

March 19, 2009

Meeting Minutes of the Board of Directors

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

Directors Absent: Dennis Harmon and John Kolanz

1. CALL TO ORDER / INTRODUCTIONS

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

2. ADDITIONS/CHANGES TO THE AGENDA

There was one addition/change to the agenda: discuss a refund to Centennial Water and Sanitation District. Lisa mentioned that all the items would be covered but she would be liberal with changing the order in which they would be discussed.

3. MINUTES FROM THE FEBRUARY 19, 2009 BOARD MEETING

There was one change to the minutes: "Dennis Bode" was absent the meeting, when the minutes showed him as present and absent.

MOTION: Kevin Urie moved that the board approve the minutes from the February 19, 2009 board meeting, given the proposed change. Randy Rhodes seconded the motion and it was approved unanimously by the directors present, with the exception of Kim Hutton who abstained from the vote. Kim was not at the February meeting.

4. FINANCIAL REPORT

Kevin Urie presented the SPWRAP financial report, including a financial statement from beginning of the 2009 fiscal year through March 12, 2009. Kevin also said the following bills needed to be paid:

- Hunt, Spillman & Assoc. for monthly bookkeeping (February) -- \$95.00
- Trout, Raley, Freeman, et al. for legal services (February) – \$623.00
- Duncan, Ostrander & Dingess for legal services (February) -- \$1,687.01

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

Kevin Urie initiated discussion about an overpayment of SPWRAP assessments by Centennial Water and Sanitation District. There was a mistake in the way that Centennial W&SD was calculating its assessments for 2007 and 2008. Centennial W&SD inadvertently included treated water provided by Denver Water. Denver Water had already included this water in calculation of its assessments. Discussion ensued.

MOTION: Kevin Urie moved that the board approve a refund of \$74,808 to the Centennial Water and Sanitation District due to overpayment of SPWRAP assessments. Randy Rhodes seconded the motion and it was approved unanimously by the directors present.

5. AGREEMENTS WITH THE STATE OF COLORADO

- SPWRAP-CDNR First Amendment to MOA
Done last month and attached to the Heyborne Recharge Project Agreement.
- SPWRAP-CDOW MOU
Mary Halstead (Division of Wildlife) reported that the documents were in final form from the state's perspective (CDNR and CDOW) and had been signed by state personnel. Austin Hamre had final versions which were executed by SPWRAP at today's meeting. Mary Halstead and Lisa Darling wanted to specifically thank Ted Kowalski for being a trooper and diligently working on these agreements. A final version will be posted to the SPWRAP website.

Mary Halstead reported that CDOW is now pursuing an exemption to the hiring freeze at the state. The exemption is needed to get the FTE that is referenced in the MOU. Additional construction of wells at Tamarack can also begin.

6. HEYBORNE RECHARGE PROJECT AGREEMENT

Austin Hamre brought a fully executed version of the agreement, complete with appendices, for the board to review. A final version of the agreement (17 Megabytes) is posted to the SPWRAP website, located at:

http://spwrap.org/custom/Heyborne_Project_Agreements/HRWP_Project_Specific_Agr_Signed_w_Attach.pdf

7. SET CALENDAR FOR MEETINGS IN 2009

Lisa Darling discussed the possibility of establishing a schedule of SPWRAP board meetings that fit better with the Governance Committee schedule and reporting requirements. The following schedule was proposed for 2009:

- Six SPWRAP board meetings would occur the third Thursday of the month in the following months: Jan, March, May, July, Sept, and Nov.
- The July meeting would consist mostly of a field tour.
- An annual meeting of members would occur in October, concurrent with the South Platte forum.
- The standard location will be Northern Water, unless otherwise announced. Ideally, the location would rotate throughout the South Platte basin.

The consensus of the board was to adopt this schedule, as listed above. The May meeting will be at Aurora Water, with a map and directions to be provided prior to the meeting. Xcel's facilities and DOW's facilities were discussed as other possible locations for the September and November meetings.

ACTION: Greg Dewey will send out a notice to the SPWRAP mailing list to cancel the April meeting and announce the May meeting at Aurora Water. Austin Hamre will draft a change to the bylaws to formally adopt this schedule and present the proposed change to the board at the May meeting.

8. UPDATE ON PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM ACTIVITIES

Alan Berryman, Deb Freeman and Kevin Urie reported on Platte River Recovery Implementation activities. The Adaptive Management Plan is proceeding well. An Independent Science Advisory Committee was set up to provide unbiased direction. The Executive Director's office is proceeding with creating habitat. A draft Memorandum of Agreement has been circulated which allows for coverage of 87.5 acre-feet of federal depletions in the South Platte Basin during the first increment in exchange for \$2,500. However, federal depletions in the North Platte Basin in Jackson County are not included in this agreement.

9. SPWRAP ADMINISTRATIVE & CORPORATE ISSUES

Austin Hamre reported on his research regarding restrictions imposed on a § 501(c)(3) non-profit corporation. Based on his review of the IRS forms, it appears that the dollar restriction for the lobbying costs is related to a percentage of the total expenditures occurring in the same year.

Kevin Urie mentioned that he needs to offload some of his duties related to SPWRAP. Greg Dewey offered to take over duties related to the membership roster. Kevin Urie will still be available to answer questions, as his knowledge and responsiveness is an asset to SPWRAP.

ACTION: In the meantime, Kevin Urie, Alan Berryman and Greg Dewey will develop a bullet list of activities that could be considered for hired administrative help to take over. This will be an item to discuss at the next SPWRAP board meeting.

10. REPORT FROM DUCKS UNLIMITED

Greg Kernohan (Ducks Unlimited) was not present to give a report. Jon Altenhofen and Joe Frank gave a brief update on construction at the Heyborne Project.

11. OTHER RECHARGE PROJECTS

Jon Altenhofen and Joe Frank have discussed other projects with Greg Kernohan. Jon suggested to DU that SPWRAP's interest is in recharge projects below the Peterson Ditch. One such project is controlled by the Peterson Ditch Augmentation LLC (LLC). If SPWRAP could add some infrastructure and pay for pumping then SPWRAP could benefit from the credits which are produced in excess of the LLC's needs.

A small window of opportunity exists, prior to the irrigation season, to expand the LLC's ponds, at a cost of \$10,000. Jon Altenhofen estimated that additional infrastructure to be added later might cost about \$130,000. Discussion ensued.

MOTION: Greg Dewey moved that Jon Altenhofen draft a letter for Austin Hamre to review on behalf of SPWRAP. The letter would offer \$10,000 from SPWRAP to the

LLC for the purpose of expanding the size of their recharge ponds. The letter would also state the desire of SPWRAP to enter into a long-term agreement with the LLC for lease or disposition of recharge credits. Dennis Bode seconded the motion. Dennis Bode amended the motion to state that the letter would include language related to credit or reimbursement to SPWRAP if the long-term agreement did not materialize. The amended motion was approved unanimously by the directors present.

12. WATER SOURCE 2008 QUESTIONNAIRE

Jon Altenhofen reported on his work in reviewing municipal members' questionnaires. He used the information from the questionnaires in conjunction with the future depletion model. The information will be part of the depletions plan that is currently due March 31, 2009. Jon Altenhofen mentioned that prior to submittal he would like to circulate the report to the board members via email. Austin Hamre mentioned that no formal board vote of approval through email is necessary, but the board will appreciate seeing the report.

13. ADJOURN

The meeting adjourned at 12:20 pm.

Next Meeting of the Board of Directors:

May 21, 2009 – Aurora Water

(Map and directions to be provided by Lisa Darling prior to the meeting.)

Respectfully submitted,



Greg Dewey
Secretary, SPWRAP, Inc.