

**Minutes of the Fourth 2013 Regular Quarterly Meeting of the
Republican River Water Conservation District**

October 10, 2013

Wray, 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 Cobblestone Inn & Suites meeting room, Wray, Colorado.

Present were:

Board Members:

Dennis Coryell, President
Eugene Bauerle
Brent Deterding
Jack Dowell
Steve Kramer
Rod Mason
Stan Laybourn
Wayne Skold
Aaron Sprague

Deb Daniel, RRWCD General Manager
Dawn Webster, RRWCD Administrative Assistant
David Robbins, RRWCD General Counsel, Hill & Robbins, P.C.
Peter Ampe, RRWCD General Counsel, Hill & Robbins, P.C.
Jim Slattery, RRWCD Engineer, Slattery & Hendrix Engineering LLC
Tim Davis, RRWCD Program Consultant, TJD LLC
John Willard, RRWCD Accountant, Premier Accounting

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 10:04 a.m. and welcomed the public and started the meeting with prayer. President Coryell noted the reappointment of Steve Kramer as a director by the board of commissioners of the Colorado Groundwater Commission, the reappointment of Greg Larson as a director by the board of county commissioners of Logan County, the reappointment of Byron Weathers as a director by the board of county commissioners of Yuma County, the reappointment of Rod Lenz a director by the board of the Sandhills Ground Water Management District, and the appointment of Steven Meakins as a director by the board of the Frenchman Ground Water Management District. Administrative Assistant Dawn Webster conducted a roll call of Board members. Directors Rod Lenz, Greg Larson, Steven Meakins, and Wil Bledsoe were absent, but excused. Director Byron

Weathers was also absent. Director Tim Pautler arrived later in the meeting as noted in the minutes. With nine Directors attending the meeting, 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.

At 10:15 a.m., Director Tim Pautler joined the meeting.

Prior to this meeting, the directors had received, electronically, a draft of the minutes of the regular Board meeting held on July 11, 2013 and the executive session held during the July 11, 2013 Board meeting. These documents were also included in the Board packet today. President Coryell asked if there were any changes or corrections to the minutes. There were none. A motion to approve the minutes of the regular Board meeting held on July 11 and the executive session held during the July 11 Board meeting was made, seconded, and approved unanimously.

GENERAL MANAGER'S REPORT

At 10:10 a.m., General Manager Deb Daniel presented the financial report and the disbursement for the quarter ending September 30, 2013, which were previously sent to the entire Board electronically as well as being included in the Board packet. After some discussion, a motion to approve the financial report and the disbursements for the fourth quarter of 2013 was made, seconded, and approved unanimously. Mrs. Daniel then briefed the Board on several meetings that had taken place, including the RRCA annual meeting in Colby, KS, and a conservation meeting with Wayne Bossert and Katharine Wilkins-Wells from Northwest Kansas Groundwater Management District No. 4.

At 10:21 a.m., Compact Compliance Pipeline (CCP) Operations Manager Tracy Travis gave a brief report on the Pipeline and answered questions from the Board of Directors regarding the condition of the access roads and well houses.

BUDGET HEARING

At 10:30 a.m., the Board held a hearing on the proposed 2014 budgets for the RRWCD and the RRWCD WAE. Notice of the hearing was published in accordance with law. Since Budget Committee chairman Rod Lenz was absent, District President Coryell, opened the Budget Hearing. John Willard, RRWCD Accountant, began by informing the Board that the Budget Committee had met to prepare the proposed 2014 Budgets. Mr. Willard reviewed each item in the budgets and discussed the various elements that went into the totals. Possible revisions to the Budgets were discussed along with the Dryden Property lease. President Coryell asked the Board members if they had any questions; there were none. President Coryell then asked for any public testimony, questions or comments; there were none. At 10:54 a.m., the Budget Hearing was closed.

A motion to amend the agenda to add under the Board Action Items to authorize the Negotiating Committee to enter into negotiations with Bledsoe Cattle Company regarding the Dryden property, and

also to discuss having an appraisal of the land and water right values for the properties, was made, seconded, and passed unanimously.

After discussion of having the Personnel Committee discuss the health insurance provisions in their next meeting, a motion to approve the 2014 Proposed Budget was made, seconded, and approved unanimously.

PROGRAM UPDATES AND REPORTS

At 11:16 a.m., Tim Davis, RRWCD Program Consultant, reported that there is currently no Farm Bill. Mr. Davis stated that as of September 30, 2013, the AWEP contract between the RRWCD and FSA had expired; however, he said EQIP will be funded through 2014.

David Robbins, RRWCD Attorney, reported that the Colorado Water Congress State Affairs Committee was meeting on a regular basis regarding Ag conservation.

Director Gene Bauerle gave a brief report on the South Platte Roundtable, stating that Governor Hickenlooper gave a directive to develop a state wide water plan. Mr. Bauerle also stated that the Roundtable voted to give \$100,000 to Colorado Water Conservation Board (CWCB) to aid in its plan to provide \$15 million to restore the river from the current flood.

Director Jack Dowell had nothing to report on the Republican River Weed Control Area.

Director Byron Weathers was not present to report on Yuma County Water Authority.

Director Jack Dowell reported that he had attended the Special District Association (SDA) annual conference in Keystone, Colorado, in September, but was unfortunately hospitalized after attending the first day of the conference.

Director Steve Kramer reported that the Northern High Plains Water Preservation Partnership (NHPWPP) had a meeting on July 19, 2013, which included delegates from the RRWCD, CAPA, and the eight groundwater management districts within the Basin, and a steering committee was formed. Mr. Kramer said a meeting had been held on August 9, 2013, that discussed obtaining public support and funding the steering committee and any potential programs.

Christine Arbogast, RRWCD Federal Lobbyist, briefed the Board on the Government shut down, noting that progress is being made on an agreement regarding the debt ceiling, and budget issues are being discussed. Ms. Arbogast also suggested the Board possibly consider setting up a meeting with the Congressional delegates at the annual Water Congress Convention at the end of January 2014 as there will be delegates attending the Convention at that time.

Jim Slattery, RRWCD Engineer, stated that he had worked on the arbitration hearing on the CCP and Bonny Reservoir disputes, noting there were approximately nine expert reports submitted by the States and that written direct testimony was required to be submitted to the Arbitrator prior to the hearing. Mr. Slattery stated he had also been assisting the RRWCD office regarding the Parshall flume and the totalizing flow meter for the CCP. He also said he is working on a report regarding the Scherrer Ditch and the Boden/Ireland Ditch water rights.

Peter Ampe, RRWCD legal counsel, updated the Board on the arbitration between Kansas and Nebraska regarding the Rock Creek pipeline, noting that Colorado had played a small part in that arbitration because Colorado agreed with Nebraska's proposal. Mr. Ampe then briefed the Board on the arbitration on the CCP and Bonny Reservoir disputes that took place October 1st through the 4th, 2013, stating that several depositions had been taken prior to the hearing. Mr. Ampe said that Dennis Coryell had been a witness for Colorado and did a great job pointing out that Kansas had always been moving the target and Scott Steinbrecher from Colorado's District Attorney's office did a great job crossexamining Kansas' witnesses. Finally, he stated that closing briefs are due on October 25, 2013, and the Arbitrator's decision is due at the end of November 2013.

David Robbins, RRWCD legal counsel, stated that he had been working with General Manager Deb Daniel, RRWCD Engineer Jim Slattery, the RRWCD Executive Committee, and GEI Consultants, Inc., regarding the Parshall flume and totalizing flow meter for the CCP. Mr. Robbins also informed the Board that, once again, the public trust doctrine is being proposed to try to change how water is used in Colorado, which the Colorado Water Congress is against.

At 12:19 p.m., President Coryell recessed the meeting for lunch.

At 1:04 p.m., the meeting was re-convened.

PUBLIC COMMENT

At 1:04 p.m., President Coryell invited comment from the public.

Dave Keeler, representing the Colorado Division of Water Resources, gave the Board of Directors some history regarding the estimated flow in cubic feet per second (cfs) at the Arikaree River and the South Fork during the 1935 flood, noting that it would have filled the storage capacity of Bonny Reservoir in 14 hours.

There being no further comments, public comment ended.

BOARD ACTION ITEMS

A motion to approve resolutions to adopt the proposed 2014 Budgets and to approve appropriations in the amounts of the Budgets was made, seconded, and approved unanimously.

Next, the Board considered a proposed resolution to thank Garry Kramer for his service on the Board. President Coryell read the proposed resolution. A motion to adopt the resolution to thank Garry Kramer for his service on the Board was made, seconded, and passed unanimously.

The election of officers then began. Dennis Coryell was nominated as President. A motion to cease nominations and to elect Dennis Coryell as President by acclamation was made, seconded, and passed unanimously. Greg Larson was then nominated as Vice President. A motion to cease nominations and to elect Greg Larson as Vice President by acclamation was made, seconded, and passed unanimously. Next, Tim Pautler was nominated as Secretary. A motion to cease nominations and to elect Tim Pautler as Secretary by acclamation was made, seconded, and passed unanimously. Lastly, Byron Weathers was nominated as Treasurer. A motion to cease nominations and to elect Byron Weathers as Treasurer by acclamation was made, seconded, and passed unanimously.

The Board then considered committee assignments in light of the appointment of Steven Meakins as a director to replace Garry Kramer. The following changes were made to committee assignments: Aaron Sprague was added to the Conservation Committee and Steven Meakins was added to the Engineering Committee (PTAC).

Next, the Board considered a proposed resolution to waive the provisions of section 37-50-108, C.R.S., for a special Board meeting to be held on November 20 and 21, 2013, in Greeley, Colorado. A motion to approve the resolution waiving the location requirement for a special Board meeting to be held on November 20 and 21, 2013, in Greeley, Colorado, was made, seconded, and passed unanimously.

The Board then discussed making a payment-in-lieu of taxes to Yuma County for the Dryden property. A motion to approve making a payment-in-lieu of taxes to Yuma County for 2013 in the amount of \$3,477.77 for the Dryden property was made, seconded, and approved unanimously.

Next, a motion to authorize the Negotiating Committee to enter into negotiations with Bledsoe Cattle Company regarding the Dryden property and to authorize an appraisal of the Dryden property and also the water rights associated with the Bledsoe property near the CCP well field was made, seconded, and approved unanimously.

Finally, a motion to ratify the payment of past invoices in the amount of \$62,664.39 to GEI Consultants, Inc., which had already been approved by the Executive Committee, was made, seconded, and approved unanimously.

EXECUTIVE SESSION

At 1:55 p.m., having nothing to discuss in Executive Session, it was removed from the agenda.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

At 1:57 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