
January 16, 2014
Meeting Minutes of the Board of Directors

Directors Present: Alan Berryman, Greg Dewey, Jim Hall, Kevin Urie, Rich Belt, Dennis Harmon (Wayland Anderson by telephone).

Directors Absent: Daniel Gallen, Kim Hutton

Others Present: Jon Altenhofen, Joe Frank, Suzanne Sellers, Richard Vail, Alex Davis, Austin Hamre, Deanna Eskew, Pete Conovitz, Allen Coyne, Levi Kokes, Louis Rinaldo, Luke Shawcross, Allyn Wind, Kevin Warner, Craig Brownell, Bruce Phillips, Evan Snyder, Brent Schantz, Jim Yahn, Rick Fleharty, Ken Fritzler and Gene Manuello

1. CALL TO ORDER / INTRODUCTIONS

Greg Dewey called the SPWRAP Board of Directors Meeting to order at 9:20 am. The meeting was held at Lower South Platte Water in Sterling. There was a quorum of Directors present, introductions ensued.

2. ADDITIONS/CHANGES TO THE AGENDA

No additions or changes were made to the Agenda.

3. COPIES OF THE FOLLOWING DOCUMENTS WERE HANDED OUT

- Board meeting, January 16, 2014, Agenda
- September 30, 2013 Board meeting minutes, for approval
- October 24, 2013 Annual Meeting Minutes, for approval
- Executive Director Job Description, for approval
- SPWRAP's Balance Sheet & General Fund Report (as of December 31, 2013)
- Memorandum from Austin Hamre regarding the future of the South Platte Lower River Group (SPLRG)
- Draft of the Industrial (Class I-2 and Class I-3) Memberships
- Tamarack Bid Tabulations from Richard Vail.
- District 64 and Tamarack Recharge operations material from Joe Frank
- Draft Heyborne Flood Recovery Design from Kevin Warner

ACTION ITEMS

4. MINUTES FROM THE SEPTEMBER 30, 2013 BOARD MEETING

MOTION: Dennis Harmon moved to approve the meeting minutes of September 30, 2013 board of directors meeting. Kevin Urie seconded the motion. The motion was approved unanimously by the directors present.

5. MINUTES FROM THE OCTOBER 24, 2013 ANNUAL MEETING

MOTION: Jim Hall moved to approve the meeting minutes of the October 24, 2013 Annual Meeting. Kevin Urie seconded the motion. The motion was approved unanimously by the directors present.

COLORADO ISSUES

6. DISCUSSION WITH LOCAL WATER USERS REGARDING SPWRAP OPERATIONS

Executive Director, Kevin Urie, reviewed the mission of both SPLRG and SPWRAP. The South Platte Lower River Group (SPLRG) was formed in 1995 to aid in the construction of the Tamarack 1 Project which was Colorado's contribution to the 3-States Agreement as well as coordinating new recharge projects and augmentation wells.

The South Platte Water Related Activities Program (SPWRAP) was subsequently formed as a follow-up to SPLRG to further develop the Tamarack Project as well as assist the state in fulfilling requirements under the PRRIP. Membership into SPWRAP is voluntary. Members include but are not limited to Municipalities, Agricultural, Industrial, Water Conservancy Districts and state government. Membership into SPWRAP provides certainty of endangered species compliance for member projects. SPWRAP contracts with the Lower South Platte Water Conservancy District to provide administrative and technical services.

Jon Altenhofen reported that Colorado's commitment to the 3-States Agreement is to reduce shortages to target flows on an annual average basis by 10,000 acre feet. The 3-States Governance Committee has reported that Colorado is in compliance. Richard Vail noted that Colorado's responsibility within the State is to handle administrative costs for SPWRAP such as acquiring land and also to "house" the Tamarack Project on the State Wildlife Area.

SPWRAP's other responsibilities include water accounting, collecting money from participating members, paying electrical costs for the 16 wells at the Tamarack Project along with other private sites, developing more dedicated water projects and leasing unused recharge credits from existing plans.

7. SOUTH PLATTE LOWER RIVER GROUP (SPLRG) FUTURE DISCUSSION

Austin Hamre will begin the legal preparation to formally dissolve the South Platte Lower River Group. Directors of the Group will need to determine disbursement of assets.

8. TAMARACK OPERATIONS COMMITTEE DISCUSSION

Joe Frank reviewed current operations at Tamarack. Six (6) new wells were drilled this past year at a cost of approximately \$586,000.00 bringing the total to sixteen recharge wells at the site. Joe Frank discussed District 64 recharge operations and the interaction of the Tamarack wells to such operations when water supplies in District 64 are limited. It was decided that the Operating Committee of SPWRAP would meet after lunch to discuss this issue as well as operations at the Heyborne site. The committee will give a report of their meeting at the next regular board meeting. Members of the Operating Committee are: Jon Altenhofen, Joe Frank, Alan Berryman, Kevin Urie, Suzanne Sellers and Richard Vail.

SPWRAP ADMINISTRATIVE AND CORPORATE ISSUES

9. SPWRAP'S BALANCE SHEET AND GENERAL FUND REPORT

Joe Frank presented SPWRAP's Balance Sheet & General Fund Report, as of December 31, 2013, as well as providing handouts. The budget is currently 105% of the anticipated annual revenue. This is due in part to members paying past due organizational fees. The majority of SPWRAP's 2013 expenses will be reflected early in 2014 due to the timing of payments for operational costs such as utility fees and leased water.

The following five checks were presented for approval;

- Trout, Raley Montano Witwer & Freeman, P.C., \$1,096.50
- Duncan, Ostrander & Dingess, \$168.13
- Circle L Irrigation, \$209.95
- Canfield Drilling, \$406,650.74
- Jimmy's Pizza, \$451.60

MOTION: Dennis Harmon moved to approve the above checks. Alan Berryman seconded the motion. The motion was approved unanimously by the directors present.

MOTION: Alan Berryman moved to approve SPWRAP's Year-end Financial Report. Jim Hall seconded the motion. The motion was approved unanimously by the directors present.

Dennis Harmon noted that he and Richard Belt would be meeting to orchestrate transfer of Treasurer duties which would include changing signatures on bank accounts.

Greg Dewey expressed his appreciation to Dennis Harmon for serving as Treasurer since 2007 and also to Richard Belt for accepting the Treasurer's position beginning in 2014.

10. JOB DESCRIPTION, FOR ROLES AND RESPONSIBILITIES OF THE EXECUTIVE DIRECTOR.

Austin Hamre presented the SPWRAP Executive Director job description to the board for their review.

MOTION: Dennis Harmon made the motion to approve the SPWRAP Executive Director Job Description. Alan Berryman seconded the motion. The motion was approved unanimously by the directors present.

11. REVIEW OF THE PROPOSED DRAFT CLASS I-2 AND I-3 MEMBERSHIPS

Kevin Urie presented Resolutions No 14-01 and No 14-02 Regarding Creation of Class I-2 and I-3 Memberships to the board for their review. Both resolutions propose modifications to the Industrial (Class I) Membership. The proposed I-2 form is for oil and gas companies in the South Platte River Basin and the proposed I-3 form is for oil and gas companies in the North Platte River Basin.

MOTION: Alan Berryman made the motion to approve Resolution No 14-01. Kevin Urie seconded. The motion was approved unanimously by the directors present.

MOTION: Richard Belt made the motion to approve Resolution No 14-02. Kevin Urie seconded. The motion was approved unanimously by the directors present.

12. TAMARACK PROJECT, FLOOD IMPACTS

Richard Vail reviewed the species conservation trust fund bid award and the contract expenses to date. Two bids were submitted for construction and installation of the Tamarack SWA Recharge Ponds and Pipes project to the State Division of Wildlife. Concrete Specialties and Utilities of Sterling submitted a bid of \$1,133,069.81 and Purgatoire Valley Construction, Inc. of Trinidad submitted their bid at \$721,397.70. The bid was awarded to Purgatoire Valley Construction.

Joe Frank noted that LSPWCD is responsible for daily well measurement reporting at Tamarack. Lower has been looking at various data loggers available for installation on the wells. Real time reading on the wells will maximize the efficiency of operations at the site.

Austin Hamre also noted that since the Operating Committee is responsible for the budget, standards regarding Tamarack costs might best be approved through the committee.

13. DU-SPWRAP HEYBORNE

Joe Frank updated that directors on the impact of last year's flood on the Heyborne Project. Lower is looking at possible funding sources to get the project up and running again. Lower will report to the Operating Committee of its findings.

14. MEMBER UPDATES

Jon Altenhofen reminded the Board that every five (5) years an update on sources of water supply is required for the Colorado 3-States PRRIP reporting. The 2014 Questionnaire will be included in the annual assessment form mailing packet as well as being posted on the SPWRAP website. Each member will need to return the Questionnaire along with the Assessment Invoice and payment by March 3, 2014.

Joe Frank spoke briefly regarding bills before the state legislature including the South Platte Groundwater Study report by Reagan Waskom for HB 1278 and SB 14-072 sponsored by Senator Brophy and Representative Fischer which would negate all past pumping depletions due to the 2013 flood.

15. ADJOURN

The meeting adjourned at 12:12 p.m.

Next Meeting of the Board of Directors:
April 17, 2014, 9:00 am

220 Water Avenue
Berthoud CO 80513
Respectfully submitted,



Daniel Gallen
Secretary, SPWRAP Inc.