

July 28, 2011

Meeting Minutes of the Board of Directors

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

Directors Absent: Wayland Anderson

Others Present: Austin Hamre, Tom Econopouly, Joe Frank, Suzanne Sellers,
Richard Vail, Jon Altenhofen, Pete Conovitz, Deb Freeman,
Ken Huson, Julia Firl, Greg Kernohan and Rick McCloud

1. CALL TO ORDER / INTRODUCTIONS

Lisa Darling, President of SPWRAP, called the SPWRAP Board of Directors Meeting to order at 9:00 am at Northern Water. There was a quorum of Directors.

2. ADDITIONS/CHANGES TO THE AGENDA

Two additions to the agenda:

1. Discussion of Colorado Water User representatives on PRRIP Committees
2. SPWRAP Board positions.

3. MINUTES FROM THE JANUARY 20, 2011 BOARD MEETING

MOTION: Alan Berryman moved that the board approve minutes of the January 20, 2011 board meeting. Randy Rhodes seconded the motion. The motion was approved unanimously by the directors present.

4. FINANCIAL REPORT

Dennis Harmon presented the SPWRAP financial report with three handouts:

1. Listing of checks approved by SPWRAP. This is a summary of disbursements approved by email, written pursuant to existing agreements approved by the board and approved at board meetings.
2. Profit and Loss statement and balance sheet of current fiscal year through June 30, 2011.
3. Actual revenues and expenditures compared to 2011 budget.

Dennis said the following bills needed to be paid:

- Trout, Raley, Freeman, et al. for legal services (May) – \$198.00
- Duncan, Ostrander & Dingess for legal services (June) - \$315.66
- LSPWCD Monthly Stipend for administrative services -- \$1,000.00
- Hunt, Spillman & Assoc. monthly accounting -- \$95.00

MOTION: Dennis Harmon moved that the board approve payment of the bills listed in the financial report. Alan Berryman seconded the motion. The motion was approved unanimously by the directors present.

Dennis recommended reconvening the budget committee. Last year it consisted of Kevin Urie, Greg Dewey, Jon Altenhofen and Dennis Harmon.

ACTION: The same four and Alan Berryman will convene a conference call to discuss a proposed 2012 budget.

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

Alan Berryman gave a brief report on PRRIP activities. Kevin Urie passed out the *Bi-Annual Report, 2009 & 2010*, produced by the Executive Director's Office.

6. DISCUSSION ON USFWS PERMITTING / STREAMLINED PROCESS

Kevin Urie and Deb Freeman have been fielding phone calls regarding the streamlined process for Section 7 consultations. Previous USFWS personnel helped develop the streamlined process which allows the PRRIP to cover depletions and utilizes template forms for simplified water users' consultations. However, there is a concern that recent consultations have required more information than originally contemplated.

ACTION: Kevin Urie and Deb Freeman will meet with USFWS personnel to discuss the streamlined process and report back to the board.

7. ANNUAL MEETING

Kevin Urie confirmed that the SPWRAP Annual Meeting will follow the South Platte Forum again this year. The date is October 20, 2011

8. UPDATE ON FINALIZING TAMARACK DECREE

Austin Hamre gave the following report on the Tamarack Decree case. The trial has been set for July 2012. Disclosure deadline is set for September 2011.

ACTION: Pete Conovitz will ask Chad Wallace of the State Attorney General's office if he wants to give a report at the SPWRAP annual meeting in October.

9. CONSTRUCTION OF REMAINDER OF TAMARACK PROJECT

Suzanne Sellers mentioned that the state has earmarked funds to do the construction for the additional wells to be drilled. If the wells could be drilled this summer, the pump test could be used to support the Tamarack Decree application. Rick McLoud said it would be helpful for the parties in the case to consult prior to the pump test, so it can be done to everyone's specifications.

10. STATE / SPWRAP OPERATING COMMITTEE ACTIVITIES

Jon Altenhofen said that the operating committee will be meeting in November to review the spreadsheet accounting.

11. COLORADO WATER USER REPRESENTATIVES ON PRRIP COMMITTEES

Kevin Urie handed out a list of current Colorado Water User representatives on PRRIP Committees. Discussion ensued.

MOTION: Randy Rhodes moved that the board appoint the following representation on the PRRIP committees. Dennis Harmon seconded the motion. The motion was approved unanimously by the directors present.

Governance Committee (GC)

Alan Berryman - Member
Kevin Urie – Alternate
John Kolanz – Alternate
Deb Freeman – Alternate

Technical Advisory Committee (TAC)

Kevin Urie – Member

Water Advisory Committee (WAC)

Jon Altenhofen – Member
Joe Frank - Alternate
Kevin Urie - Alternate

Land Advisory Committee (LAC)

Kevin Urie – Member

Finance Committee (FC)

Alan Berryman - Member
Kevin Urie – Alternate

ACTION: Kevin Urie will update the roster list and make it available as needed.

12. SPWRAP BOARD, OFFICERS AND NEED FOR EXECUTIVE DIRECTOR

ACTION: Greg will send Austin a list of directors up for re-election

Dennis Harmon no longer wishes to be treasurer although he is willing to serve on the board. Options include another board member serving as treasurer as well as contracting out the bookkeeping / financial reporting services.

ACTION: The board will revisit this at the September board meeting.

It was the board consensus that Dennis Harmon provided outstanding service in his role as treasurer. He was solely responsible for saving SPWRAP funds from the crash of 2008.

Lisa Darling introduced this item and said she needs to give it more thought.

ACTION: Lisa will scope out her ideas for a position of Executive Director that would be appointed or hired by the board, and report back to the board at a later time.

13. DISCUSSION OF MEMBERSHIP FOR CITY OF LONGMONT

Alan Berryman introduced Ken Huson, City of Longmont. Longmont is interested in joining SPWRAP. The assessment would include past years and interest. Longmont would like to make a series of annual payments over the next couple of years, so the payment is palatable in their budget. There is a concern by the board about the precedential nature of this request. Ken Huson would like to have a final answer by the SPWRAP board at the September SPWRAP board meeting.

ACTION: Kevin Urie will calculate the assessment and report back to the board. Kevin will also schedule a conference call with the board prior to the September board meeting.

14. PRESENTATION BY GREG KERNOHAN, DUCKS UNLIMITED

Greg Kernohan, Ducks Unlimited, gave a PowerPoint presentation on the following topics:

- Update on Moist Farms and Winterhaven (Fender) Recharge Project
- Update in DU's Purchase of the Moist Farms Property
- Introduction to Revolving Land Asset Investing and Lending
- A point was raised about whether or not there could be tax implications to SPWRAP from investing in Ducks Unlimited projects (i.e. unrelated business income).

15. ADJOURN

The meeting adjourned at 11:50 am.

Next Meeting of the Board of Directors
September 22, 2011
Northern Water

Respectfully submitted,



Greg Dewey
Secretary, SPWRAP, Inc.