

**Minutes of the Third 2013 Quarterly Board Meeting of the
Board of Directors of the
Republican River Water Conservation District**

July 11, 2013

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
Greg Larson, Vice President
Byron Weathers, Treasurer
Tim Pautler, Secretary
Eugene Bauerle
Wil Bledsoe
Garry Kramer
Steve Kramer
Rod Lenz
Rod Mason
Wayne Skold
Aaron Sprague

Deb Daniel, RRWCD General Manager
Dawn Webster, RRWCD Administrative Assistant
Peter Ampe, RRWCD General Counsel, Hill & Robbins, P.C.
Jim Slattery, RRWCD Engineer, Slattery & Hendrix Engineering, LLC
Tim Davis, RRWCD Program Consultant, TLD 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 10:11 a.m., welcomed the public, and started the meeting with the Pledge of Allegiance and a prayer. Secretary Tim Pautler conducted a roll call of Board members, noting that Directors Stan Laybourn, Jack Dowell, and Brent Deterding were absent, but excused. With 12 Directors in attendance, Secretary Pautler 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 the meeting, the Directors had received, electronically, drafts of the minutes of the regular Board meeting held on April 11, 2013, and the executive session held during the regular Board meeting on April 11, 2013. 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 April 11, 2013, and the minutes of the executive session held during that meeting was made, seconded, and approved unanimously.

GENERAL MANAGER'S REPORT

At 10:13 a.m., General Manager Deb Daniel thanked the Directors, RRWCD professionals, and the public for attending the meeting. She then briefed the Board on several meetings that had taken place including an RRCA special telephonic meeting and a Conservation & Funding meeting with NRCS's Dawn Jackson. Mrs. Daniel then briefed the Board on a conservation meeting consisting of the RRWCD conservation committee, board members of the basin's groundwater management districts, and CAPA members. Next, General Manager Daniel presented the financial report and the disbursements for the quarter ending June 30, 2013, 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 2013 was made, seconded, and approved unanimously. Finally, General Manager Daniel stated that the audit of the District's financial statements was done on June 7, 2013, and it went exceptionally well. A copy of the Auditor's Report by Winfrey, Country & Hayes, PC, for the fiscal year ending December 31, 2012, 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. A motion to accept the 2012 auditor's report and to engage Winfrey, County & Hayes to prepare the audit for the 2013 fiscal year was made, seconded, and passed unanimously.

PROGRAM UPDATES AND REPORTS

At 10:35 a.m., Tracy Travis, Compact Compliance Pipeline Operations Manager, gave a brief report on the Pipeline and showed a brief video of the pipeline during the testing phase.

Tim Davis, RRWCD Program Consultant, briefed the Board on the Conservation Reserve Enhancement Program (CREP) and the Agriculture Water Enhancement Program (AWEP), stating that the RRWCD's AWEP contract with the NRCS has expired.

Fred Rausch, representing Yuma County Pest Control District, gave a presentation regarding the Republican Restoration Project.

Director Greg Larson reported that the Colorado Water Congress will hold its summer conference on August 21st through August 23rd.

Director Gene Bauerle gave a brief report on the South Platte Roundtable, stating that Governor Hickenlooper feels there needs to be more collaboration between the different basins.

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

Christine Arbogast, RRWCD Federal Lobbyist, discussed the energy and water appropriations bill, a part of which would prevent the Environmental Protection Agency (EPA) from expanding its regulations to include intrastate bodies of water under the Clean Water Act. Ms. Arbogast also discussed the pending Farm Bill, noting that the leadership believes that by splitting the nutrition program from the Farm Bill, the Senate could agree to a conference committee with the House.

Alan Foutz, representing Congressman Cory Gardner, discussed the Farm Bill as well as an immigration bill. Mr. Foutz also stated that Representative Gardner would be in Julesburg, CO and Holyoke, CO on Saturday, July 13th for a town hall meeting.

Pam Shaddock, Regional Director for Senator Udall, discussed the Farm Bill and also informed that Board that the Senator's policy advisor on immigration, agriculture, and water issues is Virgilio (Lio) Berrera.

Jim Slattery, RRWCD Engineer, reported on the Hutton Educational Foundation trial in water court in Greeley, CO and the ongoing effort to retire surface water rights in the Republican River Basin. Mr. Slattery also reported on some Compact Compliance Pipeline issues that had been addressed.

Peter Ampe, RRWCD legal counsel, briefed the Board on the six day trial regarding the Hutton Educational Foundation's lawsuit against the Colorado State and Division Engineers regarding its Hale Ditch water right and its protest to the inclusion of its Tip Jack Ditch, Hutton No. 1, and Hutton No. 2 water rights on the revised abandonment list. Next, Mr. Ampe reported that the hearing concerning Kansas's claims against Nebraska in the Republican River Compact litigation was to take place on August 15th and 16th in Maine. Finally, Mr. Ampe reported that the Colorado Water Conservation Board is organizing a group to work toward opposing any future initiatives that would attempt to impose a public trust on waters within Colorado.

Scott Meiklejohn, RRWCD State Lobbyist, briefed the Board on several water bills that are currently in the Colorado Senate.

Director Steve Kramer, chairman of the Conservation Committee, briefed the Board on his meeting with the NRCS regarding conservation. Mr. Kramer stated that the Conservation Committee has set up a meeting with all of the groundwater management districts within the Basin, as well as CAPA members to be held on July 19, 2013 at 10:00 AM at the Catholic Church in Wray. President Coryell urged the Board of Directors to attend the meeting.

At 11:54 a.m., President Coryell recessed the meeting for lunch.

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

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

After brief discussion, a motion to approve the re-drill of the well owned by the RRWCD in Section 12, Township 2 North, Range 44 West, which is leased to Bledsoe Cattle Company, and leave the location of the re-drill up to Bledsoe Cattle Company, the drilling company, Sergeant, and Director Greg Larson was made, seconded, and approved unanimously.

Next, Director Rod Lenz noted that the Budget Committee would be having a meeting on August 8, 2013 at 2:00 p.m. at the RRWCD office.

REPORTS

At 1:27 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 Resolutions that were presented to the RRCA on April 5, 2013. Mr. Steinbrecher informed the Board that the non-binding arbitration between Colorado and Kansas regarding these issues is scheduled to be held at the Colorado Attorney General's office in Denver on October 1st – 4th, 2013, and the arbitration is open to the public.

EXECUTIVE SESSION

At 1:48 p.m., a motion was made pursuant to section 24-6-402(4), C.R.S., to enter into executive session to determine positions and instruct negotiators relative to agreements subject to negotiations, and receive legal advice on legal questions related to such agreements, Compact compliance, the Compact Compliance Pipeline, and to discuss and receive legal advice on personnel matters. 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 Tracy Travis, Dick Wolfe, and Scott Steinbrecher to stay for a portion of the executive session.

At 4:58 p.m., the executive session ended.

A motion to authorize payments to be made to GEI Consultants and Garney Construction, subject to Executive Committee approval, was made, seconded and passed unanimously.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

At 5:08 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