

**Minutes of the 2015 Quarterly Board Meeting of the
Board of Directors of the
Republican River Water Conservation District**

July 9, 2015

Haxtun, Colorado

The Board of Directors of the Republican River Water Conservation District convened a regular meeting, pursuant to notice required by statute and the District's By-Laws, at the Community Center, Haxtun, Colorado.

Present were:

Board Members:

Dennis Coryell, President
Greg Larson, Vice President
Byron Weathers, Treasurer
Eugene Bauerle
Wil Bledsoe
Brent Deterding
Jack Dowell
Stan Laybourn
Rod Lenz
Rod Mason
Steven Meakins
Wayne Skold
Aaron Sprague

Deb Daniel, RRWCD General Manager
Dawn Webster, RRWCD Administrative Assistant
David Robbins, RRWCD General Counsel, Hill & Robbins, P.C.
Matt Montgomery, RRWCD General Counsel, Hill & Robbins, P.C.
Tim Davis, RRWCD Program Consultant, TJD LLC
Jim Slattery, RRWCD Engineer, Slattery & Hendrix Engineering

A sign in sheet listing the members of the public attending the meeting is attached as Exhibit 1.

STATEMENT OF QUORUM

President Dennis Coryell called the meeting to order at 10:00 a.m., welcomed the public and started the meeting with the Pledge of Allegiance and a prayer. Administrative Assistant Dawn Webster conducted a roll call of Board members, noting that Director Tim Pautler and Steve Kramer were absent but excused. With 13 Directors attending the meeting, President Coryell declared that a quorum of the Board was present. President Coryell thanked Senator Gardner's representative, Alan Foutz, for attend the meeting, and also welcomed Matt

Montgomery, who joined the counsel of Hill & Robbins, P.C.

AGENDA AND APPROVAL OF MINUTES

President Coryell asked for any amendments to the agenda for the meeting. There being no changes, a motion to approve the agenda was made, seconded, and approved unanimously.

Prior to this meeting, the Directors had received, electronically, a draft of the minutes of the Board meeting held on April 9, 2015, and the special telephonic Board meetings held on May 29, 2015 and June 3, 2015, and the executive sessions held during the April 9, 2015 and May 5, 2015 meetings. These documents were also included in the Board packet today. President Coryell asked if there were any changes or corrections to the minutes. Having none, a motion to approve the minutes of the Board meeting held on April 9, 2015, and the special telephonic Board meetings held on May 29, 2015 and June 3, 2015, and the executive sessions held during the April 9, 2015 and May 5, 2015 meetings, was made, seconded, and approved unanimously.

GENERAL MANAGER'S REPORT

At 10:09 a.m., General Manager Deb Daniel informed the Board that the closing date for the purchase of Bonny Company's water rights is to take place on July 13, 2015. Mrs. Daniel also noted that The Great Divide film, which Director Aaron Sprague took part in, is to be released in August 2015.

ADMINISTRATIVE ASSISTANT'S REPORT

Next, Administrative Assistant Dawn Webster presented the financial report and the disbursements for the quarter ending June 30, 2015, which were previously sent to the entire Board electronically as well as being included in the Board packet. Administrative Assistant Webster answered questions from the Directors about the financial report and the disbursements. General Manager Daniel stated that a report labeled 'Board Expenses' was added to the financial report. After the Directors discussed board expenses and reimbursements at length, a motion to approve the financial report and the disbursements for the second quarter of 2015 was made, seconded, and approved unanimously.

Next, General Manager Daniel and Administrative Assistant Dawn Webster presented the 2014 Audit report, which had been completed by Winfrey & County. Mrs. Daniel stated that the audit went very smoothly and the firm had found nothing of concern. A motion to approve the engagement letter from Winfrey and County for the 2015 audit was made seconded, and approved unanimously.

CCP OPERATIONS REPORT

At 11:02 a.m., CCP Operations Manager Tracy Travis gave a slideshow of pictures of maintenance being done on the pipeline during the off season. Mr. Travis asked if the District could set aside some money in the budget to purchase a loader tractor for maintenance of the CCP, in which the Board asked him to present a figure or see if it was a possibility to rent a tractor when needed.

Ken Hardesty, GEI Consultants, gave a presentation regarding the CCP and future well configuration of an expanded pipeline system.

PROGRAM UPDATES AND REPORTS

At 11:27 a.m., Tim Davis, RRWCD Program Consultant, updated the Board on the status of increasing the rental rates for CREP, stating that FSA recommended an increase from \$115.00/acre to \$150.00/acre, in which the District is hoping to get a higher increase. Next, Mr. Davis reported that the Board had approved a \$500,000.00 match to NRCS's funding of the Ogallala Aquifer Initiative program, noting that the District and NRCS has had some interest in the program. Mr. Davis also reported that a Conservation Innovative Grant of \$75,000.00 including The Nature's Conservancy and Three Rivers Alliance could be coming up, which would be to supply low energy efficiency systems to reduce evaporative losses.

Director Greg Larson reported that the Colorado Water Congress (CWC) will have its summer conference coming up in Vail on August 19th through the 21st.

General Manager Deb Daniel reported that the South Platte Roundtable had been discussing dewatering systems and will be having its next meeting that following week.

Director Byron Weathers had nothing to report on the Yuma County Water Authority (YCWA).

Director Steve Kramer was not in attendance to report on the Water Preservation Partnership, but Director Steven Meakins reported that the partnership had not met recently.

Director Rod Lenz, as a member of the Conservation Committee, stated that he felt the assessment fee rebate needed to be looked at again, with the idea of taking it to the Groundwater Management District's within the Basin, and asked that the Board would consider taking on the expense of the personnel that would be needed.

Alan Foutz, representative for Senator Gardner, thanked the Board for allowing him to attend the meeting and reported on the various water and farm tours that the Senator had done and will be doing in the near future. Mr. Foutz stated that he would like RRWCD Board members to be involved in the September AG tour in which the Senator would be taking part in.

At 12:23 p.m., President Coryell recessed the meeting for lunch.

At 1:15 p.m., the meeting was re-convened.

PROGRAM UPDATES AND REPORTS (Continued)

Christine Arbogast, RRWCD federal lobbyist, reported on the current status of the Farm Bill, Water of the US, and also stated there is a bill to address the drought.

Scott Meiklejohn, RRWCD state lobbyist, discussed the various bills that were passed.

Jim Slattery, RRWCD water engineer, reported on the reporting of the Compact Compliance Pipeline, the CCP wells regarding compact compliance versus revegetation and irrigation, and also discussed the well that will be needed for the pipeline that is located in the Central Yuma Groundwater Management District. Mr. Slattery also reported on the purchase of the Bonny Company's surface water rights.

David Robbins, RRWCD legal counsel, introduced Matt Montgomery, and reported on the Tip Jack water right abandonment case. Next, Mr. Robbins reported on the Hutton Educational Foundation action to de-designate the Basin, noting that the Judge accepted the State of Colorado's motion that the Foundation has to serve each individual well owner with a suit. Mr. Robbins also reported on the denial of CREP applications, the purchase of Bonny Company's surface water rights, and also the orphan well located in the Central Yuma GWMD.

PUBLIC COMMENT

At 2:05 p.m., President Coryell invited comment from the public.

At 2:05 p.m., having no comments from the public, public comment was closed.

At 2:07 p.m., Jim Slattery, RRWCD water engineer, gave a slide show presentation regarding operations of the Compact Compliance in 2015.

Next, Dave Keeler, Republican River Groundwater Commissioner, read a report on behalf of Colorado Water Engineer Dick Wolfe. Mr. Keeler reported that Colorado and Kansas officials met and introduced John Stulp, the Governors Water Adviser, and Don Brown, the Colorado Commissioner of Agriculture, to the Kansas Secretary of Agriculture to foster discussion of issues of mutual interest between the states. Mr. Keeler reported that the two States discussions included CREP programs, proposed CREP rental rates, possible RCPP opportunities, and, common economic interests between the States.

EXECUTIVE SESSION

Having nothing to discuss, there was no executive session.

BOARD DISCUSSION AND ACTION ITEMS

At 3:35 p.m., a motion to approve the contract with Bonny Company Trust to purchase surface water rights was made, seconded, and passed unanimously.

Next, a motion to approve the payment-in-lieu of taxes for 2014 in the amount of \$3,889.43 for the Dryden property was made, seconded, and approved unanimously.

Next, the Board discussed the sole bid which was received for the fencing material that was removed and up for bid. After discussion, a motion to approve the bid of \$3,600.00 was made, seconded, and approved unanimously.

Finally, the Board discussed the articles that were put in the Basins newspapers regarding the Hutton Trust Foundation lawsuit.

OLD BUSINESS

There was no old business.

NEW BUSINESS

A discussion was held about the possibility of establishing a formal Nominating Committee to discuss and recommend a slate of officers each year. The Board concluded that it would make sense to have such a Committee. Based on the Board consensus the President asked if there were member interested in being on the Committee and based on Board input he appointed Directors Steven Meakins, Brent Deterding, Gene Bauerle, and Steve Kramer, to be on the Nominating Committee, with Gene Bauerle as the chairman of the committee. There were no objections or concerns expressed to this action.

At 4:00 p.m., having no further business to be brought before the Board, a motion to adjourn the meeting was made, seconded, and passed unanimously.

Secretary

Date