

**Minutes from the Meeting of the
Yellow Jacket Water Conservancy District
Thursday, December 6, 2012
Rio Blanco County
Commissioners' Meeting Room
200 Main Street, Meeker, CO 81641**

Call to Order

The meeting was called to order at 5:00 p.m.

Roll Call

Directors Present:

David Smith, Vice-President

Mike Brennan

Kelly Sheridan

Benjamin Rogers

Walter Proctor

Others Present:

Scott Grosscup, General Counsel

Erin Light, Division Engineer

Alden Vandenbrink

Wade Cox

Appointment of Secretary

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

Approval of Minutes

Director Proctor moved to approve the November 19, 2012 minutes as presented. Director Brennan second, all in favor.

Treasurer's Report

Director Brannan stated that after payments from the last meeting were approved, the District had \$8,401.63 in its checking account and \$10,000 in certificates of deposit.

Director Proctor discussed remaining amounts due for services and bills received in 2012. A spreadsheet demonstrating bills received and paid is annexed hereto. The following accounts payable were approved:

- \$4,000 to White and Jankowski for services in 2012 (m/s/c Proctor, Sheridan, all in favor)
- \$1,750 to AMEC, as budgeted in 2012, provided that AMEC gives notice that it wishes to receive payment for services billed in 2011 in light of pending litigation, discussion followed (m/s/c Proctor, Sheridan, all in favor)
- \$4123.82 to Balcomb & Green for legal services and for reimbursement of expenses, filing fees, travel, publication costs (m/s/c Proctor, Rogers, all in favor)

Director Proctor then discussed anticipated end of year expenses and the need to re-allocate funding from previously budgeted items. The Board approved the following re-allocation of moneys:

- \$1490.47 from the Yellow Jacket Study to pay anticipated legal fees (m/s/c Proctor, Sheridan, all in favor)
- \$345 from legal notices to legal fees (m/s/c Proctor, Sheridan, all in favor)
- \$541 from expenses to legal fees (m/s/c Proctor, Brennan, all in favor)

Director Proctor began discussion of cashing in the District's \$10,000 certificate of deposit, which discussion was tabled for later in the meeting.

Director Proctor then moved to authorize payment of generally anticipated bills, including insurance and accounting without need for prior approval by the board, subject to funds being available in the budget category, and that such payments do not exceed the budgeted amounts. Director Sheridan second, all in favor

Hearing on 2013 Budget

Director Smith re-opened the hearing on the 2013 Budget, continued from the November 19, 2012 meeting. Scott Grosscup described some of the changes from the previous budget, including the addition of new text in the budget statement. He then described the three proposed budget resolutions for the Board's consideration. A copy of the budget is attached. No members of the public were present. The Board took the following actions with respect to the Budget:

- Director Proctor moved adoption of the Resolution to Set Mill Levy 2013, reducing the present mill levy from 0.21 mills to 0.209 mills, Director Brennan second, all in favor.
- Director Brennan moved adoption of the Resolution to Adopt Budget as presented, Director Rogers second, all in favor.
- Director Sheridan moved adoption of the Resolution to Appropriate Sums of Money, Director Rogers Second, all in favor.
- Director Brennan moved that Scott Grosscup be authorized to certify the mill levy to the respective counties consistent with the Board's action on the 2013 Budget, director Proctor second, all in favor.

Director Brennan moved to close the hearing on the 2013 Budget, Director Proctor second, all in favor.

New Business – Highland Ditch

Director Proctor presented his findings on the history of the District's leasing of its interest in the Highland Ditch to the White River Highland Ditch Company. A summary of his findings prepared by Director Proctor are attached. Director Proctor indicated that since 2006, there were four years of non-payment, 2006, 2009, 2010 and 2011. Discussion followed regarding the history of the agreement with the Ditch Company and possible plans on moving forward with collecting on the amounts past due.

Scott Grosscup discussed the potential for conflicts of interests related in pursuing past amounts. He indicated that the law firm of Balcomb and Green represented the Highland Ditch Company in the 1990's. Directors Smith and Rogers also are shareholders in the Highland Ditch Company.

Director Proctor moved that District submit a bill to the White River Highland Ditch Company for use of the Fourth Enlargement in the amount of \$3,048 for the years 2006, 2009, 2010 and 2011, Director Brennan second, all in favor. Directors Smith and Rogers recused themselves from voting.

Director Proctor moved that District submit a bill to the White River Highland Ditch Company in the amount of \$762 for use of the Fourth Enlargement in 2012, Director Brennan second, all in favor. Directors Smith and Rogers recused themselves from voting.

Director Proctor moved that District adjust the rental fee for use of the Fourth Enlargement in 2013 to \$1,421, Director Sheridan second, all in favor. Directors Smith and Rogers recused themselves from voting.

Director Proctor requested that the Board review the amount charged for use of the Fourth Enlargement annually as part of the District's budgeting process.

Director Proctor moved that District request a joint meeting with the White River Highland Ditch Company to discuss its continued use of the Fourth Enlargement as soon as practical, Director Sheridan second, all in favor. Directors Smith and Rogers recused themselves from voting.

Director Proctor then indicated that there Ditch Company may be able to help in identifying individual contractees and clarifying the use of the water. Scott Grosscup was directed to contact the attorney for the Town of Meeker to regarding the Town's potential contractual interest in this water right.

Treasurer's Report Budget Discussion

Director Proctor moved to cash in the District's remaining CD and allocate half to the District's general operating account and put the other half into a separate savings account. Director Brennan second, all in favor.

New Business – Removal of Districts 8 and 9

Director Proctor raised the concern that the District does not have any water rights that could be used to the benefit of the constituents in Districts 8 and 9. The water rights located in Moffat County in which Districts 8 and 9 are located were abandoned in Case No. 08CW26. Discussion followed regarding whether the District should tax a property owners without having any water rights to serve this constituency.

Director Proctor moved that the Board direct Secretary/Counsel to begin investigations on the process to have Districts 8 and 9 removed from the District in 2013, Director Brennan second. The motion carried with Director Smith opposed.

Public comment

There were no members of the public present at the meeting.

The meeting adjourned at 5:15 p.m.

Read and approved this 8th day of February, 2013.

Signed: [Signature]

Attest: [Signature]

DATE UPDATED		12/5/12						
AS APPROVED		DEC - NOV TO REFLECT 11/13 MTG ACTIONS AND CHECKS WRITTEN						
EXPENSE CATEGORY	2012 BUDGETED AMNT	PAYEE	AMOUNT BILLED	REDUCED AMOUNT	ADJUSTED BALANCE	PAYMENTS	REMAINING BUDGETED	
ACCOUNTING	\$800.00	Colorado CPA				\$460.00		
	\$260.00						\$460.00	
ADVERTISING	\$260.00	Daily Press						
\$260 budgeted moved to accounting 8/30/12 vote	(\$260.00)							
		RB Herald Times						
							\$0.00	
INSURANCE	\$1,500.00	Mountain West Ins.	\$252.00			\$252.00		
		Philadelphia Ins	\$1,010.00			\$1,010.00		
			\$100.00			\$100.00	\$138.00	
LEGAL NOTICES	\$500.00	RB Herald Times						
		B&G	\$15.36			\$15.36		
		Daily Press B&G	\$89.64			\$89.64		
							\$395.00	
LEGAL FEES/APPEAL	\$10,000.00	White & Jankowski	\$93,080.29	(\$47,080.29)		\$2,500.00		
DEBT RELIEF	\$5,000.00					\$5,500.00		
MOVED AND PAY	\$4,000.00					\$6,000.00		
SCOTT APPROVED			\$4,000.00			\$4,000.00		
							\$0.00	
LEGAL FEES SEC-CO	\$5,000.00	CZB	\$28,042.39	(\$11,042.39)		\$1,000.00		
						\$1,000.00		
						\$3,000.00		
	\$4,000.00	B&G	\$12,988.00	(\$12,988.00)	\$0.00	\$475.00		
		TABOR OCT	\$475.00			\$769.50		
			\$741.50			\$1,188.00		
		TABOR NOV	\$1,188.00			\$810.00		
		NOV MTG	\$810.00			\$1,493.60	(\$712.00)	
			\$1,493.50			\$780.12		
YJ STUDY	\$17,458.09	Applegate	\$780.12		\$0.00	\$780.12		
\$11,000 MOVE TO OTHER NEEDS	(\$11,000.00)							
APPROVED BY BOARD 11/19/12		Project Manager B&G	\$2,644.00		\$0.00	\$2,644.00		
			\$721.50			\$721.50		
			\$702.00			\$702.00		
		P.M. TRAVEL BRT MTG	\$120.00			\$120.00		
						\$0.00	\$1,490.47	
BUDGET REDUCTION	(\$2,541.91)							
ENGINEERING&SURVEY	\$0.00	AMEC	\$2,156.00		\$1,908.00	\$250.00		
MOVED BUT HOLD	\$2,000.00		\$2,808.00		\$2,808.00			
		JSC	\$80.00		\$0.00		\$1,750.00	
EXPENSE PAYMENTS	\$0.00	B&G	\$223.91			\$223.91		
	\$1,000.00	USPS	\$56.00			\$56.00		
		WITHDRAWAL	\$27.05			\$27.05		
		ROUTE COURT B&G	\$10.00			\$10.00		
		B&G NOV	\$67.96			\$67.96		
		OCT COURT FILLINGS	\$24.00			\$24.00	\$591.08	
EXPENSE TOTALS	\$37,778.18		\$154,688.22	(\$71,110.68)	\$52,714.00	\$38,205.54	\$4,112.55	
							REPORT BALANCE	
INCOME	2012 BUDGETED	HELD FOR FUTURE	AVAILABLE	OUTSTANDING				
11/30/11 BALANCE	\$2,263.96		\$2,263.96	\$0.00				
CD	\$5,000.00	\$5,000.00	\$5,000.00	\$0.00		\$6,263.91		
MILL LEVY	\$31,099.00		\$33,582.12	\$2,483.12		\$263.91	W/O CD	
HIGHLAND DITCH	\$782.00			(\$762.00)				
CD INTEREST			\$115.49			\$10,716.37	PER BANK	
MISC			\$497.88			\$10,482.48	DIFFERENCE	
INCOME TOTALS	\$39,124.96	\$5,000.00	\$41,459.45	\$1,721.12				

**YELLOW-JACKET WATER CONSERVANCY DISTRICT
PROPOSED BUDGET FOR 2013
SUBMITTED FOR BOARD REVIEW AND APPROVAL**

The attached proposed budget is prepared for consideration by the Board of Directors of the Yellow Jacket Water Conservancy District ("District"). The primary funding source for the District comes from property tax revenues from Rio Blanco, Moffat, and Garfield Counties. The assessed value of property within the District has increased slightly in 2012. This budget considers a decrease of its mill levy from 0.21 to 0.209 to remain within the statutory 5.5% limit as set forth in §29-1-301, C.R.S. In addition, the District has funds deposited in certificates of deposit, CDs, which generate a relatively small amount of interest based on current economic conditions. This budget considers revenues remaining relatively stable for 2013.

Expenditures of the District, however, have increased considerably over the past several years due primarily to litigation over its portfolio of conditional water rights. These water rights were cancelled by court order in 2011 and an appeal of that decision was filed in 2012. A decision on that appeal is expected in 2013. The District incurred legal fees from outside counsel in 2012 that exceeded the budgeted amounts for 2012. While these legal fees have been reduced, this budget considers ongoing legal fees in 2013 and potential payment for previously incurred fees as funds are available. The budget considers total legal fees in the amount of \$22,000 for 2013.

The District also began a study to determine the feasibility of certain reservoir sites in 2011 and continued through 2012 through a grant from the Colorado Water Conservation Board. The budget considers ongoing matching funds for that study in 2012 in the amount of \$5,000 for 2013. Additionally, it considers payment of \$3,000 for engineering fees.

The budget considers creating a new "Reserve Fund" in the amount of \$5,000, which will be funded from the existing CD. The District has a remaining fund balance of roughly \$5,301, which will be used to fund any shortfalls that may occur.

The District has also changed the format of the "Expenditures" table for 2013. Previous years' budget proposals combined expenses such items as "Meetings, Supplies and Meals" with legal fees. These items are more appropriately defined as "Operating Expenses." "Operating Costs" now includes: Postage, Office Supplies, Checks, CPA Fees, Publication Fees, Meetings, Supplies, Meals and miscellaneous reimbursement for unanticipated expenses. "Legal Fees" are limited to such fees and do not include other costs.

The budgetary basis of accounting the District uses is cash basis, which is a change from prior years' budgets that used a modified accrual basis.

INCOME	2011	2012 Estimated	2013 Proposed
Fund Balance January 1 st	\$14,391.10 (Corrected)	\$2,263.96 (\$632.69)?	\$6,916.45
YJ CDs	\$10,000.00	\$10,000.00	\$5,000.00
Property Tax	\$28,212.00	\$32,670.20	
Rio Blanco			\$26,093.00
Moffat			\$5,560.00
Garfield			\$334.00
Highland Ditch	\$0.00	\$762.00	\$762.00
Misc. *	\$332.55 Corrected	\$613.37	\$450.00
Total Available Funds	\$52,935.65	\$46,309.53	\$45,115.45

*Misc. includes CD interest, rebates from insurance, bank adjustments, etc.

Expenditures categories for 2013 have been slightly modified for 2013 for clarity and ease of use.

Expenditures	2011	2012 Estimated	2013 Proposed
Administration Costs: Filing/Fees/Secretary Counsel Fees/Board Meeting/Supplies/Meals /Diligence Litigation	\$22,141.00	\$26,000.00	Legal Fees \$22,000.00
Administration Costs: Insurance, Postage, Office Supplies, Checks, CPA Fees/Publication Fees	\$1,437.00	\$1,968.96	Operating Expenses \$5,000.00
Engineering-Survey Fees	\$11,638.00	\$2,000.00	\$3000.00
Consultant Fees	\$0.00	\$0.00	\$0.00
Travel Expenses, Director Education/Meetings	\$0.00	\$0.00	\$0.00
USGS Joint Funding	\$0.00	\$0.00	\$0.00
YJ Study Matching Funds	\$4,823.00	\$4,424.12	\$5,000.00
Reserve (new line)	\$0.00	\$0.00	\$5,000.00
Ending Fund Balance	\$12,896.65 Corrected	\$11,916.45	\$5,115.45

Discretionary obligations based on the availability of funds.

White & Jankowski	Requested \$20,000.00
Cooley Zagar-Brown	Requested \$5,000.00

**YELLOW JACKET WATER CONSERVANCY DISTRICT
RESOLUTION TO SET MILL LEVY 2013**

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2013, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE YELLOW JACKET WATER CONSERVANCY DISTRICT IN GARFIELD, MOFFAT, AND RIO BLANCO COUNTIES, COLORADO FOR THE 2013 BUDGET YEAR.

WHEREAS, the Board of Directors of the Yellow Jacket Water Conservancy District, has adopted the annual budget in accordance with the Local Government Budget Law, on December 6, 2012;

WHEREAS, the amount of money available to balance the budget for general operating purpose from property tax revenue is \$31,987.00;

WHEREAS, the amount of money necessary to balance the budget for bonds and interest is \$0.00; and

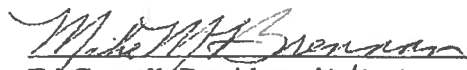
WHEREAS, the 2013 valuation for assessment for the Yellow Jacket Water Conservancy District as certified by the County Assessors for Garfield, Moffat, and Rio Blanco Counties totals \$152,802,060.00.

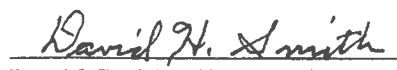
NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE YELLOW JACKET WATER CONSERVANCY DISTRICT:

1. That for the purposes of meeting the general operating expenses of the Yellow Jacket Water Conservancy District during the 2013 budget year, there is hereby levied a tax of **0.209** mills upon each dollar for the total valuation for assessment of all taxable property within the District for the year 2013;
2. That the established tax levy for the Yellow Jacket Water Conservancy District be certified to the respective County Commissioners for Garfield, Moffat, and Rio Blanco Counties

ADOPTED, this 6th day of December, 2012, by a unanimous vote of the Yellow Jacket Water Conservancy District Board of Directors

Attest:


~~Ed Coryell, President~~ Mike Brennan, Treasurer
Yellow Jacket Water Conservancy District


David Smith, Vice-President
Yellow Jacket Water Conservancy District

**YELLOW JACKET WATER CONSERVANCY DISTRICT
RESOLUTION TO ADOPT BUDGET**

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES AND ADOPTING A BUDGET FOR THE YELLOW JACKET WATER CONSERVANCY DISTRICT IN GARFIELD, MOFFAT, AND RIO BLANCO COUNTIES, COLORADO FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2013 AND ENDING ON THE LAST DAY OF DECEMBER 2013 BUDGET YEAR.

WHEREAS, the Board of Directors of the Yellow Jacket Water Conservancy District has appointed Walt Proctor, Director, to prepare and submit a proposed budget to said governing body at the proper time;

WHEREAS, Walt Proctor, Director, has submitted a proposed budget to this governing body on October 12, 2012;

WHEREAS, upon due and proper notice published and posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 19, 2012, and continued to December 6, 2012, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget; and

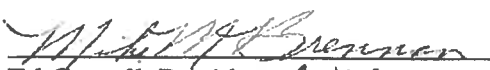
WHEREAS, whatever increases may have made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

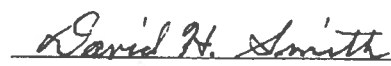
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE YELLOW JACKET WATER CONSERVANCY DISTRICT IN GARFIELD, MOFFAT, AND RIO BLANCO COUNTIES, COLORADO;

1. That the budget as submitted, amended, and hereinabove summarized is approved and adopted as the budget of the Yellow Jacket Water Conservancy District for 2013.
2. That the budget hereby approved and adopted shall be signed by the President and Vice President of the Board of Directors of the Yellow Jacket Water Conservancy District and made a part of the public records of the District.

Adopted this 6th day of December, 2012, by a unanimous vote of the Yellow Jacket Water Conservancy District Board of Directors.

Attest:


Ed Coryell, President
Yellow Jacket Water Conservancy District


David Smith, Vice-President
Yellow Jacket Water Conservancy District

**YELLOW JACKET WATER CONSERVANCY DISTRICT
RESOLUTION TO APPROPRIATE SUMS OF MONEY**

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE GENERAL FUND OF THE YELLOW JACKET WATER CONSERVANCY DISTRICT IN GARFIELD, MOFFAT, AND RIO BLANCO COUNTIES, COLORADO FOR THE 2013 BUDGET YEAR.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on December 6, 2012 and;

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

WHEREAS, it is necessary to appropriate revenues provided in the budget to and for the purposes described below.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE YELLOW JACKET WATER CONSERVANCY DISTRICT IN GARFIELD, MOFFAT, AND RIO BLANCO COUNTIES, COLORADO;

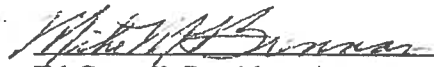
The following sums are hereby appropriated from the General Fund for the purposes stated:


General Operations:	\$40,115
Reserves:	\$5,000

TOTAL GENERAL FUND \$45,000

Adopted this 6th day of December, 2012, by a unanimous vote of the Yellow Jacket Water Conservancy District Board of Directors.

Attest:


Ed Coryell, President
Yellow Jacket Water Conservancy District


David Smith, Vice-President
Yellow Jacket Water Conservancy District

YJWCD
HIGHLAND DITCH PRIORITY NO. 701
REVIEW OF MINUTES
1988 TO AUG 2012

The history of the Highland Ditch Fourth Enlargement conditional water rights of 61cfs prior to 1988 was not reviewed in detail.

1. 9/13/1988 Minutes: Scott Balcomb made a lengthy presentation following which a motion to consider the application of the owners of the Ditch for water allotment to have Yellow-Jacket obtain an absolute decree for the Fourth Enlargement of the Highland Ditch for 61 feet of water for irrigation and domestic use, and to apply this priority and decree on to the lands underneath the Highland Ditch. The motion was m/s/p unanimously. The domestic water requirements of the Town of Meeker are noted in the resolution.

2. 11/17/1988 Minutes: These minutes contain a lengthy discussion of the application of the members of the Highland Ditch and the Board approved the allocation in principle and directs its counsel to prepare agreements with ditch owners under the following conditions: The remainder itemizes the seven conditions.

3. 6/26/1988 Minutes: The principal business was the water allotment contracts with the shareholders of the Highland Ditch. Contracts signed by the owners of the Highland Ditch were presented with concerns. The primary concern being the automatic increase in price on April 1, 1993 contained in Exhibit "A". It was resolved that the note shall be interpreted by the District to mean: "may be revised..."

4. Highland Ditch files contain the following contracts recorded in 1989: Hal Pearce, 9.96cfs, Book 479 Page 458; David Smith, 5.40cfs, Book 479 Page 435; Forrest Nelson, 3.32cfs, Book 480 Page 378; Sam Love, 7.14cfs, Book 479 Page 440. Total 25.82cfs, there is no reference in the files to the remaining 35.18cfs. At risk of abandonment?

5. 4/7/1992 Highland Ditch Association billed by letter for \$762.00 per "Water Service Agreement dated June 26, 1989. \$12.49 per cfs for all 61cfs.

6. 4/23/1992 & 10/1/1992 Minutes: There are comments on the Highland Ditch but no discussions. Comments allude to work to change conditional to absolute right.

7. 5/17/1993 Highland Ditch Association billed by letter for \$762.00 indicating the Board did not double the fee in April, 1993 as indicated in Exhibit "A". Also there is a direction to counsel to draft a letter to the Secretary-Treasurer of the Highland Ditch to arrange a meeting. (No letter could be found)

8. 12/9/1993 Minutes: Counsel is directed to expedite Highland Ditch settlement. No discussion, what settlement is unknown.

9. 7/5/1994 The Water Division No. 5 Judge signs Case No. 89 CW 131 making the 61cfs absolute and, among other conditions, includes: "d. The standard Water Service Contracts (dated June 26, 1989) between Yellow-Jacket and various water users and owners of the Highland Ditch shall at all times control the use of the Fourth Enlargement: and"

10. Note: No mention of the Highland Ditch could be found in the minutes until 2007.

11. 11/13/2007 Minutes: "The Board discussed the annual leasing of water rights to the Highland Ditch Company. The Board discussed the annual fee for the lease of \$762.00." There is no indication of action or resolution.

12. 12/9/2009 Minutes: "Highland Ditch Company: Secretary-Counsel gave an accounting of the Highland Ditch arrangements and historical payments. Payments in the amount of \$762.00 were made in 2007 and 2008. The Board directed Secretary-Counsel to follow-up with Highland Ditch Company to determine why payments were not made in the other years and request payment accordingly."

13. Miscellaneous: An email from Lee Leavenworth to Secretary-Counsel dated 5/17/2011 summarizes the history of the Highland Ditch Fourth Enlargement from the 1966 decree and the 1972 agreement between YJWCD and the Town of Meeker. This is a partial explanation of paragraph 9. "Town of Meeker" in each of the Water Service Contracts.

14. Summary:

a. The \$762.00 rental fee since 1989 remains valid since it tracks through the Minutes history with no action to change it.

b. The action item to collect overdue fees indicated in the 12/9/2009 Minutes remains open.

15. Recommendations: These recommendations are based on the statement of Secretary-Counsel that the Board has a six year limit on collection of past rental fees and the recognition that Highland Ditch Company paid the fee in 2007 and 2008.

a. Prepare a formal bill to Highland Ditch Company for \$3,048.00 for overdue payments for 2006, 2009, 2010 and 2011.

b. Prepare a formal bill to Highland Ditch Company for \$762.00 for 2012.

c. Put a motion before the Board to raise the fee in 2013 to \$1,421.48 which is nothing more than adjusting the 1989 \$762.00 to present value.

d. Put a standing action item on the Boards agenda to review, approve or adjust the rental fee prior to March of each year to comply with paragraph 6. "PAYMENT" contained in each Water Service Agreement.

e. Formally bill the Highland Ditch Company annually.

f. Consider holding a joint meeting with YJWCD and the Highland Ditch Company to combine all individual Water Service Agreements into one Agreement between YJWCD and the Ditch Company and clearly cover the total of the 61cfs in the Fourth Enlargement.

g. If the original Water Service Contracts are left to stand, the Board must review every contract to insure compliance with Paragraph 7. Some users have changed since 1989 and approval of the new user is not recorded as approved by Board action.