

Ute Water Conservancy District  
Board Meeting  
May 6, 2026

Meeting No. 1,019 of the Ute Water Conservancy District's Board of Directors and the Ute Water Activity Enterprise was called to order by President Ben Miller at 5:30 p.m. at the District office.

**ROLL CALL**

Board Members: Pat Brennan, Carl Conner, Tammy Eret, Greg Green, Ken Henry, Ben Miller, Bruce Talbott, Bob Thome, Troy Waters, and Bob Wilson. Robert Foster attended remotely. Briana Board, Dan Cronk, and Sally Huddle were absent.

Ute Water employees at the meeting included Nick Bierman, Sam Briscoe, Nikki Dalpiaz, John Eklund, Natalee Hall, Kyle Hamaker, Jesse Klingler, Andrea Lopez, Tim Moore, Brett Murphy, Scott Olsen, Pat Orient, Dave Payne, Dave Priske, Rick Stengel, and Greg Williams. Ute Water's general counsel, Sara Dunn, was also in attendance.

**PUBLIC COMMENTS**

No public comments were made.

**MINUTES**

Director Green made a motion to approve the April board meeting minutes, No. 1,018. Director Henry seconded the motion. The board voted unanimously in favor of approving the April board meeting minutes.

**BILLS**

Director Eret made a motion to approve the April bills. Director Brennan seconded the motion. The board voted unanimously to approve the April bills.

**REORGANIZATION OF THE BOARD**

General Counsel Sara Dunn gave the board a brief overview of the reorganization of the board member officer positions. Ms. Dunn opened the floor for nominations for the next President. Director Green nominated President Miller to serve another term. Director Conner nominated Vice President Waters. Due to multiple nominations, Ms. Dunn directed that the election of President be conducted by written ballot. Upon tabulation of the ballots, President Miller was elected to serve another term as President.

Ms. Dunn then turned the gavel over to President Miller to run the remainder of the meeting.

President Miller opened the floor for nominations for the Vice President position. Director Eret nominated Vice President Waters to serve another term. Director Conner nominated Director Foster. Due to multiple nominations, Ms. Dunn directed that the election of Vice President be conducted by written ballot. Upon tabulation of the ballots, Vice President Waters was elected to serve another term as Vice President.

President Miller opened the floor for nominations for the Treasurer position. Director Green nominated Treasurer Wilson to serve another term. Director Conner nominated Director Talbott, who declined the nomination. The board voted unanimously in favor of Treasurer Wilson serving another term as Treasurer.

President Miller opened the floor for nominations for the Secretary position. Director Green nominated Director Cronk. Director Conner nominated Director Huddle. Ms. Dunn advised that, due to the absence of both nominees, neither could formally accept nor decline the nomination during the meeting. Director Green stated that he had spoken with Director Cronk prior to the meeting and that Director Cronk had agreed to serve if elected. Director Eret stated that she had spoken with Director Huddle prior to the meeting and that Director Huddle declined the nomination. The board voted unanimously to elect Director Cronk as the Secretary.

### **DISTRICT PHILOSOPHIES CONSIDERATION**

General Manager Greg Williams provided the board with an update on the comprehensive effort to update the District's Strategic Plan. The goal of this effort is to guide the District's investments in infrastructure, workforce support, customer communication, and preparation for long-term challenges, including growth, aging assets, and an ever-changing regulatory and statutory environment. Mr. Williams informed the board that the effort currently comprises six phases, with phase one focused on developing the District's core, or bedrock, philosophies.

As presented to the board in March, the proposed philosophies focus on providing excellent water quality with emphasis on monitoring, transparency, and continuous improvement; maintaining an organizational resilience and reliable water system while ensuring redundancy, mitigation of risk, and continuity of service; ensuring financial responsibility that maintains growth that pays its way and equitable rate structures; delivering great customer service, clear communication, customer engagement, and conservation education; investment in a skilled and safe workforce, employee safety, recruitment, retention, and development; protecting long-term water supplies for current and future needs; and staying engaged with key organizations that provide guidance and advocacy.

A motion was made by Director Henry to approve the District philosophies. Director Eret seconded the motion. The board voted unanimously to approve the District philosophies.

### **EXHIBIT II MODIFICATIONS**

During the May Water and Construction Committee meeting, the committee considered revisions to the drought rates for fill station customers to ensure equity across use types. As approved in December of 2025, "Drought/Emergency Rates for fill station, approved hydrant fill permit use, or private fire line water service will be charged 3 times the current per 1,000-gallon rate." According to staff, this creates a situation in which those using the fill stations would pay \$21 per 1,000 gallons from the first drop, while metered users would still be subject to the lower tiered rates. The proposed changes would incorporate a tiered structure that generally aligns the fill station drought rates with the commercial/agricultural drought rates.

The Water and Construction committee recommended the following modification to Exhibit II: "Unless otherwise determined by the Board of Directors, Drought/Emergency Rates will be charged for all tiered types of water service at a multiplier of 1.5 times tier 1 rates for all tier 1

usage, a multiplier of 3 times the applicable tier 2 and 3 usage, and a multiplier of 5 times the applicable tier amount for usage within each subsequent tier. *Drought/Emergency Rates for fill station, approved hydrant fill permit use, or private fireline water service will be charged 2 times the current 1,000-gallon rate for usage between 9,000 and 30,000 gallons, and 3 times the current per 1,000-gallon rate for usage above 30,000 gallons.* The board unanimously approved the committee's recommendation.

### **DROUGHT/EMERGENCY RATES**

General Manager Greg Williams summarized the conditions contributing to the drought and the 2026 water supply outlook. He reported that Colorado's snowpack is historically low, falling below 50% of normal in many areas; snowmelt and runoff are occurring 3 to 6 weeks earlier than usual; and, as of late April, stream flows statewide were about 40% of normal, with many rivers and drainages already at mid-summer base flow levels instead of typical spring runoff. He also noted that the Historic Users Pool (HUP) is expected to provide only a portion of the supplemental irrigation water needed by Grand Valley irrigators, and that irrigation providers have already imposed delivery limits and restrictions. The impacts on irrigation water availability increase the likelihood that customers with restricted access to irrigation will rely on municipal treated water. Additionally, current forecasts indicate anticipated shortages for irrigation entities as early as June, further increasing the potential for customers with historic irrigation access to shift demand to municipal systems, especially in late summer.

Even with blending and use of the District's Colorado River sources, the District must protect storage in Jerry Creek Reservoirs in anticipation of a back-to-back drought year, or worsening conditions in late 2026 and early 2027. When collectively viewing the lack of available source waters, snowpack deficit, early runoff, below-normal stream flows, irrigation shortages, and the lack of basin-wide storage, all have crossed widely recognized drought and historic thresholds. The decision to implement drought rates is a proactive response to manage and encourage customers to reduce demands and is not a decision taken lightly. The sole purpose of implementing drought rates is to reduce use before peak summer demand, as waiting until July or August to respond exposes the District to peak seasonal demand with fewer operational options; addressing the irrigation providers' inability to continue supplying water due to restrictions or unavailability of water; protecting storage and operational flexibility for later in the year and potential back-to-back drought years; and to reduce the likelihood of more disruptive emergency restrictions as long as customer response and demand reductions are realized.

Mr. Williams also reminded the board that according to the District's Rules and Regulations, the District is to serve a public use and is both necessary and desirable to protect the health, safety, and welfare of the benefiting public. Each customer, user, developer or other person, by purchasing a tap, using water from the District's system, connecting to the District's system, or otherwise receiving benefits from the District's system, shall be deemed to have expressed their consent to be bound by the provisions of the District's Rules and Regulations. Section B, paragraph 5 concerning the curtailment priorities of usage, states that "If a shortage of water supply or other reason determined by the Board of Directors, in its sole discretion, necessitates a curtailment of customer usage, the curtailment shall be accomplished in a sequence established by the Board of Directors, based on the severity and anticipated duration of the matter creating the necessity for the curtailment." Section D states that, "The District serves high quality treated potable water to

its customers. The District's policy is that this water should be provided and used to meet the potable water needs of its customers and users, and should not be used for irrigation or landscape maintenance." Accordingly, the District's policy is not to sell taps solely for irrigation or landscape maintenance purposes. Most areas within the District's boundaries have access to untreated irrigation water for outdoor uses, such as lawns, gardens, and other landscaped areas. The District's policy is to require all new parcels, subdivisions, and other developments to use untreated irrigation water, rather than treated water from the District's system, for irrigation and other outdoor uses to the extent irrigation water is available. If irrigation water is not available, the District's policy is to encourage the use of xeriscaping or other landscaping that requires little or no irrigation, rather than use of treated water from the District's system.

Lastly, Mr. Williams informed the board that according to Colorado Revised Statutes 37-45-118 (1)(g), a conservancy district is "to fix rates at which water not allotted to lands, as provided in paragraph (f) of this subsection (1), shall be sold, leased, or otherwise disposed of; but rates shall be equitable although not necessarily equal or uniform, for like classes of service throughout the district..."

The Water and Construction Committee recommended the board implement drought rates for customer usage beginning with billing cycle 1 on June 1. The effective date for each customer will depend on the applicable billing cycle and meter-read route that begins in June (and subsequently billed in July). Drought rates would remain in effect until all billing cycles have been billed for the same number of periods under the drought rates to ensure all District customers are subject to the drought rates for the same duration of time.

Director Henry asked how other domestic water providers in the area are responding to the same conditions. Mr. Williams said the topic was discussed at the previous day's Manager's Meeting and that, to his knowledge, Clifton Water District is also considering drought rates. He said it is not yet known whether the City of Grand Junction or the Town of Palisade will implement drought rates.

Director Thome asked Finance Director Scott Olsen whether staff had projected how much revenue drought rates could generate above current rates. Mr. Olsen said the purpose of drought rates is to reduce demand, so revenue forecasts involve many variables. He noted that, based on 2025 usage, drought rates would generate about \$2.1 million in July, \$2.2 million in August, \$1.7 million in September, and \$1.1 million in October if implemented and demand matched 2025 consumption. Mr. Olsen stated that any excess revenue generated from drought rates beyond normal operating needs will be used to secure additional water resources and/or improve infrastructure and treatment capabilities and/or help ensure system reliability and resilience during prolonged or future drought conditions. Mr. Williams reiterated that the goal of implementing drought rates is not to increase or generate additional revenue. Drought rates are implemented solely to address critical water supply conditions, not to generate revenue, and the goal is to reduce demand. Treasurer Wilson added that the District will operate in good faith to ensure that any additional revenue generated through drought rates is allocated to improve infrastructure and treatment capabilities and/or to help ensure system reliability and resilience during prolonged or future drought conditions, but the variable of the revenue that will be generated from drought rates is too unknown, and ultimately the goal is water conservation and reducing demand. However, the

District must make the best decision based on what is known. Treasurer Wilson also requested that any costs related to the District's drought response should be tracked separately.

Director Green stated that tiered rates are effective at reducing demand, and although the District isn't restricting or limiting usage through drought rates, implementing drought rates draws customers' attention and ensures they are more mindful of their water usage. The purpose of drought rates is to reduce excessive use of treated water.

President Miller reiterated that the most effective way he can think of to reduce consumption for the District's customer base is to implement drought rates.

Directors Brennan, Conner, Eret, Foster, Green, Henry, Miller, Waters, and Wilson voted in favor of the committee's recommendation.

Director Thome abstained from the vote.

The motion passed with nine votes in favor of the recommendation to implement drought rates for customer usage beginning with billing cycle 1 on June 1.

#### **FINANCE COMMITTEE MEETING MINUTES**

A motion was made by Director Huddle to approve the Finance Committee minutes. Director Green seconded the motion. The board voted unanimously to approve the Finance Committee minutes.

#### **ENGINEERING DEPARTMENT REPORT**

No additional questions were asked of the Engineering department.

#### **DISTRIBUTION DEPARTMENT REPORT**

Director Foster asked about the recruitment efforts affecting the Distribution department and whether there was an estimate of when the department would be fully staffed. Distribution Superintendent Tim Moore stated that, aside from a vacant Utility Maintenance Worker I position, the department should be fully staffed and that training is well underway for those working in new positions or who were recently onboarded.

#### **TREATMENT & SOURCE DEPARTMENT REPORT**

Assistant Manager Dave Payne informed the board that the Lagoon Improvement Project should break ground in the second week of June.

Treasurer Wilson asked how full Ruedi Reservoir is expected to become. Mr. Payne said he believed it would reach about 65 percent capacity and noted that the District's water rights in the reservoir may be affected by basin-wide drought conditions.

Director Foster asked how use of the District's full watershed portfolio, including pumps, is affecting electrical costs. Mr. Payne confirmed that pumping-related electrical costs are being tracked as part of the District's drought response expenses.

### **FINANCE DEPARTMENT REPORT**

Finance Director Scott Olsen said the Finance Committee may postpone its May 19<sup>th</sup> meeting. He will follow up on the meeting's status, and board members were invited to review the first-quarter variance information and contact him with any questions.

### **HUMAN RESOURCES/RISK MANAGEMENT DEPARTMENT REPORT**

Human Resources/Risk Specialist Nikki Dalpiaz invited the board to attend the summer picnic on June 17<sup>th</sup>.

Additionally, Mrs. Dalpiaz announced that the District is finalizing its preparations with NEOGOV, a platform that will significantly enhance and support the District's recruiting process. The District is hopeful that implementation of the platform will be fully integrated by July.

### **EXTERNAL AFFAIRS DEPARTMENT REPORT**

External Affairs Manager Andrea Lopez gave the board an update on the progress of the annual Children's Water Festival and invited them to attend a VIP breakfast and tour of the event on May 12<sup>th</sup>.

Ms. Lopez also briefly outlined the External Affairs department's outreach and education efforts related to local drought conditions and water conservation.

### **MANAGER'S REPORT**

General Manager Greg Williams paid tribute to former Director Burkhalter, who served 40 years as a board member.

Mr. Burkhalter began his service in January of 1985. As the story goes, after hearing him voice a few strong opinions about the water district, Mrs. Burkhalter quietly submitted his application on his behalf. Mr. Burkhalter served with integrity, keen attention to detail, and a steadfast commitment to ensuring his thoughtful, analytical perspective was always heard.

Throughout his tenure, Mr. Burkhalter remained a strong advocate for the best interests of the District's customers, employees, and the broader community. He helped guide the District through several of its most significant milestones, including the Plateau Creek Pipeline, the purchase of Ruedi Reservoir water shares, and the design and transition into the District's current headquarters.

On behalf of the District, the deepest condolences are extended to the Burkhalter family, and sincere gratitude is extended for sharing him with the District for so many years. His leadership, insight, and humor will be remembered with great respect and missed deeply.

### **GENERAL COUNSEL REPORT**

General Counsel Sara Dunn provided the board with updates regarding cases that the District is involved in.

### **EXECUTIVE SESSION – PROPERTY PURCHASE AGREEMENT**

President Miller made a motion to enter executive session, pursuant to C.R.S. Sections 24-6-402(4)(e), 24-6-402(4)(a), and 24-6-402(4)(b), to determine positions for negotiations relating to

the purchase; determining positions relative to matters that may be subject to negotiations; and to receive legal advice on specific legal questions. Director Henry seconded. The board voted unanimously to enter executive session.

The executive session was held to discuss a property purchase agreement, pursuant to Sections 24-6-402(4)(e), 24-6-402(4)(a), and 24-6-402(4)(b), to determine positions for negotiations relating to the purchase; determining positions relative to matters that may be subject to negotiations; and to receive legal advice on specific legal questions. During the executive session, the Board discussed the property purchase agreement.

There was no additional information or discussion, and no action was taken.

**GENERAL INFORMATION/DISCUSSION**

There was no additional information or discussion.

President Miller adjourned the meeting at 7:56 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Dan Cronk". The signature is written in a cursive style with a horizontal line underneath the name.

Dan Cronk, Secretary