

Minutes of 2nd 2007 Regular Quarterly Meeting of the  
Republican River Water Conservation District

April 12, 2007

Yuma, Colorado

Present were:

Board Members:

Dennis Coryell, President  
Kim Killin, Vice President  
Tim Pautler, Secretary  
Rick Seedorf, Treasurer  
Grant Bledsoe  
Eugene Bauerle  
Jack Dowell  
Raymond Enderson  
Jay Harris  
Garry Kramer  
Steve Kramer  
Stan Laybourn  
Wayne Skold

Stan Murphy, RRWCD General Manager  
Dana Barnett, RRWCD Administrative Assistant  
John Willard, District Accountant  
David Robbins, General Counsel, Hill & Robbins, P.C.  
Dennis Montgomery, General Counsel, Hill & Robbins, P.C.  
Tim Davis, District Consultant  
Katie Radke, State Engineer's Office

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 10:10 a.m. President Coryell welcomed the public and Danyel Brenner, from Senator Allard's office. Secretary Tim Pautler conducted a roll call of Board members, noting that Directors Kelly Burr and Bruce Latoski were absent. President Coryell noted that Directors Burr and Latoski were excused and that a quorum of the Board was present.

## AGENDA AND APPROVAL OF MINUTES

President Coryell asked for any amendments to the agenda. President Coryell said that the reports scheduled for 11:10 a.m. and 11:35 a.m. would be switched. There were no other changes to the agenda, and a motion to approve the agenda was made, seconded, and approved unanimously. President Coryell observed that the Directors had received drafts of the minutes of the February 23, 2007 special Board meeting and the executive session, and the special telephonic Board meeting on March 6, 2007, for their review and asked if there were any corrections to the minutes. The District's legal counsel, David Robbins, asked the Board to defer action on the minutes of the executive session until he had had an opportunity to review them. A motion to approve the minutes of the February 23, 2007 special Board meeting and the special telephonic Board meeting on March 6, 2007, was made, seconded, and approved unanimously.

## GENERAL MANAGER'S REPORT

At 10:15 a.m., General Manager Stan Murphy presented the financial report and the disbursements for the quarter ending March 31, 2007, which were included in the packet for the Board members. Mr. Murphy noted that large revenues will be coming into the Enterprise and that the Board should think about placing funds in a higher interest bearing account. Mr. Murphy also said that the District's accountant, John Willard, has been working to revise the financial report to include more detail. Mr. Willard asked the Board for any input to make the reports more readable. A motion to accept the financial report and the disbursements for the 1st quarter of 2007 was made, seconded, and approved unanimously.

General Manager Murphy noted that there was a letter regarding Bonny Reservoir and a response to the letter in the Board's packet

## PROGRAM UPDATES AND REPORTS

At 10:20 a.m., President Coryell said that he would change the format for the program updates and reports to allow the public to comment or ask questions after each presentation, but limited to the subject of the presentation. President Coryell said the purpose of allowing public comment was not to get into a debate with the Board about an issue, that if the Board had taken a position, it will explain the position, and, if not, it will take comment but not engage in debate.

At 10:25 a.m., President Coryell provided a report on the trip to Washington, D.C., by the Executive Committee, General Manager Stan Murphy, Deputy State Engineer Ken Knox, Tim Davis, and the District's lobbyist Doug Flanders.

President Coryell then asked Katie Radke to report on the Colorado Water Conservation Board (CWCB) grant. Ms. Radke reported that she had spoken to Mike Sperber, who wants a request for proposals to engineering firms. President Coryell asked if the feasibility study and the engineering proposal were going to be combined. Ms. Radke said the CWCB begins with a draft scope of proposal, which is subject to review and approval. A motion was made to

authorize a request to draft a request for proposals to engineering firms for approval by the Executive Committee. The motion was seconded and approved unanimously.

Next, the Colorado Water Congress (CWC) report was given by Director Rick Seedorf.

At 10:55 a.m., General Manager Murphy provided an update on the Environmental Quality Incentive Program (EQIP). There was discussion about current contracts and the process of executing those contracts. Concerns about communication between the District and the NRCS office was also discussed and General Manager Murphy reported on a meeting he had with top officials from the NRCS office of which one of the topics was communication. Alan Page, a member of the audience, reported that he knew of people that were frustrated with communicating with NRCS and asked for help from the District. Members of the Board and General Manager Murphy told Mr. Page that they would be glad to work with him and any producers on the issue.

President Coryell then asked Mr. Davis, the District's Consultant, to give the report on the Conservation Reserve Enhancement Program (CREP). Pursuant to the Board's approval of an addendum to the CREP program, Mr. Davis reported that he was working on that and would have a draft to the Board soon. There was also a discussion of the timetable for completion and approval of the addendum. It was agreed that around November would be most advantageous to producers – post-harvest, pre-planning. General Manager Murphy also reported that the 4+ miles acres of the current CREP program were close to reaching total allocation. Les Gelvin, a member of the audience asked if the sign-up for CREP was like the sign-up for EQIP in that a producer could make application at any time. Mr. Murphy answered that producers could sign up now for CREP.

At 11:12 a.m., the report on the South Platte Roundtable (SPR) was given. Director Killin reported that she could not make the last two Roundtable meetings; however, she said Joel Schneekloth did and could give an update on any issues of importance to RRWCD. Mr. Schneekloth of CSU reported that there was an item of importance to the District. The current SWSI (Statewide Water Supply Initiative Report) report does not include the Republican River Basin. A report could be done; however, funding that report is an issue for the SPR. The SPR cannot apply for funding and may ask that the District request the funding for the report. Mr. Schneekloth stated that he has sent information to both Ken Knox, Department of Water Resources, and Dennis Coryell, President of RRWCD regarding this issue.

Director Killin said that an alternate to the SPR is still needed because she is not able to attend all of the meetings.

At 11:20 a.m., Joel Schneekloth presented a report on the Conservation Innovative Grant (CIG). Mr. Schneekloth showed results, so far, of three scenarios on raising corn and sunflowers. He hopes to continue this project for two more years and told the Board he may need a letter of support to that effect.

At 11:50 a.m., Fred Raish of the Yuma County Pest Control District presented a report on Tamarisk and Russian Olive concerns along the North and South Forks of the Republican Rivers.

At 12:15 a.m., President Coryell recessed the meeting for lunch.

## PUBLIC COMMENT

At 1:15 p.m., the meeting resumed, and President Coryell asked for any comments from the public.

Alan Welp of Wray told the Board that he felt that the CREP program was not viable for the farmers that he had talked to and asked that the Board continue to find solutions, even raising fees if necessary to pay the well owners who may be shut down.

At that time, David Robbins, Legal Counsel for the District, explained the two main issues confronting producers in the Republican River Basin. First is the compact with the State of Kansas, which is why this District was formed. The other is the lawsuit brought by the Laird/Pioneer surface water right holders against the Groundwater Commission, which was not the issue before this Board.

The next member of the public to speak was Trent Bushner, a County Commissioner, ex-officer of the Corngrowers and a producer. Mr. Bushner stressed to the Board that they need to lobby our state legislature to help us. He said he was working with the Corngrowers who also were meeting with the State to solicit assistance. He proposed a “farmer friendly” CREP, not just conservation; an increase in funding of EQIP to equal CREP or higher; pursue repair and utilizing the water of Bonny Reservoir; and an increase in the District’s use fee. Mr. Bushner stated that he would be “willing to pay \$20 per acre to keep pumping.” Director Killin asked Mr. Bushner if he would share the materials that they were using in meetings with various legislators through the Corngrowers. Mr. Bushner said he would get copies to the Board.

The next member of the public to address the Board was Andrea Anderson, with Yuma County Economic Development. Ms. Anderson asked the Board not to limit their scope of work to just compact compliance. She believes the Board has power in many areas to do more for the economic wellbeing of the basin. President Coryell reiterated the Board’s main focus and scope of work within the current assessment fee structure. Ms. Anderson asked about a “sub-board”, perhaps a “North Fork Tributary District”. Legal Counsel David Robbins commented that the District was formed by statute for the entire basin and did not have authority to create a subdistrict for a certain local part of the District. He advised Ms. Anderson to consult her local groundwater management districts.

Robin Wiley, a Yuma County Commissioner, continued the topic regarding Yuma County being more volatile than other counties and that other producers in the basin will still be pumping when those closest to the river are not. His opinion was that every solution to this issue was going to take more money.

At 2:10 p.m., public comment ended.

## BOARD ACTION ITEMS

At 2:10 p.m., President Coryell turned the Board’s attention to a proposed resolution to provide local funding for the addendum to the CREP program. A motion to adopt the Resolution was made, seconded and passed unanimously.

Mr. Montgomery then explained two proposed resolutions regarding compensation of directors. The first resolution was to amend Article II., Section 4, of the District's By-Laws to increase the compensation to be paid to the District's directors to \$100.00 per day in accordance with recent legislation passed by the General Assembly and signed by the Governor (H.B. 07-1056) and to make other minor changes to the By-Law. A motion to approve the resolution was made, seconded, and passed unanimously. The next resolution was to establish a limitation on compensation for educational meetings attended by the directors consistent with the revised By-Law. A motion to approve that resolution was made, seconded, and passed unanimously.

At 2:30 p.m., the Board took a short recess

#### EXECUTIVE SESSION

At 2:45 p.m., a motion was made pursuant to section 24-6-402(4), C.R.S., to enter into executive session to receive legal advice in developing a strategy for negotiations to purchase, acquisition, or lease of water rights. The motion was seconded and approved 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.

At 3:45 p.m., the executive session ended.

General Manager Murphy then said that Jim Slattery and Ken Knox had met with the Division of Wildlife (DOW), which proposed that they provide a more detailed evaluation of Bonny Reservoir. After discussion, Mr. Davis suggested that the Board request that DOW explain what it wanted.

Under New Business, General Manager Murphy said that he had received an evaluation of the City of Wray's interest in the Wray Ditch. A motion to authorize the District's legal counsel to evaluate the proposal was made, seconded, and approved unanimously.

Director Garry Kramer said that he would arrange for the July Board meeting to be held in Haxtun at the Haxtun Community Center.

At 3:55 p.m., there being no further business, a motion to adjourn the meeting was made, seconded, and approved unanimously.

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Secretary

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Date