

**Meeting Minutes of the Interim Board of Directors
Conference Call (due to weather)
December 21, 2006**

1. Call to Order

The Interim Board of Directors meeting was called to order by Vice President Lisa Darling.

2. Call Participants:

Steve Simms, Ted Kowalski, Greg Dewey, John Kolanz, Dennis Bode, Dennis Harmon, Lisa Darling, Deb Freeman, Alan Berryman, Austin Hamre, Jon Altenhofen, and Kevin Urie.

3. Approval of the minutes from the November 16, 2006 Board meeting was tabled until the January 2007 meeting.
4. Ted Kowalski requested the addition of an additional item to the agenda, a discussion of the immediate set-up tasks and responsibilities of the State of Colorado to the Program.
5. Discussed the Memorandum of Understanding (MOU) with Division of Wildlife (DOW).

A discussion was held that questioned whether or not the SPWRAP Board currently has all the necessary information to make a decision regarding the MOU with DOW. It was recognized that the Board's decision will be greatly influenced by what percentage of recharge will be conducted on State lands versus private lands and it was suggested that SPWRAP should pay for the DOW's full time employee (FTE) based on the percentage of recharge developed on state land vs. private lands. Jon Altenhofen stated that it will take another 60-90 days before we have a good understanding of the percentages of recharge that will likely occur on state vs. private lands. The Board thought it would likely take 3-6 months before they could make a decision on the MOU.

Additional discussion included whether or not the DOW FTE could be paid for through the Species Conservation Trust Fund (SCTF). The State believes the FTE could possibly be funded through the SCTF and that the attorney general's office is looking at the legality of it.

The State is concerned that with a new administration coming into office that we will end up spending a lot of extra time educating the new administration on the Program and further delay the signing of the MOU. It was mentioned that this might not be bad and that it could be helpful in getting the new administration quickly up to speed on the Platte River Program.

A question was raised about the 20% of augmentation credits developed at Tamarack that go right to DOW "off-the-top". There needs to be further discussion with DOW to clarify their understanding, if the 20% is always "off-the-top" or do they only take the 20% when they need augmentation credits? The 20% may be workable, but will depend on the timing of the credits taken by DOW in relation to the timing of the credits that must be generated for Program compliance. It was stated that the belief was that DOW is primarily interested in augmentation credits to keep the sloughs wet on Tamarack SWA but DOW needs to confirm if they have any other augmentation needs. It was identified that long-term and short-term task lists need to be developed for SPWRAP (see below) and this issue should be logged on that list. Deb Freeman,

Alan Berryman, Steve Simms, Jon Altenhofen, and Ted Kowalski agreed to work on the task lists.

It was agreed that further discussions with the DOW are needed on the use of the FTE and what the DOW believes the FTE's work responsibilities would be for both DOW and SPWRAP. There is also the question of whether a DOW FTE can assist with recharge activities on private lands. It was suggested that a meeting with DOW be set at the beginning of 2007 and that SPWRAP should have the AG's opinion on use of the SCTF to fund the FTE before such a meeting. Austin agreed to set-up the meeting.

6. The Board discussed the Memorandum of Agreement (MOA) with the Department of Natural Resources (DNR).

Exhibit A for the MOA is still needed and additional thinking will be required by the Board. The costs to Colorado (preliminary estimates) to fulfill the state obligations to the Program are needed. The first draft should be completed by the second week of January 2007 and include estimates to develop water for Tamarack I & II as well as costs for modeling and accounting. Deb Freeman, Alan Berryman, and Steve Simms agreed to work on this issue.

7. No Program report was provided since little has changed since the last SPWRAP meeting.
8. Discussion on the immediate set-up tasks and responsibilities of the State of Colorado to the Program.

Ted Kowalski asked about SPWRAP's status on issuing an RFP to hire a consultant to provide the required future depletion accounting under the Program. Jon Altenhofen said he is developing a draft reporting form for review that cities/municipalities will need to fill out. It was discussed that a sub-committee will likely be needed after the January 2007 SPWRAP meeting in order to move forward on this reporting issue. Deb Freeman stated that State reporting will be critical since the FWS has told us that they are going to focus on Colorado's fulfillment of Program obligations and not on individual user compliance.

The State Demographer Report to the Program is due within 90 days from the start of the Program or by March 31, 2007. The State Demographer has indicated that they will be able to provide the report within the 90 days to include estimated population growth during the first reporting period (December 31, 2006 – December 31, 2008).

9. It was identified that a DNR/SPWRAP Operating Committee is needed and should be discussed at the January 2007 meeting.
10. Discussion on Water Users representative and alternate to the Governance Committee (GC).

SPWRAP needs to identify and appoint a water-users representative and an alternate to participate on the Program's GC. These representatives' names need to be sent to Mitch King at the USFWS regional office before the first GC meeting in February 2007. Discussion on this issue identified the need for the water-users representative to have solid institutional knowledge and history of the Program. Additionally, the alternate should be from the "next generation", someone with a scientific and technical background. Lastly, a second alternate should be an attorney.

Additional discussion raised the issue of how will GC representatives and alternates time be paid for? Will SPWRAP cover the costs or will individual entities cover their expenses? The

Board agreed to have additional discussion and expects to make a decision on this “who pays” issue at the January SPWRAP meeting.

A motion was made by Greg Dewey to nominate Alan Berryman as the water-users representative on the GC with Kevin Urie as the alternate. The motion was seconded and approved by the Board.

11. Coordination of SPWRAP with the U.S. Fish & Wildlife Service (USFWS).

Deb Freeman reported that she, Ted Kowalski and Kevin Urie had met recently with the USFWS on the Program streamlining documents in preparation for a meeting the USFWS had set-up with the COE and EPA to explain how the Platte River Program and SPWRAP will work for Section 7 consultations after the first of the year. One of the issues raised by Tim Carey of the COE was the issue of minor depletions. Currently, projects with a minor depletion are paying a one-time fee. Since the Platte River Program does not have a provision for minor depletions it was asked how minor depleting projects would be required to pay into SPWRAP, especially since their assessment would likely be very small. The SPWRAP Board will need to have additional discussion on this issue, which may include developing a separate member class for projects with minor depletions (i.e. possibly pay a one-time assessment based on the first 13-year increment of the Program or some other mechanism).

The USFWS said they will be developing a consultation package for the Platte River Program and have asked SPWRAP for a 1-2 page summary, to include with their package, on how to join SPWRAP with other pertinent procedures. Deb Freeman has agreed to write a first draft of the summary with the help of Kevin Urie and Dennis Harmon. Dennis Harmon mentioned that he and Kevin had already scheduled a meeting for 10:00 am on January 9th at Denver Water to continue working on these procedures and that anyone is welcome to join them for the meeting.

12. Resolution regarding one-time member initiation fee, establishing X-1 Class of membership for State depletions, and related issues.

No discussion was held specific to the original draft resolution provided by Austin Hamre. It was agreed that these issues would be tabled until the January SPWRAP meeting, which would then allow Austin to revise the draft resolution, for Board discussion, to include a new de minimus depletion category allowing for a one-time payment. It was also requested that Austin draft language in the resolution to state that no interest will be charged for joining SPWRAP late (Ag users have requested this in writing), but maybe require late comers to cover the cost of inflation. This issue also requires further discussion by the Board at the January meeting.

13. SPWRAP Website.

Kevin Urie reported that the SPWRAP website is in progress and anticipates that it will be usable in early 2007.

14. Deb Freeman reported that she and Alan Berryman spoke to water users in Jackson County and that Jackson County wants to join SPWRAP.

15. Next Meeting:

January 18, 2007

Northern Colorado Water Conservancy District Offices at 10:00 am