

South Platte Water Related Activities Program, Inc.

220 Water Avenue, Berthoud, Colorado, 80513

Meeting Minutes of the Interim Board of Directors March 15, 2007

1. Call to Order

The Interim Board of Directors meeting was called to order by President Dave Little.

2. Minutes from the February 15, 2007 Board meeting were approved.

3. Financial

Dennis Harmon handed out a financial balance sheet. Two invoices were approved by the board. One for electricity to pump wells at Tamarack and a second from Trout, Raley, Montano, Witwer & Freeman, P.C. for Deb Freeman's time.

Jon Altenhofen requested authorization to continue pumping Tamarack recharge wells through March and April. The board approved for Dennis Harmon to pay up to \$50,000 for well pumping.

Dennis Harmon will work on filing the corporation's 2006 tax return.

4. Update from the Operating Committee

One-time Depletion Fee

The board discussed establishing an assessment category for one-time water uses that are not used on a continual basis. A fee proposal was suggested that would allow one-time water uses to pay \$150.00 for each 100 acre-foot block of total gross water used. For example, 1-100 af would pay \$150.00; 101-200 af \$300.00, etc. The board approved this assessment structure and agreed that SPWRAP would not require one-time water users to sign a Recovery Agreement and that a receipt for payment would be issued in lieu of a membership certificate.

North Park Existing Depletions

The board discussed the North Park existing depletions issue (existing water uses which may or may not snag a federal nexus). North Park water users believe that they were told by the state that they would get coverage in the Platte River Program without any monetary obligation. The Jackson County Water Conservancy District said they are willing to join SPWRAP as a Class "W" member as a good will gesture (approximately \$500 annually). The board agreed that if North Park water users would join as Class "W" member that their existing depletions would be covered by the Program. It was requested that documentation be written-up that explained the rationale behind SPWRAP's decision to take this path and to reflect that the existing depletion (not new depletions) limits are not exceeded as defined by the state (i.e. baseline population of 1,700). The question was raised about whether or not to require the signing of a Recovery Agreement. The board agreed that the Jackson County Water Conservancy District should sign a Recovery Agreement. However, individuals with projects would not be required to execute Recovery Agreements.

Eric Wilkinson and Alan Berryman agreed to talk to the North Park water users to inform them of the board's decisions and then jointly meet with the FWS for their concurrence.

Addition of Language to Class "M" form to Address Groundwater Uses

Kevin requested to add additional language to the Class "M" reporting form to clarify that SPWRAP assessments include treated water that is produced from groundwater. The board agreed and requested that the added language be circulated for concurrence by the board.

5. Parker Water & Sanitation District/FWS Issue

Parker W&S District has apparently indicated that they may not choose to rely on the Platte River Program for ESA compliance. Parker may choose to do recharge on their property in the lower South Platte River. The FWS has indicated that they would prefer Parker rely on the mechanisms provided by the Program and join SPWRAP.

6. Coverage for Federal Depletions

Other Small Existing Depletions

There are a few small existing federal depletions like the Arapaho Wildlife Refuge that were not consulted on under the Platte River Program and the FWS is asking if SPWRAP can provide coverage for these small existing federal depletions. The board asked that the FWS identify how many projects there are and quantify the depletions (including location and amount) so the board would have a better understand of what SPWRAP might be obligating itself to do.

7. Future Depletion Accounting and Reporting Sub-Committee

Jon Altenhofen reported that work continues on the reporting for Colorado's future depletions and indicated that this report was not needed for the March report to the Program Governance Committee.

8. Update on Federal Funding Legislation

It was reported that bills have been introduced in both the House and Senate.

Alan Berryman reported that the contract with the Washington lobbyist, Alan Freemyer, has ended and a new contract is due by the end of March. The 2006 contract was for \$96,000 (\$8,000/mo.) and was being split by the States of Colorado and Wyoming, and Colorado water users. Nebraska was not participating. Wyoming has indicated that they will not likely continue with funding support. A question was asked if the State of Colorado could fund \$36,000 and SPWRAP \$36,000. After discussion it was agreed that a 9-month contract with Mr. Freemyer should be pursued and additional funding support would be sought (i.e. Nebraska). A motion was made by Dennis Bode and seconded by John Kolanz to pay \$24,000 toward the 9-month contract with Mr. Freemyer. The motion passed.

9. SPWRAP Administrative & Corporate Issues

Authorization to Pay for Pumping of Three Wells into the Peterson Ditch

Jon A. discussed how pumping three wells into the Peterson ditch would provide private recharge for future depletions and that it would cost \$10,000 to pump the three wells for one month. The pumping would recharge approximately 56 af per day and by paying for electricity SPWRAP would receive approximately 250 af of recharge credits (i.e. \$40/af) to be applied toward Colorado's future depletions. A motion was made by Dennis Bode and seconded by Lisa Darling to pay for the pumping of the three wells into the Peterson ditch. The motion passed.

Request by Loveland to Waive SPWRAP Fee for Idylwilde Hydro Project

It was determined the under the SPWRAP Articles and Bylaws that hydroelectric projects are covered under an entity's existing membership and that hydroelectric projects are not assessed separately.

Membership Certificates

It was discussed whether or not the certificate of membership had to physically list the member entities voting individual. After reviewing the Bylaws of the corporation it was suggested that the bylaws be amended to modify language in IIA. "Members" by removing the second sentence and replacing it with "Members other than a natural person shall designate the individual authorized to cast votes for the member."

A list of voting individuals for member entities will be compiled for the annual meeting.

10. Ovid Reservoir Funding/Support

The Ovid Reservoir board is requesting a letter from SPWRAP in support of a SB-179 Grant request for funding to study Ovid Reservoir uses and potential operations. The SPWRAP board agreed to submit a letter of support. Joe Frank will draft a letter to be sent to president Dave Little for signature.

11. Next Meeting:

April 19, 2007

Denver Water at 10:00 am