

September 22, 2011
Meeting Minutes of the Board of Directors

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

Directors Absent: None

Others Present: Austin Hamre, Jon Altenhofen, Joe Frank, Ken Fritzler, Richard Vail, Pete Conovitz, Deb Freeman by telephone and Suzanne Sellers by telephone

1. CALL TO ORDER / INTRODUCTIONS

Alan Berryman, Vice-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

There were no additions/changes to the agenda.

3. MINUTES FROM THE JULY 28, 2011 BOARD MEETING

MOTION: Randy Rhodes moved that the board approve minutes of the July 28, 2011 board meeting. John Kolanz 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. Profit and Loss statement and balance sheet of current fiscal year through August 31, 2011.
2. Actual revenues and expenditures compared to 2011 budget. This included projected expenses through the end of the year.
3. Proposed budget for 2012. Significant items include assumption that assessments would remain at 15 cents per unit. A stipend for services provided by Lower South Platte Water Conservancy District staff may increase slightly based on possible increases to their scope of services provided. Legal services are assumed to remain at the current levels. The board previously discussed including an expense line item for accounting services which are currently being provided in-kind by Dennis Harmon.

ACTION: It was the board's consensus to continue exploring options to streamline SPWRAP operations, including administrative and accounting services, Dennis Harmon will write a memo detailing what is needed and explore ways to meet these needs.

MOTION: Dennis Harmon moved that the 2012 budget include an additional \$10,000 for the year as a place keeper for accounting services and approve the 2012 budget as

presented. Alan Berryman seconded the motion. The motion was approved unanimously by the directors present.

Dennis said the following bills needed to be paid:

- Trout, Raley, Freeman, et al. for legal services (July) – \$1433.50
- Duncan, Ostrander & Dingess for legal services (August) - \$2,961.00
- LSPWCD Monthly Stipend for administrative services -- \$1,000.00

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

5. TAMARACK PROJECT CONSTRUCTION AGREEMENT

Austin Hamre reported on the possible agreement for construction of Tamarack Project facilities in which Northern Water would act as the general contractor. Northern Water has identified some concerns with some provisions of the State's most recent version of the agreement, but believes that a reasonable possibility exists that the outstanding issues can be resolved. The next step will be for a smaller subset from the involved parties to meet and work through the concerns.

6. UPDATE ON TAMARACK RECHARGE PROJECT LITIGATION

Austin Hamre reported he has talked with Chad Wallace of the State Attorney General's office, lead counsel on the Tamarack Recharge Project water court case, regarding finalizing an agreement by which SPWRAP will contribute up to \$50,000 to pay for engineering experts to provide testimony and/or litigation support for the State. This funding agreement is consistent with SPWRAP's obligations under the MoU with Division of Wildlife (now CPAW). However, neither SPWRAP nor its legal counsel will be involved in directing the litigation or the experts. Austin Hamre previously circulated to the directors a draft of the agreement.

ACTION: Austin Hamre will continue to work with Chad Wallace to finalize an agreement and then circulate to the SPWRAP directors by email for approval.

7. PONY EXPRESS RECHARGE PROJECT

Pete Conovitz of the Colorado Division of Parks and Wildlife (CPAW) informed the SPWRAP Board of CPAW's intent to withdraw the Water Court Application for the Pony Express Recharge Program in Case No. 96CW062, Division 1. CPAW indicated that their thinking is based on engineering analyses showing that the recharge project contemplated by that application would be ineffective. In light of SPWRAP's obligations under the MoA with DNR and the MoU with DoW, CPAW thought they should request SPWRAP's approval of such a withdrawal. Discussion ensued.

The SPWRAP board concluded that it appreciates CPAW's efforts to coordinate with SPWRAP; however, because SPWRAP is not a party to Case No. 96CW062, SPWRAP's approval of the application's withdrawal is not necessary. SPWRAP acknowledges both CPAW's authority and expertise regarding the conduct of that water court case.

MOTION: Kim Hutton moved that SPWRAP acknowledges that the State is going to withdraw the Water Court Application for the Pony Express Recharge Program in Case No. 96CW062, Water Division 1, and SPWRAP does not oppose that action. Further the board is directing SPWRAP counsel to investigate any course of action that needs to be taken to amend the MOU between SPWRAP and the State and draft a letter to the State regarding these issues. Alan Berryman seconded the motion. The motion was approved unanimously by the directors present.

8. DISCUSSION OF MEMBERSHIP FOR CITY OF LONGMONT

Kevin Urie introduced this item. Austin Hamre drafted a resolution that was sent to the board prior to the meeting. Alan Berryman reported that Ken Huson was not ready to commit to the membership. Discussion ensued.

MOTION: Kevin Urie moved that the board adopt Resolution No. 11-02 Regarding the City of Longmont and the Timing of Payment of its Membership Fee so that it is in place in the circumstance that Longmont chooses to join SPWRAP. Alan Berryman seconded the motion. The motion was approved unanimously by the directors present.

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

Alan Berryman gave a brief report on PRRIP activities.

10. ANNUAL MEETING

Lisa Darling confirmed that the SPWRAP Annual Meeting will be held on October 20, 2011 in Longmont, immediately following the South Platte Forum.

The following will be presented at the annual meeting as an update. More time will be spent on the PRRIP and how SPWRAP fits into that, than on the details of the current year activities.

- Deb – PRRIP background (5 minutes)
- Suzanne – State perspective (5 minutes)
- Kevin / Lisa – How does SPWRAP fit in? Administration, budget (5 minutes)
- Jon – Water accounting and projects (5 minutes)

Directors whose terms are up for consideration are:

- Kim Hutton (Class-M, Municipal)
- John Kolanz (Class-M, Municipal)
- Alan Berryman (Class-W, Water Conservancy)

These director positions will be placed on the ballot. Kim Hutton and Alan Berryman would like to be considered for re-election. John Kolanz is stepping off the board at this time, but will continue to follow the SPWRAP and Platte River Program activities. Jim Hall, with the City of Greeley, has indicated his interest in running for John's board seat. There will be space on the ballot for other write-in candidates, and nominations will be accepted at the annual meeting.

ACTION: Greg Dewey will send a notice for the meeting as well as a ballot for electing directors.

Discussion of the SPWRAP Board meeting dates in 2012.

The SPWRAP will likely need to spend more time with the subcommittees. The entire board could meet quarterly, one month following the PRRIP Governance Committee meetings which are also quarterly. SPWRAP Board meeting dates in 2012:

- January 19 (Northern Water)
- April 19 (May include a field tour)
- July 19 (Northern Water)
- September 20 (Northern Water – final preparations for Annual Meeting in October)
- October 18 (Annual Meeting -- Following the South Platte Forum)
- Other meetings may be set as appropriate.

11. ADJOURN

The meeting adjourned at 11:15 am.

Next Meeting of the Board of Directors
October 20, 2011, 3 pm
The Plaza Hotel & Conference Center
Longmont, CO

Respectfully submitted,



Greg Dewey
Secretary, SPWRAP, Inc.