

TRI-COUNTY WATER CONSERVANCY DISTRICT

December 11, 2024

Present: Jack Sibold, Vicki Ripp, David Kienholz, Jan McCracken, Chris Collin, Wayne Schieldt, Ted Collin, Leslie Walker, Glen Black, Zack Ahlberg, Jack Flowers

Virtual: Richard Wojciechowski, Joanne Fagan

Absent: Jim Hokit, Steve Glammeyer

TCW Staff: Jerry Young (Jerry), Mike Berry (Mike), Sandy Flowers, Kyle Thompson

Attorney: David Skarka (David)

Public: None

Budget Hearing

The Public Hearing for the 2025 budget was opened by President Vicki Ripp. The legal notices were published in newspapers serving Montrose, Delta, and Ouray Counties that are within the District's boundary and the proposed 2025 budget was posted in accordance with the guidelines provided in the Local Government Budget Law of Colorado. There being no further public appearance or comment, the public hearing was adjourned.

Call Session to Order

The meeting was called to order by President, Vicki Ripp. A quorum was present.

Changes to the Agenda

- Item number 11, C, Moved to number 10, E, Executive Session

Approval of Minutes November 20, 2024 Regular Meeting

Wayne Schieldt moved to approve the minutes. Leslie Walker seconded and the motion carried unanimously.

Handouts

Vicki asked for questions or comments on the handouts.

Project 7 Report – Vicki Ripp

Vicki provided the Project 7 Report. Next Project 7 meeting is scheduled for December 19, 2024, at 4:30pm at the Project 7 offices.

2024 CIP – Update / 2025 CIP – Preview – Kyle Thompson

Kyle Thompson provided the 2024 CIP Update and the 2025 CIP Preview.

Review 2025 Budget

The Proposed 2025 Budget was reviewed.

Adopt Resolution to set Mill Levy

Zack Ahlberg moved to adopt the resolution to set the net mill levy at 1.747 which includes the base and abatements for 2025. Jack Flowers seconded, and the motion carried unanimously.

Adopt 2025 Budget

Wayne Schieldt moved to adopt the 2025 Budget as presented and as incorporated herein and attached hereto as Exhibit A page 1 and 2. Jack Flowers seconded, and the motion carried unanimously.

Adopt Resolution to Appropriate Funds

Jan McCracken moved to adopt the resolution to appropriate funds for the 2025 budget year. Leslie Walker seconded, and the motion carried unanimously.

Attorney's Report

Exchange Agreement Water Rights (2023 Application)

David reported on the status of the Exchange Agreement water rights application.

Ouray County Water Rights Application (2019 Application), Ram's Horn / Dallas Divide Diligence (2021 Application), Sneva Reservoir and Dallas Divide Reservoir Enlargement Diligence (2023 Application), Wright Water Engineers – Diligence Strategic Plan Update:

David introduced the above listed topics and announced the Board will convene in Executive Session as allowed by 24-6-402(4)(b), C.R.S., "Conferences with an attorney for the public entity to receive legal advice on specific legal questions. Mere presence of the attorney is not sufficient." Wayne Schieldt moved the Board convene in Executive Session under as allowed 24-6-402(4)(b), C.R.S. Zack Ahlberg seconded, and the motion carried unanimously. Jan McCracken moved to reconvene the regular meeting and directed the minutes reflect the Board did not stray from the announced topics for the Executive Session. Glen Black seconded, and the motion carried unanimously.

Manager's Report

Wright Water Engineers – Diligence Strategic Plan

Jerry reported on the status of the Wright Water Engineers Diligence Strategic Plan stating we are reaching the maximum limit set by the Board for this project. Jan McCracken moved to increase the maximum amount of expenses for the project to \$35,000. Ted Collin seconded, and the motion carried unanimously. Additionally, this plan should be ready for presentation by Pete Foster, Wright Water Engineers, at the January Board meeting.

Official Notice of Meeting Posting

Jack Flowers moved the official notice of meeting posting site is the front office of the District. Zack Ahlberg seconded, and the motion carried unanimously.

Approval of Taps Sold through #8390

Wayne Schieldt moved to approve taps sold through #8390. Leslie Walker seconded, and the motion carried unanimously.

Project 7 South 30% Pipeline Design – Update

At the Board meeting on November 20, 2024, Wayne Schieldt made a motion to move forward with developing an Intergovernmental Agreement for option number 1 which would vacate the existing tap locations and move them to two new locations on the penstocks as presented by Garver. That motion was tabled. During this meeting Wayne Schieldt moved to take that motion off the table. Ted Collin seconded and the motion to take the motion off the table carried unanimously. President Vicki Ripp called for a vote on the original motion to move forward with developing an Intergovernmental Agreement for option number 1 which would vacate the existing tap locations and move them to two new locations on the penstocks as presented by Garver. The motion passed with 8 in favor and 4 opposed.

Announcements

- Board Meeting – Wednesday, January 15, 9:00 am – Tri-County
- Western Colorado Food & Farm Forum – Jan 24-25 – Montrose Pavilion
- Colorado Water Congress Annual Convention – Jan 28-31 – Hyatt Regency Denver Aurora
- Snow School for Snow & Avalanche Studies – Feb 19-21 – Silverton

Public Comment / Adjourn

There being no further business to come before the Board, the meeting was adjourned at 10:32 am.

Vicki Ripp, President

Christine Collin, Secretary

Exhibit A, page 1 of 2

**TRI-COUNTY WATER CONSERVANCY DISTRICT
2025 Budget**

PROPRIETARY REVENUES	2024 PROJECTED	2024 BUDGET	BALANCE	2025 BUDGET
Working Capital	\$ 3,400,000	\$3,000,000		\$3,313,943
1 Water Sales / 921 Mill Gal @ 4.20 + Misc Fees	4,295,000	4,010,000	285,000	4,800,000
2 Water Pumping Sales	260,000	270,000	(10,000)	260,000
3 Line Extensions	88,000	25,000	63,000	25,000
4 Tap Fees	1,700,000	700,000	1,000,000	885,000
5 Interest	521,100	150,000	371,100	150,000
6 Vehicle / Equipment Sale	2,000	5,000	(3,000)	5,000
7 Fish, Wildlife, Flood	18,292	15,000	3,292	15,000
8 M&I Water P&I	1,182,830	1,182,830	-	1,182,830
9 M&I Water O&M @ 9.00 in 2025	129,540	129,540	-	137,160
10 WSW Water	2,500	4,000	(1,500)	2,500
11 Irrigation Water P&I	64,000	64,000	-	64,000
12 Irrigation Water O&M @ 7.00 in 2025	72,800	72,800	-	78,400
13 Augmentation Water & O&M @ 9.00 in 2025	35,500	35,500	-	35,500
14 Hydropower - Aspen	840,000	1,100,000	(260,000)	780,000
15 DOE	706,484	-	706,484	-
16 Miscellaneous (Repair Reimbursement and Skybeam)	20,054	11,330	8,724	5,667
TOTAL PROPRIETARY REVENUES	\$ 9,938,100	\$ 7,775,000	\$ 2,163,100	\$ 8,426,057
TOTAL REVENUE & BEGINNING BALANCE	\$ 13,338,100	\$ 10,775,000		\$ 11,740,000
PROPRIETARY EXPENDITURES	2024 PROJECTED	2024 BUDGET	BALANCE	2025 BUDGET
17 Wages	1,400,000.00	\$ 1,670,000	\$ 270,000	\$ 1,620,000
18 FICA	112,000	128,000	16,000	128,000
19 Retirement Benefits	129,000	167,000	38,000	167,000
20 Workers Compensation Insurance	15,100	28,000	12,900	32,500
21 Health / Dental Insurance	400,000	600,000	200,000	600,000
22 Directors Expense	66,000	70,000	4,000	75,000
23 Travel & Lodging	10,500	10,500	-	12,500
24 Training	15,000	22,000	7,000	22,000
25 Dues & Subscriptions	8,500	10,000	1,500	10,000
26 Publish & Printing	1,000	15,000	14,000	15,000
27 Attorney Fees	20,000	25,000	5,000	50,000
28 Special Outside Counsel	0			400,000
28 Audit Fees	17,000	20,000	3,000	21,000
29 Financial Advisor Fees	29,000	60,000	31,000	60,000
30 Consultant	30,000	100,000	70,000	100,000
31 Lab Fees	3,400	5,000	1,600	5,000
32 Office Supplies & Equipment	50,000	40,000	(10,000)	27,000
34 Technology New Line Item	0	-	-	40,000
35 Postage & EFT Fees	70,000	65,000	(5,000)	75,000
36 Communications	15,000	15,000	-	17,000
37 Utilities & Janitorial	13,000	15,000	2,000	17,000
38 Building Maintenance	20,000	45,000	25,000	45,000
39 Capital Improvement - TCW	1,189,000	710,000	(479,000)	885,000
40 Material & Supplies - Maintenance	69,000	75,000	6,000	75,000
41 Weed Control Unknown	700	2,000	1,300	2,000
42 Equipment - Vehicles - Tools	80,000	200,000	120,000	200,000
43 Equipment Maintenance	17,000	30,000	13,000	40,000
44 Small Tool & Equipment Rental	8,600	15,000	6,400	15,000
45 Vehicle Maintenance	34,000	25,000	(9,000)	25,000
46 Gas - Diesel	70,000	95,000	25,000	95,000
47 Insurance & Bonds	42,000	70,000	28,000	80,000
48 Water Treatment @921 mill gal x 2.45	1,796,000	1,850,000	54,000	2,300,000
49 Pumping - Electric	210,000	210,000	-	210,000
50 Water Conservation	20,000	20,000	-	20,000
51 M&I Water	2,180,940	2,180,940	-	2,180,940
52 Irrigation Water	40,500	40,500	-	40,500
53 Irrigation Water Tract Charge	23,500	23,500	-	23,500
54 WSW Water	8,200	8,500	300	8,500
55 M&I Water O&M	109,310	109,310	-	109,310
56 Ridgway Dam O&M	260,000	260,000	-	335,000
57 TCW Hydropower Project	850,000	900,000	50,000	1,010,000
58 Contingency	66,750	76,750	10,000	71,250
TOTAL PROPRIETARY EXPENDITURES	\$ 9,500,000	\$ 10,012,000	\$ 512,000	\$ 11,265,000
ENDING BALANCE	\$ 3,838,100	\$ 763,000		\$ 475,000
TOTAL EXPENDITURES & ENDING BALANCE	\$ 13,338,100	\$ 10,775,000		\$ 11,740,000

Exhibit A, page 2 of 2

Tri-County Water Conservancy District
2025 Budget

GOVERNMENT REVENUES	2024 PROJECTED	2024 BUDGET	BALANCE	2025 BUDGET
PROPERTY TAX	\$ 2,200,000	\$ 1,997,000	\$ 203,000	\$ 2,126,000
TAXES - OTHER	164,000	199,800	(35,800)	199,800
INTEREST	9,000	200	8,800	200
TOTAL GOVERNMENT REVENUES	\$ 2,373,000	\$ 2,197,000	\$ 176,000	\$ 2,326,000

GOVERNMENT EXPENDITURES	2024 PROJECTED	2024 BUDGET	BALANCE	2025 BUDGET
FEDERAL CONTRACT	\$ 1,901,484	\$ 1,723,484	\$ (178,000)	\$ 1,853,000
AD VALOREM TAX - IRRIG.	425,516	425,516	-	425,000
COUNTY TREASURER FEES	46,000	43,000	(3,000)	43,000
EMERGENCY RESERVE	-	5,000	5,000	5,000
TOTAL GOVERNMENT EXPENDITURES	\$ 2,373,000	\$ 2,197,000	\$ (176,000)	\$ 2,326,000

2025 BUDGET SUMMARY

REVENUES	2024 PROJECTED	2024 BUDGET	BALANCE	2025 BUDGET
TOTAL PROPRIETARY REVENUES	\$ 13,338,100	\$ 10,775,000	\$ 2,563,100	\$ 11,740,000
TOTAL GOVERNMENT REVENUES	2,373,000	2,197,000	176,000	2,326,000
TOTAL REVENUES	15,711,100	12,972,000	2,739,100	14,066,000

EXPENDITURES	2024 PROJECTED	2024 BUDGET	BALANCE	2025 BUDGET
TOTAL PROPRIETARY EXPENDITURES	9,500,000	10,012,000	512,000	11,265,000
TOTAL GOVERNMENT EXPENDITURES	2,373,000	2,197,000	(176,000)	2,326,000
TOTAL EXPENDITURES	11,873,000	12,209,000	336,000	13,591,000

REVENUES OVER (UNDER) EXPENDITURES	\$ 3,838,100	\$ 763,000		\$ 475,000
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