

South Platte Water Related Activities Program, Inc.

220 Water Avenue, Berthoud, Colorado, 80513

Meeting Minutes of the Interim Board of Directors

May 17, 2007

1. Call to Order

The Interim Board of Directors meeting was called to order by Lisa Darling for President David Little. Since no quorum was present the meeting was declared informational only.

2. Additions to the agenda.

A discussion item was added to agenda on Recovery Agreements.

3. Approval of the minutes from the April 19, 2007 Board meeting was suspended until the June Board meeting.

4. Duck's Unlimited NAWCA Grant Funding.

Greg Kernohan indicated that the South Platte Lower River Group (SPLRG) was providing \$35,000 from a \$150,000 CWCB grant toward the NAWCA project. A request has been made for SPWRAP to contribute \$8,000 to the project. This request needs to be discussed and possibly approved at the June SPWRAP Board meeting. SPWRAP would receive first right of refusal for excess recharge credits created by the project of up to 200 af, estimated to be currently valued at \$40 per af. Greg agreed to draft a letter to the SPWRAP Board that explains how the NAWCA grant works and what SPWRAP would get in return for participating.

5. SPWRAP Letter of Support for Ovid Reservoir Study.

The Ovid Reservoir Study will identify potential future uses and operational possibilities for the project. The project may be available to State of Colorado and SPWRAP to help offset future increased needs for recharge and/or other methods to retime water under the state's obligations to the Platte River Program. The project also has the potential to maintain the compact call.

The District 64 Reservoir Company has requested a letter of support for their grant application to the Metro and South Platte basin Roundtables from SPWRAP. It was agreed that a letter of support should be sent. Joe Frank will draft a letter of support and provide that draft to Kevin Urie who will circulate the draft to the SPWRAP Board for their edits and comments.

6. Update on Program Activities.

Governance Committee:

- Alan Berryman handed out copies of the Program's 2007 Work Plan as developed by the Adaptive Management Workgroup (AMWG).
- Colorado has submitted its first required Program report to the Governance Committee. In that report, the state is proposing a change to the amount of water that Colorado is required to retime under the initial Water Management Plan (Plan) due to impacts of the recent drought. Under the original Plan assumptions, Colorado was required to retime 5,304 af in May/June. Under drought conditions it appears the original assumptions in the Plan are too high and the actual amount that should be retimed in the May/June period is actually closer to 2,300 af.

Executive Director:

- a. Dr. Jerry Kenny, formerly of HDR consultants, has been hired as the Executive Director for the Platte River Program. Dr. Kenny will start in his position on July 1, 2007. It was suggested that SPWRAP invite Dr. Kenny to a meeting/luncheon to provide Dr. Kenny with Colorado's perspectives and issues related to the Program implementation.

Authorizing Legislation:

- a. State Funding – A Bill is ready for the governor's signature. It appears that the Program will be fully funded under this Bill but will depend on actual severance tax funding (full funding will depend on three amendments and actual severance tax funding over the next 4-5 years).
- b. Federal Funding – The federal funding effort had some trouble in the Senate. An issue has come up regarding a 1904 water right related to Pathfinder Reservoir. SPWRAP may need to write a letter to Senator Salazar stating that state water rights issues shouldn't be solved in a federal process like the Platte River Program. The House hearings have gone well.

7. Recovery Agreements.

Recovery agreements are no longer required by the U.S. Fish & Wildlife Service. Mark Butler issued an official letter from the Service to this affect on May 3, 2007. This letter will be posted on the SPWRAP website.

8. SPWRAP Administrative & Corporate Issues

Financial Report:

- a. Dennis Harmon provided a current balance sheet. The checking account had a balance of \$987.51 and the money market account has a balance of \$1,395,422.40. It was suggested that the budget workgroup reconvene to reexamine the budget assumptions.
- b. It was discussed that \$243,000 was budgeted in 2007 for recharge credit leasing. Jon Altenhofen indicated that if the call stays off of the river that there was a potential to lease 5,300 af of recharge credits, which would cost approximately \$213,000 at \$40/af. If the call were to come back on only 1,100 af of recharge credits would likely be available. Jon mentioned that the 5-year reporting requirement allows for averaging and that SPWRAP should lease all excess credits when they are available for purchase in order to "carry over" to the next year.
- c. Alan Berryman stated that a check was needed for the Alan Freemyer contract for \$24,000. Also, an invoice for \$3,426.80 was received from Trout, Raley, Montano, Witwer & Freeman, P.C. for services provided to SPWRAP by Deb Freeman.

PPRIP Obligations:

- a. Nothing to report

MOU with DOW on use of Tamarack

- a. Nothing to report

Assessment Structure for Center of Colorado Water Conservation District:

- a. After brief discussion it was felt that a Class “W” assessment based on total acres within the district, minus any federally owned acres, would make the most sense. Austin Hamre agreed to contact the district to further discuss and understand their operations, which in turn, would help SPWRAP decide how to equitably assess the district for their uses.

9. Next Meeting:

June 21, 2007

Denver Water Board Room at 10:00 am

DRAFT