

**Minutes of the Second 2018 Quarterly Board Meeting of the  
Board of Directors of the  
Republican River Water Conservation District**

**April 12, 2018**

**Yuma, 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 Quintech LLC., 529 Albany St, Yuma, Colorado.

Present were:

**Board Members:**

Rod Lenz, President

Tim Pautler, Secretary

Aaron Sprague, Treasurer

Gil Anderson

Wil Bledsoe

Dennis Coryell

Brent Deterding

Kenny Helling

Steve Kramer

Stan Laybourn

Rod Mason

Steven Meakins

Roger Seedorf

Wayne Skold

Deb Daniel, RRWCD General Manager

Suzanna Cure RRWCD Administrative Assistant

Pete Ampe, RRWCD General Counsel, Hill & Robbins, P.C.

David Robbins, RRWCD General Counsel, Hill & Robbins, P.C.

Jim Slattery, RRWCD Engineer, Slattery Water Engineering, LLC

Tim Davis, RRWCD Program Consultant, TJD LLC

Christine Arbogast, RRWCD Federal Lobbyist, Kogovsek & Assoc.

Scott Meiklejohn, RRWCD State Lobbyist, Meiklejohn & Associates

Daniel Butherus, representing Congressman Ken Buck.

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

**STATEMENT OF QUORUM**

President Rod Lenz called the meeting to order at 10:02 am., welcomed the public and started the meeting with the Pledge of Allegiance and a prayer. Secretary Tim Pautler conducted a roll call of the Board members, Greg Larson was absent but excused. Secretary Pautler declared that a quorum of the Board was present. President Lenz welcomed all guests and acknowledged Daniel Butherus, representing Congressman Ken Buck.

## **AGENDA AND APPROVAL OF MINUTES**

President Lenz asked for any amendments to the agenda for the meeting. With no changes there was a motion to approve the agenda, seconded and approved unanimously.

President Lenz then asked for any changes to the January 11, 2018 Quarterly Board Meeting Minutes. With no changes there was a motion to approve the minutes, the motion was seconded and approved unanimously.

### **PRESIDENT'S REPORT**

At 10:05 am President Lenz gave the President's report. He reported on the OAI Summit that he attended the previous week. Representative from all states over the Ogallala Aquifer were in attendance. Rod continued, "Even though our hydrology may be different, we all want to conserve what water we have. The Producer Panel did an excellent job at busting irrigation myths. Some of the higher yields they presented were through water deprivation trials. If we do nothing we know where we will end up. We need to accent the hope and start improving our practices. The expectation that we can do something will invite positive peer pressure." Rod ended by stating he never thought he would go to an 8-state symposium where the state lines didn't seem to exist.

### **GENERAL MANAGER'S REPORT**

At 10:18 am General Manager Deb Daniel reported on district activity. She thanked the board for approving the office move. She described how nice it has been to be able to spread out and be able to comfortably talk with multiple producers and board members. She continued her report discussing meetings with the Washington County Commissioners and Stan Laybourn and another meeting with Sedgewick County Commissioners and board members Wayne Skold and Gil Anderson. She also discussed attending a meeting with BOR who was asking for public comment on recreational activities at Bonny Dam. Director Kenny Helling met with Lions Club to encourage public comment on the BOR project and General Manager Deb Daniel put forth a lot of effort to make sure the public knew they could send in their own comments to the BOR. She also attended a meeting sponsored with CAPA in Cheyenne County to discuss the boundary issue. Other activities of the District included, the RRWCD sponsoring a meeting with the South Fork Republican Restoration Coalition and taking Paul Eggers, from GEI, on a tour of the compact compliance pipeline. She also reported on the Ogallala Symposium. She was very impressed with how passionate the producers were. One producer was even willing to make part of his farm dedicated to research.

### **FINANCIAL REPORT**

Suzanna Cure reported on the 1<sup>st</sup> quarter financial report for 2018. A motion to accept the financial report was made, seconded, and approved unanimously

### **CCP OPERATIONS REPORT**

Deb Daniel gave the report for Tracy Travis, operations manager of the compact compliance pipeline. Everything is running smoothly. Cattle are out grazing around the wells. The wells will continue pumping through April 30, 2018. For 2018, Jim Slattery is projecting 13,000 acre-feet will be delivered for compact compliance.

## COMMITTEES REPORTS

- Director Aaron Sprague, Budget Committee Chairman, reported on the Budget Committee the public meeting held on February 22, 2018. The meeting was held at the request of well owners outside the RRWCD boundary. These owners requested that the RRWCD board consider a new fee structure based on usage. Sprague thought the meeting went very well. The RRWCD shared a lot of information with the well owners. This included a spreadsheet on the RRWCD website that compared different payment options for producers to review. Aaron Sprague thought that additional meetings will be necessary and will be discussed before the budget meeting in August and before the RRWCD budget is approved in October. Sprague also spoke to how the RRWCD can aid in conservation methods financially to GWMDs. The RRWCD has been very conservative on our budget and it may be a time to start investing in water conservation. Sprague also noted that the RRWCD didn't budget for the sale of the Earl Property nor did the RRWCD budget for the loss of income from leasing the property.
- Director Steve Kramer, Conservation Committee Chairman, thanked the RRWCD for co-sponsoring the WPP forum. He also stated he supports the idea of the RRWCD financially aiding GWMDs but that it would be good to get a plan before doing so. Rule 7.4 will be considered by Colorado Groundwater Commission Monday, if anyone has any questions please ask him later in the meeting. The Rule pertains to changing the description of acres. Kramer also stated he is anxious to move forward on the CREP Amendment.
- Director Steven Meakins, Chairman of the Innovation & Technology Committee, gave background on how the RRWCD will be able to aid GWMDs financially to help with conservation programs. A copy of the GWMD application for financial aid was provided in the board packet. This will be voted on in the board action items.
- Director Wil Bledsoe, Legislative Committee Chairman, commended Aaron Sprague on how he ran the Budget Committee Meeting February 22<sup>nd</sup>. It was not an easy issue to address. Bledsoe then reported on the CAPA meeting held April 2, 2018, in Cheyenne Wells. Bledsoe also acknowledged Jim Slattery on his presentation. He thought it was informative and gave light to the producers outside the border that action is needed. He then mentioned a copy of the draft contract which was included in the board packet, could be offered to well owners outside the boundary. The draft contract will be discussed as part of the board action items. The contract would 'protect' well owners outside the boundary. There was discussion on how the CAPA meeting went. It was encouraging that several producers left the meeting feeling more informed than they had been in the past.
- Director Aaron Sprague reporting for Greg Larson, Negotiating Committee Chairman, reported that they have been working on getting the Dryden lease and sub-lease finalized. The first payment for the Dryden property was deposited on time.
- Director Steven Meakins, Nominating Committee Chairman, had nothing new to report.
- Director Roger Seedorf, Personnel Committee Chairman, had nothing new to report.
- Director Tim Pautler, PTAC Committee Chairman, asked Peter Ampe to report on the Y-W contract. The Board had a short discussion on the details on the easement between Y-W Electric Association, Cure Land and RRWCD.

## **ASSOCIATED ORGANIZATIONS REPORTS**

- Director Greg Larson was absent, but Deb Daniel reported that Greg, Rod and herself attended the Colorado Water Congress meeting January 24-26, 2018. She also reported that they plan on attending the summer conference in Vail, August 22-24, 2018.
- General Manager Deb Daniel reported on the South Platte Basin Roundtable meetings held in February and March. She was unable to attend the April meeting. The SPBRT approved grant funding for three projects in the basin. Research came up with 3 solid locations for water storage with an alternate being in the Julesburg area.
- Director Kenny Helling reported on the South Fork Republican Restoration Coalition. He stated all the agencies involved were Colorado Parks and Wildlife, Yuma County Commissioners, Kit Carson County Commissioners, The Natures Conservancy, Three Rivers Alliance, and the RRWCD. He provided an update on all the meetings and teleconferences that the Coalition has participated in to keep the project on time. Helling continued that the RRWCD will be acting as the Fiscal Agent for the Coalition. These funds will not affect the RRWCD budget. Helling continued his report stating, the Coalition was able to meet with Darlene Carpio and Dustin Shearer, from Senator Cory Gardner's office. It was a great opportunity to inform Senator Gardner of the project. Senator Gardner has been very willing to help in any way he can. The next meeting will be May 7<sup>th</sup>, in Limon, CO. The coalition is also wanting to hold a kick-off meeting for the project in June.
- Director Steve Kramer reported on Water Preservation Partnership saying that the WPP/RRWCD Ground Water Management Districts Educational Forum went very well. Kramer then encouraged GWMDs to come to the WPP if they have need help with funding or administrative assistance. They would be happy to help.
- Director Roger Seedorf, reported on the Yuma County Pest District (YCPD). Mike Foor will be giving a report later in the meeting.
- Director Kenny Helling reported on the Yuma County Water Authority. They voted to continue to participate in the lawsuit with the Hutton Trust.

## **PROFESSIONALS REPORTS**

- Tim Davis, RRWCD Program Consultant, reported on the status of the CREP Amendment. The OAI Conservation program, allows producers to go from irrigated to dryland farming. As well as funding to go towards moisture monitoring or to converting current irrigation systems to more efficient water use systems. He stated that the federal government isn't running as efficiently as we would like it to and unfortunately, it trickles down to state and local agencies. Funding has been hard to access because of that situation. FSA and NRCS are not able to fill vacancies where people have retired from because of a hiring freeze. A small fraction of the available funds from the federal government has been applied for. Davis stated we should gauge the interest in the OAI program and see if the program can be reopened for sign-up this year. We don't want the funds to go under-utilized and receive less or no funding next year.  
Davis reported the CREP Amendment has been talked about for 4 years. It was moved around a lot and during the trip to Washington D.C. last year, it was narrowed down what was really needed. Emails have been exchanged back and forth, CO Ag Commissioner Don Brown and Mike Sullivan have both been helpful on the Amendment. They are trying to get the CREP Amendment back to the top of the

pile. Unfortunately, we are dealing with people who don't understand how irrigation works. Understanding the difference in the operations of an irrigation well from a domestic and livestock well has proven difficult for them. The board and legal continued discussion on the movement of the CREP Amendment and what else the board can do to help move the Amendment forward. Deb mentioned KS Ag Commissioner Jackie McClaskey, has helped to push the CREP Amendment forward. Susan Metzger is also helping to push the CREP Amendment forward.

- Christine Arbogast gave the Federal lobbyist report. She stated we are finally seeing movement on the Farm Bill. This is just the proposed bill, no negotiating in the House Ag Committee yet. They are also pushing for cattlemen being able to graze acres that are retired from irrigation. Appropriations wise they proposed some significant cuts. The House wants to get through all of their bills. She is also wanting to set up a meeting with State FSA State Director, Clarice Navarro. Speaker Paul Ryan will not be running for re-election. A likely replacement would be Representative McCarthy from California. There will likely be a big fight over food stamps and the work requirement to qualify for food stamps. Pautler asked if the 2014 farm bill will be extended if they can't figure out the 2018 Farm bill. Arbogast thought it would be.

Arbogast isn't optimistic that a farm bill would be approved before the election.

Arbogast also thought that it was strange that the Colorado Delegation hasn't been asked to help with the CREP Amendment, but Kansas has. David Robbins spoke up saying that Commissioner Don Brown has taken the lead on the project and the RRWCD did not want to step on his toes.

The board continued to ask Christine Arbogast questions and discussion followed.

- Scott Meiklejohn gave the State lobbyist report. Meiklejohn went over various bills going through the House that dealt with water. There is a link on the republicanriver.com website if you would like to go over them thoroughly. They are still 325 bills to go through. He mentioned HB1053, Marijuana 1069 reclaimed water use for toilet flushing, 1073 water assets, 1093 reclaimed water use for edible crops, 1199 aquifer storage and recovery plans, 38 reclaimed water use on hemp, 41 water use for sand and gravel mines. David Robbins also mentioned that Senator Jenni Arndt would like to take a tour of the area. Deb Daniel offered to contact her.

At 12:20 PM the board took a break for lunch

The board reconvened the meeting at 1:07 pm.

### **PUBLIC COMMENT**

Daniel Butherus, from Congressman Ken Buck's office, introduced himself to the board.

At 1:09 pm public comment period ended.

### **PROFESSIONALS REPORTS CONTINUED**

- Pete Ampe, RRWCD legal counsel, stated that there wasn't not too much over the last 3 months. Ampe will be discussing contracts and leases later during action items. David Robbins, RRWCD legal counsel, thought it better to remember that when dealing with people from Texas, they approach the water issue much different than their northern neighbors.
- Jim Slattery, RRWCD water engineer, reported on the Budget committee meeting first. He put together some options to change the fee structure which he presented at the meeting. He overviewed the

possibilities of a fee structure being per acre or per acre foot pumped. Slattery put together a spreadsheet to help producers compare these options and a presentation that are both up on the website.

Slattery then touched on the April 2<sup>nd</sup> meeting that CAPA sponsored. The meeting was successful in giving the producers accurate information, the producers weren't guessing at information anymore. A big misconception is the pipeline only protected those on the north fork, however it does protect all producers in the RRWCD Basin.

Slattery then spoke then presented a graph. It showed depletions vs. what is required by the pipeline every year. In 2018 the pipeline needs to pump 13000 acre/ft. This is because the it is averaged over 5 years. There was a total of 1,700ac-ft under-pumping for 2014-2018.

More and more producers will be entering CREP or other conservation programs which also means that less funds will be coming into the District. Their assessment fee goes away when they enter a program. The District needs to get ahead of the curve and start buying a well per year to keep the CCP in compliance.

The board had several questions for Jim Slattery and discussion continued.

## **PRESENTATIONS**

- Report from Yuma County Pest District General Manager, Mike Foor. The YCPD is working 2 projects right now that equals about 125 acres. The YCPD is trying to receive grant funding. On one project they removed too many trees and now have to re-establish habitat. The Lengel property has a wildlife easement with Colorado Parks and Wildlife, who can dictate what trees can and can't be removed. Each conservation easement has its own terms, many easements are just for access, others can control land management.
- Report from State Engineer's office Mike Sullivan, Deputy State Engineer and Scott Steinbrecher, from the Attorney General's office. Mike Sullivan reported on the CAPA meeting. He asked the producers from that area to come back by July 1<sup>st</sup> with what they want to do concerning the RRWCD boundary issue. If they don't respond back to the DWR by then, the Basin Rules process will proceed this summer. Mike, Scott and State Engineer Kevin Rein will be participating in the Republican River Compact Administration meeting in Manhattan KS. These meetings are going smoothly, and issues are talked about freely.

There has been a revision on how to calculate a water-short year. Groundwater is included. When the CCP was negotiated it was also negotiated that Kansas can store water in Harlan Reservoir. Scott Steinbrecher spoke using Jim Slattery's graph. The State finalized negotiations with Nebraska, paying them \$4 million, and in return Nebraska forgives any depletions up to 2013. 2014 and following years, the pipeline will be used to stay in compliance. Steinbrecher could not get into the discussions held during negotiations but continues to meet with each state to discuss compliance both past and future. The RRCA has approved pumping records through 2016, and 2017 will be considered this year. The State is using the TFM and PCC records for accounting.

Concerning the RRCA resolution that Colorado will try to voluntarily retire 10,000 acres by 2021 and another 15,000 acres by 2027, Mike Sullivan responded, "If Kansas pulls the trigger with Colorado, then Colorado can pull with their agreement that allows Kansas to store water in Harlan Reservoir in Nebraska."

## **BOARD DISCUSSION AND ACTION ITEMS**

- Then the board discussed membership to Water Education Colorado (WEC) formerly known as the Colorado Water Educational Forum. For several years the RRWCD has been asked to donate to this organization. They are asking again for a donation of \$1,000. A motion was made to donate \$1,000 to Water Education Colorado, seconded and approved unanimously.
- The board then considered payment-in-lieu of taxes for 2017 for the Dryden & Earl properties. A spreadsheet of the 2017 taxes was provided in the board packet. A motion was made to make 2017 payment-in-lieu of taxes for the Dryden and Earl Properties, seconded and approved unanimously.
- A copy of the Memorandum of Understanding with South Fork Republican Restoration Coalition was provided in the board packet. David Robbins reworked the MOU to protect the RRWCD especially as the fiscal agent regarding liability, negligence, etc. A motion was made to accept the MOU as written in the draft was made, seconded and approved unanimously
- The Board then discussed making the RRWCD the fiscal agent for the South Fork Republican Restoration Coalition. A motion was made to make the RRWCD the fiscal agent for the SFRRC. The motion was seconded and approved unanimously.
- The board then reviewed the Y-WEA communication antenna tower agreement, which was provided in the board packet. It was decided that the agreement will be reviewed and approved by the Negotiating committee.
- Review and approve a limit of financial assistance available to each ground water management district for RRWCD professional services. Steven Meakins put together an application for funding that was included in the board packet. Steven Meakins explained the application. There was a motion to accept the document and allow the Conservation and Budget committee to work together to determine the dollar amount. Further comments were made by Kenny Helling, who suggested that we create a ‘grant matching’ program with GWMDs. This would ensure liability for the costs from each of the GWMD and the RRWCD. Steven Meakins said that was considered but thought the GWMDs wouldn’t get very far in their projects if they had to match funds. Discussion continued on how to determine funds available for GWMDs to apply for. After the discussion the motion was withdrawn. A motion was made to wait until the Conservation, Innovation-Technology and Budget committees can meet to and create a proposal for funding to GWMDs. The motion was seconded and approved unanimously.
- Aaron Sprague moved to donate \$20,000 to the Yuma County Pest District for tree removal. It was asked if another entity could come in and ask. Sprague responded that another entity could come and present to the board and ask for funding. The motion was seconded and approved unanimously.

## **OLD BUSINESS**

The Board reviewed and discussed the contract to possibly offer to well owners outside the RRWCD boundary. A copy of the contract was included in the board packet. Rod Lenz introduced the topic and asked Pete Ampe to go through the highlights of the contract. If well owners outside the boundary do not pursue requesting Legislature change the RRWCD boundary, then those who do want the boundary moved could sign a contract and be protected by the augmentation actions of the RRWCD as are well owners inside the current RRWCD boundary. Details of the contract were discussed. Some questioned why the contract was necessary and that our efforts should be focused only on encouraging those outside the RRWCD boundary to request legislature change the boundary to allow all well owners in the Republican River domain to be protected equally. Others

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felt that producers outside the boundary who do want the boundary changed need to have this option to protect their ability to irrigate. The conversation rounded back to the State Engineer's Basin Rules. Kevin Rein and Mike Sullivan have made commitments to take their draft Basin Rules to Water Court for approval, if well owners outside the RRWCD do not request the boundary change.

Stan Laybourn left the meeting at 3:30.

The boundary issued discussions continued. David Robbins pointed out that this is not on the RRWCD's shoulders. It is on the shoulders of the Plains GWMD and the East Cheyenne GWMD. President Rod Lenz took a poll of each board member's opinion on the boundary/contract issue. President Lenz proposed to finalize a contract no earlier than July and no later than October. Lenz then took a poll if the RRWCD should push for moving the boundary once or move it twice. Some opinions said move it once as far as we can and anyone outside the boundary can have the option to sign the contract.

### **NEW BUSINESS**

David Robbins and Pete Ampe were asked to give a report on the Hutton Trust Tip-Jack Head-gate Relocation application. Ampe reported the Hutton Trust simple change case involving the Tip Jack ditch was dismissed. Hutton trust had filed a new application under a different legal theory to again change the point of diversions for the Tip Jack. Legal needed approval from the Board to file a statement of opposition. A motion was made to allow legal to file a statement of opposition, was seconded and approved unanimously.

Discussion on Compact Compliance Pipeline Review Report to Sandhills GWMD. The Sandhills GWMD has the right to review the CCP exports every 5 years.

Lenz then updated the board on the Dryden property lease and sub-lease. The sub-lessee will pay the RRWCD directly every month starting in May. The lessee will also need to stay current with their electrical bills. The sub-lessee will also pay for the electricity to operate the well and sprinkler for the circle they are sub-leasing.

Deb Daniel encouraged everyone to attend the inaugural conference of the Water of the West will be held in Denver, on April 26<sup>th</sup> and 27<sup>th</sup>, 2018. This annual event is co-sponsored by CSU and Denver Water.

At 4:00 pm a motion was made to adjourn the meeting.

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Secretary

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Date