

**Minutes of the 2014 Third Quarterly Board Meeting of the
Board of Directors of the
Republican River Water Conservation District**

July 10, 2014

Holyoke, Colorado

The Board of Directors of the Republican River Water Conservation District convened a regular meeting, pursuant to notice required by statute and the District's By-Laws, at the Phillips County Events Center, Holyoke Colorado.

Present were:

Board Members:

Dennis Coryell, President
Byron Weathers, Treasurer
Eugene Bauerle
Wil Bledsoe
Brent Deterding
Jack Dowell
Steve Kramer
Stan Laybourn
Rod Lenz
Rod Mason
Steven Meakins

Deb Daniel, RRWCD General Manager
Dawn Webster, RRWCD Administrative Assistant
Peter Ampe, RRWCD General Counsel, Hill & Robbins, P.C.
David Robbins, RRWCD General Counsel, Hill & Robbins, P.C.
Randy Hendrix, RRWCD Engineer, Slattery & Hendrix Engineering, LLC

A sign in sheet listing the members of the public attending the meeting is attached as Exhibit 1.

STATEMENT OF QUORUM

President Dennis Coryell called the meeting to order at 10:02 a.m., welcomed the public, and started the meeting with the Pledge of Allegiance and a prayer. Administrative Assistant Dawn Webster conducted a roll call of Board members, noting that Directors Greg Larson, Tim Pautler, Aaron Sprague, and Wayne Skold were absent, but excused. With 11 Directors in attendance, President Coryell declared that a quorum of the Board was present.

AGENDA AND APPROVAL OF MINUTES

President Coryell asked for any amendments to the agenda for the meeting. There being none, a motion to approve the agenda was made, seconded, and approved unanimously.

Prior to this meeting, the Directors had received, electronically, a draft of the minutes of the regular Board meeting held on April 10, 2014, and the Special Teleconference Board meeting held on June 16, 2014 and the executive sessions held during those meetings. These documents were also included in the Board packet today. President Coryell asked if there were any changes or corrections to the minutes. Director Jack Dowell noted that he was in attendance of the April 10th Board meeting, but was not documented in the minutes. A motion to approve the addition of Director Jack Dowell to the roll call in the minutes and accept the minutes of the regular Board meeting held on April 10, 2014, was made, seconded, and approved unanimously. A motion to approve the special Board meeting held on June 16, 2014 and the minutes of the executive sessions held during those meetings was made, seconded, and approved unanimously.

GENERAL MANAGER'S REPORT

At 10:07 a.m., General Manager Deb Daniel briefed the Board on several items that the District office had been working on, as well as several meetings that she had attended, including a meeting held in St. Francis, Kansas regarding Kansas' view of the depletions of the South Fork. Mrs. Daniel then briefed the Board on a personnel health insurance issue that had been brought to the District's attention. President Coryell stated that he would like the Personnel Committee to address the issue. Next, General Manager Daniel presented the financial report and the disbursements for the quarter ending June 30, 2014, which were previously sent to the entire Board electronically as well as being included in the Board packet. After discussion, a motion to approve the financial report and the disbursements for the second quarter of 2014 was made, seconded, and approved unanimously. Finally, General Manager Daniel stated that the audit of the District's financial statements was done on May 27, 2014, and it went exceptionally well. A copy of the Auditor's Report by Winfrey, Country & Hayes, PC, for the fiscal year ending December 31, 2013, was included in the Board packet.

General Manager Deb Daniel recommended that the Board continue to engage Winfrey, County & Hayes for next year's audit. After discussion regarding the decision to write off the a bad debt owed to the District, a motion to accept the 2013 auditor's report and to engage Winfrey, County & Hayes to prepare the audit for the 2014 fiscal year was made, seconded, and passed unanimously.

PROGRAM UPDATES AND REPORTS

At 10:44 a.m., Tim Davis, RRWCD Program Consultant, was not in attendance, but General Manager Deb Daniel reported that Mr. Davis had been working very hard on the pre-proposal for the District regarding the Republican River Regional Conservation Partnership Program (RCPP), which was due on July 14, 2014.

General Manager Deb Daniel stated that she, President Coryell, and Director Greg Larson would be attending the Colorado Water Congress summer convention in Snowmass in August.

Director Gene Bauerle gave a brief report on the South Platte Roundtable, stating that there was a meeting held on June 10th, in which the Roundtable passed a bill to fund the fight of phreatophytes.

Director Steve Kramer reported on the Water Preservation Partnership, stating that Deb Daniel is essential in getting the Partnership moving along.

There was no report on the Yuma County Water Authority (YCWA).

Scott Meiklejohn, RRWCD state lobbyist, discussed the bills which were passed, such as House Bill 1052, which deals with the enforcement authority of the water district. Mr. Meiklejohn also reported on some of the bills which had failed, such as House Bill 1067, which pertains to the renewable energy provisions.

Christine Arbogast, RRWCD Federal Lobbyist, discussed the RCPP and feels like the District should get congressional support for the program. Ms. Arbogast stated that a bill to give more funds to the Water Smart programs is in the near future, however the focus right now is on the expansion on jurisdiction of the EPA and the Clean Water Act. Ms. Arbogast suggested to the Board of Directors that a letter should be written giving examples on how the EPA rule would affect individuals within the Basin.

Randy Hendrix, RRWCD Engineer, reported on the ongoing effort to retire surface water rights in the Republican River Basin, stating that he had been working with Colorado Parks and Wildlife, as well as owners who owned the Boden and Ireland water rights.

Peter Ampe, RRWCD legal counsel, briefed the Board on the Tip Jack abandonment case, and reported that he had been working on the MOU for the Water Preservation Partnership, as well as issues regarding habitat and endangered species. David Robbins, RRWCD legal counsel, explained some of the previously mentioned bills in depth, and briefed the Board on history of water rules and jurisdiction.

Alan Foutz, Representative for Congressman Gardener, introduced his intern, Ansley Brophy, and discussed the congressman's questions regarding the lack of clarity dealing with the expansion on jurisdiction of the EPA. Mr. Foutz also asked the District to comment about the habitat and wildlife if they are ever asked about it, as there are issues with underground water and forest services.

At 11:58 a.m., President Coryell recessed the meeting for lunch, stating that the report by State Engineer Dick Wolfe would be given after public comment.

At 1:00 p.m., the meeting was re-convened.

At 1:00 p.m., Director Steven Meakins was excused from the meeting.

PUBLIC COMMENT

At 1:00 p.m., President Coryell invited comment from the public.

At 1:02 p.m., there being no requests from the public to comment, public comment ended.

BOARD DISCUSSION AND ACTION ITEMS

The Board discussed asking Peter Nichols to continue to represent the interests of the RRWCD in regards to the EPA's water transfer rule challenges and considered contributing funds to the effort. After brief discussion, a motion to contribute \$1,000.00 to the ongoing litigation and authorize Peter Nichols to have the District be named in his filings on the amicus brief was made, seconded, and approved unanimously.

After discussion, a motion was made and seconded to authorize David Robbins and his office to make comments on the US EPA rulemaking to expand the definition of the "Waters of the U.S" and on the US Fish and Wildlife Service's proposed rule to expand the definition of what constitutes "critical habitat" for endangered species. The motion was approved unanimously.

Next, a motion to approve payment-in-lieu of taxes for 2013 for the Dryden property in the amount of \$6,455.07 was made, seconded, and approved unanimously.

REPORTS

At 1:11 p.m., Colorado State Engineer Dick Wolfe and Scott Steinbrecher of the Colorado Attorney General's office gave a report on the ongoing negotiations with Kansas regarding the Compact Compliance Pipeline and Bonny Reservoir Arbitrations.

EXECUTIVE SESSION

At 1:35 p.m., a motion was made pursuant to section 24-6-402(4), C.R.S., to enter into executive session to discuss water supply agreements and easements necessary for the Compact Compliance Pipeline, determine positions and instruct negotiators concerning water supply acquisition, receive legal advice on legal questions related to such agreements, contracts and easements, and on Compact compliance and discussions with Kansas, the Compact Compliance Pipeline, Bonny Reservoir and the Dryden property. The motion was seconded and passed unanimously. President Coryell stated that no adoption of any proposed policy, position, resolution, rule, regulation, or formal action shall occur in executive session. Before entering into executive session, President Coryell thanked the public for attending the meeting and asked Dick Wolfe, Scott Steinbrecher, and Mike Sullivan to stay for a portion of the executive session.

At 3:40 p.m., the executive session ended.

PRESENTATION

At 3:41 p.m., Jim Havey, representing The Great Divide, gave a presentation to the Board of Directors regarding a 90 minute documentary showcasing the water in Colorado. The Board discussed contributing to The Great Divide film.

A motion to contribute \$5,000.00 to The Great Divide film was made, seconded, and passed unanimously.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

At 4:00 p.m., having no further business to be brought before the Board, a motion to adjourn the meeting was made, seconded, and passed unanimously.

Secretary

Date