

May 15, 2008

Meeting Minutes of the Board of Directors

Directors Present: Alan Berryman, Dennis Bode, Lisa Darling, Greg Dewey,
Kim Elkins, Dennis Harmon, Kevin Urie and Randy Rhodes

Directors Absent: John Kolanz

1. CALL TO ORDER / INTRODUCTIONS

Lisa Darling called the SPWRAP Meeting to order at 10:00 am at the headquarters of Northern Water. There was a quorum of Directors.

2. ADDITIONS/CHANGES TO THE AGENDA

There was a suggestion to add an update by Deb Freeman, "Update on meeting with USFWS regarding depletions". The revised agenda was approved by consensus.

3. MINUTES FROM THE APRIL 17, 2008 BOARD MEETING

Minutes of the April 17, 2008 Board Meeting were approved by consensus with one minor change in paragraph number 9 from the version that was emailed out. This change will be reflected in the final version.

4. FINANCIAL REPORT

Dennis Harmon presented the SPWRAP financial report, including a financial statement through May 13, 2008. Dennis Harmon also said the following bill needed to be paid:

- Trout, Raley, Freeman, et al. for legal services (Mar/Apr) – \$1,850.32

MOTION: Dennis Harmon moved that the board approve payment of the bill listed in the financial report. Greg Dewey seconded the motion and it was approved unanimously by the directors present.

5. FINANCE COMMITTEE UPDATE

The balance in the money market account is large enough to warrant placing a portion of the funds into another secure investment option. The finance committee (Dennis Harmon and Greg Dewey) researched the option of using Colorado Trust and CSAFE and believes both to be good options. The board consensus was to move some money to both Colorado Trust and CSAFE.

MOTION: Dennis Harmon moved that the board adopt the model resolution for Colorado Trust and CSAFE to allow movement of money to these entities. Dennis Bode seconded the motion and it was approved unanimously by the directors present.

Dennis received proposals from accounting firms to do a third-party audit. Dennis circulated to the Board the written proposals from Hunt, Spillman, and Associates, p.c. and David J. Dunn, p.c.

MOTION: Dennis Harmon moved that the board approve David J. Dunn, p.c. to perform an audit and let Dennis sign the acceptance letter. Greg Dewey seconded the motion and it was approved unanimously by the directors present.

MOTION: Dennis Harmon moved that the board approve Hunt, Spillman, and Associates, p.c. to prepare and file the 2007 tax return. Greg Dewey seconded the motion and it was approved unanimously by the directors present.

6. UPDATE ON PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM (PRRIP) ACTIVITIES

Federal legislation that authorizes the federal government to appropriate money to the PRRIP was signed by the President of the United States. However, the annual appropriation of money for the program still needs to be done each year.

Northern Water originally contracted with lobbyist, Alan Freemyer to lobby for the PRRIP. It was the board consensus for Alan Berryman to write a letter terminating the contract as of May 2008. However, Alan will stress that we are interested in pursuing a contractual relationship to provide services related to a one-time, annual request for appropriating the money this year.

7. SPWRAP ADMINISTRATIVE & CORPORATE ISSUES

Discussion ensued about how much time various board members were spending on SPWRAP administrative and corporate issues. The consensus was that the cumulative time commitment was not enough to warrant hiring an executive director for the time being.

8. UPDATE ON MEETING WITH USFWS REGARDING DEPLETIONS

This issue pertains to when a federal agency is also a water user. Under the Program documents, Colorado has agreed to cooperate with the federal agencies for coverage of up to 350 acre-feet of depletions per year on federal lands. These might be depletions caused by stock ponds, visitor facilities, or piscatorial/wildlife/environmental uses. Discussion ensued.

MOTION: Greg Dewey moved that SPWRAP enter into a Memorandum of Agreement with USFWS, the essence of which defines a single one-time payment of \$10,000 for the first increment of the PRRIP for USFWS to pay to obtain coverage of up to 350 acre-feet of depletions under Colorado's Future Depletions Plan, and specifies that all accounting of depletions on federal lands will be consolidated for USFWS to submit. Dennis Bode seconded the motion and it was approved unanimously by the directors present.

Alan Berryman and Kevin Urie will work on refining this proposal with the USFWS.

9. AGREEMENTS WITH THE STATE OF COLORADO

A Memorandum of Understanding between SPWRAP and Division of Wildlife had been drafted. However, it was long enough ago to warrant revisiting. Austin Hamre will work with Mary Halstead and Jon Altenhoffen to review the latest draft.

10. APPROVAL OF AGREEMENT FOR LEGAL SERVICES FROM AUSTIN HAMRE

Austin Hamre will email the proposed agreement for legal services to the Board members. All board members are asked to vote their approval by email.

11. PROPOSAL FOR JUNE 19, 2008 MEETING TO BE FIELD TRIP

At the last board meeting, Lisa Darling had suggested that the June SPWRAP board meeting date be used to schedule a field trip to visit the facilities, such as Tamarack, used to meet Colorado's water replacement. However, this date conflicts with the Colorado Foundation for Water Education's tour of the South Platte Basin.

MOTION: Greg Dewey moved to cancel the June 19th SPWRAP meeting and to proceed with planning so that the July 17th SPWRAP meeting is a field trip. Randy Rhodes seconded the motion and it was approved unanimously by the directors present.

Mary Halstead and Jon Altenhoffen will work on the details of the tour. Kevin Urie and Greg Dewey will work on getting RSVP's.

12. REPORT FROM THE EXECUTIVE COMMITTEE ON ANY UNADDRESSED ITEMS

All of the pertinent items discussed at the Executive Committee were incorporated into the SPWRAP meeting.

13. Next Meeting of the Board of Directors:

July 17, 2008 – TBD, Field Trip to Northeastern Colorado
(No meeting in June)