



September 17, 2009

Meeting Minutes of the Board of Directors

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

Directors Absent: none

1. CALL TO ORDER / INTRODUCTIONS

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

2. ADDITIONS/CHANGES TO THE AGENDA

There were two additions/changes to the agenda: Deb Freeman asked for a discussion item related to membership for the Regional Transportation District (RTD). The Update on the Platte River Recovery Implementation Program Activities was moved down the agenda.

3. MINUTES FROM THE MAY 21, 2009 BOARD MEETING

The minutes from the May 21, 2009 were not available. The minutes will be made available at the next board meeting for approval.

4. FINANCIAL REPORT

Dennis Harmon presented the SPWRAP financial report, including a financial statement from beginning of the 2009 fiscal year through August 31, 2009. Dennis also said the following bills needed to be paid:

- David J. Dunn, CPA for audit -- \$2,680.00
- Hunt, Spillman & Assoc. for monthly bookkeeping (August) -- \$95.00
- Trout, Raley, Freeman, et al. for legal services (July) – \$3,658.25

MOTION: Dennis Bode 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.

Dennis Harmon initiated a discussion on developing a proposed budget for 2010.

Anticipated expenditures include: operation and maintenance of existing water projects, payment of recharge credits from existing augmentation plans, new project development, staffing costs, legal costs, and accounting costs. The Board needs to establish a “target” cash reserves balance for the end of 2010. Using that information, and assumptions from Jon Altenhofen for the other operating costs and new project development expenditures, Dennis can calculate a minimum required income and translate that into a membership assessment rate.

The target cash reserves balance is somewhat dependent on how much the State of Colorado can contribute to meet the \$24 million obligation during the First Increment of the Platte River Recovery Implementation Program (“the Program”). Ted Kowalski reported that the State of Colorado may have completed this obligation. The State of Colorado already sent in \$16 million and has \$4 million appropriated. The State of Colorado is entitled to the interest earned from its contributions and can count the interest against the total \$24 million obligation. The State of Colorado is awaiting resolution on calculation of the final number, and it is possible that the obligation may be very close to complete. Ted did not recommend asking for additional funding from the Species Conservation Trust Fund.

5. SPWRAP ADMINISTRATIVE & CORPORATE ISSUES

Greg Dewey asked the board to consider the type of staffing it would like SPWRAP to have in 2010. Discussion ensued.

ACTION: In the meantime, Kevin Urie, Austin Hamre and Greg Dewey will initiate a conference call to 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.

Deb Freeman and Ted Kowalski presented an issue concerning membership for the Regional Transportation District (RTD). RTD needs to consult with the Feds on depletions occurring due to construction of Fast Tracks project(s). It is anticipated that depletions are modest and would include dust suppression, concrete mixing water and re-vegetation. It is possible that the water might be provided by water purveyors which are already members of SPWRAP. Alternatively, RTD might need to obtain coverage through membership in SPWRAP.

ACTION: Ted Kowalski will gather more information about the nature and amount of the depletions. This will be an item to discuss at the next SPWRAP board meeting.

6. WATER ISSUES: UPCOMING WATER PAYMENTS, WINTER WATER OPERATIONS, FUTURE WATER PROJECTS

Jon Altenhofen reported that the Water Action Committee approved the methodology that he is using for the accounting of Colorado’s depletions/accretions. The Governance Committee now needs to approve the changes to the plan as stated in the August 6, 2009 memo.

Deb Freeman stated how lucky Colorado and the water users are to have Jon Altenhofen working on the depletion accounting for Colorado.

Jon Altenhofen stressed the three major components of Colorado’s water replacement to the program: operation and maintenance of existing water projects, payment of recharge credits from existing augmentation plans, and new project development. Two new potential projects include the Ducks Unlimited Fender Project and the Tamarack Buildout.

7. REPORT FROM DUCKS UNLIMITED

Greg Kernohan (Ducks Unlimited) was not present to give a report.

ACTION: Jon Altenhofen will invite Greg Kernohan to attend the SPWRAP annual meeting of members on October 22, 2009 to discuss the Ducks Unlimited projects.

8. STATUS ON PROPOSED AMENDMENT TO COLORADO'S NORTH PLATTE DEPLETIONS PLAN

Deb Freeman reminded the board about the North Platte Depletions Plan whereby all consumptive use entitlements are combined into a single bucket entitlement. This approach enables the Colorado water users to work with the Feds and reduces administrative hurdles. The Water Action Committee approved the methodology, but the Governance Committee deferred a decision on it until the October Governance Committee meeting.

9. UPDATE ON PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM ACTIVITIES

Alan Berryman reported on Platte River Recovery Implementation Program ("the Program") activities. During the First Increment, the Program objective is to protect, restore and maintain 10,000 acres of habitat. To date, 5,800 acres have been acquired and 2,200 acres in process of being appraised. This means that the Program is well on its way to achieve 80 percent of the 10,000-acre goal during the early stage of the First Increment. (The First Increment ends in 2020).

The Governance Committee will reduce its meeting schedule so it is only meeting four times per year.

Jon Altenhofen reported that at the Water Action Committee, the Program Executive Director's office is working with the Water Action Plan Subgroup to update the Water Action Plan. At this time, all projects are still being considered and deemed necessary to meet Program objectives. This includes GW-13, Groundwater Management in Colorado. Once Tamarack 1 and 2 are built, if there are excess recharge credits, these could be leased to benefit the Program. The important thing is for Colorado to continue with developing projects on the ground.

10. POTENTIAL AGREEMENT WITH LOWER SOUTH PLATTE WATER CONSERVANCY DISTRICT FOR SERVICES PROVIDED

Joe Frank, manager of the Lower South Platte Water Conservancy District (LSPWCD), reviewed his September 16, 2009 letter to the SPWRAP Board. The purpose of the letter was to document current work performed by LSPWCD which provides benefit to SPWRAP and the State of Colorado toward the Program. LSPWCD staff and/or Board members have provided services in: New Project Construction Management, New Project Coordination, Existing Project Daily Operations and Maintenance, Existing Projection Coordination of Project Maintenance, Water Accounting and service on two Program committees.

Discussion ensued. Lisa Darling expressed her appreciation of LSPWCD for their services provided to date. The SPWRAP Board is interested in entering into a contract

for services to be provided by LSPWCD in 2010. The SPWRAP Board desired more definition from LSPWCD as well as time to discuss.

ACTION: The SPWRAP Board will discuss this at a continued board meeting. Joe Frank will submit a proposed scope of work for services to be provided in 2010 at a future time after the SPWRAP Board has discussed his September 16, 2009 letter to the SPWRAP Board.

11. DISCUSSION ON 2010 MEMBERSHIP ASSESSMENT RATE

The Board did not discuss this item. It will be discussed at a Continued Board Meeting by teleconference during the week of October 5, 2009.

12. DISCUSSION ON ANNUAL MEETING OF MEMBERS TO BE HELD OCTOBER 22, 2009 IMMEDIATELY FOLLOWING SOUTH PLATTE FORUM IN LONGMONT

The Board did not discuss this item. It will be discussed at a Continued Board Meeting by teleconference during the week of October 5, 2009.

13. ADJOURN

The meeting adjourned at 12:00 pm.

Next Meeting of the Board of Directors:

Teleconference (TBD during the week of October 5, 2009)

Annual Meeting of Members

October 22, 2009 – Radisson Conference Center – Longmont, CO
(Immediately following the South Platte Forum)

Respectfully submitted,



Greg Dewey
Secretary, SPWRAP, Inc.