



September 20, 2012
Meeting Minutes of the Board of Directors

Directors Present: Alan Berryman, Greg Dewey, Jim Hall, Dennis Harmon and Randy Rhodes; (Lisa Darling by telephone)

Directors Absent: Wayland Anderson, Kim Hutton and Kevin Urie

Others Present: Jon Altenhofen, Joe Frank, Austin Hamre, Greg Kernohan and Suzanne Sellers

1. CALL TO ORDER / INTRODUCTIONS

Lisa Darling, President of SPWRAP, called the SPWRAP Board of Directors Meeting to order at 9:05 am at Northern Water. There was a quorum of Directors.

2. ADDITIONS/CHANGES TO THE AGENDA

One item was added to the agenda: Membership Question for Fisher Ditch Company

3. MINUTES FROM THE JULY 26, 2012 BOARD MEETING

MOTION: Randy Rhodes moved that the board approve minutes of the July 26, 2012 board meeting. Dennis Harmon seconded the motion. The motion was approved unanimously by the directors present.

4. FINANCIAL REPORT

Dennis Harmon passed out a memorandum dated August 27, 2012 which he prepared and attached to a first draft of the 2013 budget. The revenue projections assumed the 2013 assessments per unit would be the same as those for 2012. Dennis Harmon asked for input regarding proposed 2013 field operations and legal expenses. Joe Frank presented the January 1, 2012 through September 17, 2012 financials. Joe Frank reported that De Eskew from his staff has developed some report queries within QuickBooks that can provide valuable summaries. Joe Frank said the following bill needed to be paid:

- Duncan, Ostrander and Dingess for legal services – \$2,313.96

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

5. PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM (PRRIP) ACTIVITIES

Alan Berryman gave a brief update on PRRIP activities:

- Dr. Brian Bledsoe from Colorado State University was appointed to the Independent Science and Advisory Committee. His research and teaching are focused on the interface between hydrology and aquatic ecology.
- Central Platte NRD continues to investigate recharge options under different canals.
- The U.S. Fish and Wildlife Service did not list the Platte River Caddis Fly as warranting protection under the Endangered Species Act.

- Anne Castle, Assistant Dept. of Interior Secretary for Water and Science attended last PRRIP meeting and expressed her support for the PRRIP.
 - Gary Campbell took over John Lawson's place.
 - Federal funding has been about \$8M to \$10M each year. However, the federal authorization is only approved through 2019.
 - J-2 Reregulation Reservoir still looks favorable and negotiations are ongoing.
6. COLORADO ISSUES - TAMARACK RECHARGE PROJECT
- Discussion ensued. An idea that had been discussed by some members of the SPWRAP board was for SPWRAP to pay for well construction of 6 wells at Tamarack. The State (Colo. Parks and Wildlife) would then be responsible for the engineering, design and contracting for any construction past the wells.
- MOTION:* Dennis Harmon moved that SPWRAP earmark up to \$50,000 in 2012 and up to \$450,000 in 2013 for construction of 6 wells at Tamarack. Jim Hall seconded the motion. The motion was approved unanimously by the directors present.

SPWRAP ADMINISTRATIVE AND CORPORATE ISSUES

7. PREPARATION FOR ANNUAL MEETING OF MEMBERS
- Lisa Darling confirmed that the SPWRAP Annual Meeting will be held on October 25, 2012 in Longmont, immediately following the South Platte Forum. This year the Forum will end slightly earlier than in past years. As such, the SPWRAP meeting will be moved up to start at 1:30 pm.

An update similar to one presented last year will be made. Joe Frank will work up a draft annual report and submit it by email for the board to review prior to the meeting.

Directors whose terms are up for consideration are:

- Greg Dewey (Class-M, Municipal)
- Wayland Anderson (Class-M, Municipal)
- Randy Rhodes (Class-I, Water Conservancy)

These director positions will be placed on the ballot. Greg Dewey and Wayland Anderson would like to be considered for re-election. Randy Rhodes is stepping off the board at this time, but will continue to follow the SPWRAP and Platte River Program activities. Rich Belt, with Xcel Energy, has indicated his interest in running for Randy Rhodes' 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.

8. UPDATE ON USFWS PERMITTING / STREAMLINED PROCESS
- Deb Freeman reported that delays in some individual consultations are primarily the result of the USFWS requesting more information on individual project descriptions and not due to concerns related to species effects or coverage by the PRRIP. If applicants are getting delayed, please contact Deb Freeman and Kevin Urie for advice in expediting the applications.

9. OFFSETS FOR DEPLETIONS FROM FRACKING (HYDRAULIC FRACTURING)

This item was postponed for discussion, and the board took no action.

10. POLICY FOR MEMBERS PULLING OUT AND REJOINING

This item was postponed for discussion, and the board took no action.

11. DISCUSSION REGARDING EXECUTIVE DIRECTOR POSITION

This item was postponed for discussion, and the board took no action.

12. DU-SPWRAP WINTERHAVEN AGREEMENT

Austin Hamre mentioned the Winterhaven Recharge Project and will work with Greg Kernohan of Ducks Unlimited to finalize an agreement for consideration by the board.

13. ADDITION TO AGENDA – MEMBERSHIP QUESTION FOR FISHER DITCH COMPANY

Randy Rhodes recused himself from the discussion. Austin Hamre introduced this issue. The Fisher Ditch Company plans to replace its river diversion headgate on the South Platte. The Army Corps of Engineers is requiring the users of the Fisher Ditch water to have SPWRAP coverage as a condition of obtaining their permit. Xcel Energy owns a controlling interest in the Fisher Ditch and is already a member, however, one other non-agricultural shareholder appears to be resistant to becoming a member. The board consensus was for Austin Hamre to consult with Deb Freeman on this issue because it involves SPWRAP process and policies and report back to the board.

14. ADJOURN

The meeting adjourned at 11:11 am.

Next Meeting of the Board of Directors:
At the Annual Meeting of Members
October 25, 2012, 1:30 pm
The Plaza Hotel & Conference Center
1900 Ken Pratt Blvd.
Longmont, CO 80501

Respectfully submitted,



Greg Dewey
Secretary, SPWRAP, Inc.