

**MINUTES<sup>1</sup>**  
**SECOND QUARTERLY MEETING OF THE**  
**BOARD OF DIRECTORS OF THE**  
**COLORADO RIVER WATER PROJECTS ENTERPRISE OF THE**  
**COLORADO RIVER WATER CONSERVATION DISTRICT**

**April 22, 2009**

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Pursuant to notice duly and properly given, the Second Regular Quarterly Meeting of the Board of Directors of the Colorado River Water Projects Enterprise of the Colorado River Water Conservation District (CRWCD) was held on Wednesday, April 22, 2009 at the Hotel Colorado, 526 Pine Street, Glenwood Springs, Colorado.

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**Directors present during all or part of the meeting:**

Andrew A. Mueller, President	Thomas Alvey
David H. Merritt	Jon Stavney
James L. Newberry	Warner Dewey
Stephen M. Mathis	Forrest F. Nelson
John M. Ely	Richard Proctor

**Directors not present:**

Thomas R. Sharp, Vice President	Rebie Hazard
Tom Gray	Thomas A. Long
William S. Trampe	

**Others participating during all or part of the meeting:**

Eric Kuhn, Secretary/General Manager, CRWCD  
Peter Fleming, General Counsel, CRWCD  
Dan Birch, Deputy General Manager, CRWCD  
Jason Turner, Associate Counsel, CRWCD  
Chris Treese, Manager, External Affairs, CRWCD  
Mary Kalmes, Senior Accountant, CRWCD  
Laurie DePaolo, Business Support Specialist, CRWCD  
Ray Tenney, Senior Water Resources Engineer, CRWCD  
Dave Smith, Engineering Technician, CRWCD  
Don Meyer, Senior Water Resources Engineer, CRWCD  
Dave Kanzer, Senior Water Resources Engineer, CRWCD  
Mike Eytel, Water Resources Specialist, CRWCD  
Jim Pokrandt, Communication and Education Specialist, CRWCD  
Martha Moore, Public Affairs Specialist, CRWCD  
Rob Streit, Senior Accountant, CRWCD  
Audrey Hughes, Human Resources Manager, CRWCD  
Dick Wolfe, Colorado State Engineer  
John Cyran, Colorado State Attorney General's Office  
Rita Crumpton, Orchard Mesa Irrigation District  
Phil Bertrand, Grand Valley Irrigation Company

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An audio recording has been made of the meeting. The motions described herein may not necessarily represent a verbatim transcription. The audio recordings are available for listening at the CRWCD offices during regular office hours. These minutes are the official record of the Colorado River Water Conservation District's meeting.

Larry Clever, Ute Water Conservancy District  
Steve Ryken, Ute Water Conservancy District  
Alan Martellaro, Water Division 5 Engineer  
David Hallford, Balcomb & Green, P.C.  
Sara Dunn, Balcomb & Green, P.C.  
Scott Grosscup, Balcomb & Green, P.C.  
Eric Mangeot, Resource Engineering

**Quorum.**

President Mueller found a quorum and called the meeting to order at 8:58 a.m.

**Review and Approve Agenda and Meeting Objectives.**

Director Alvey moved, seconded by Director Stavney, to approve the agenda as presented. Motion carried unanimously.

**Approval of Minutes and Actions Taken.**

Director Merritt moved, seconded by Director Proctor, to approve the minutes and actions taken at the First Regular Quarterly meeting, January 21, 2009. Motion carried unanimously.

**Financial Matters.**

Director Proctor moved, seconded by Director Mathis, to approve the Treasurer's reports for December 2008, January and February 2009. Motion carried unanimously.

**Wolford Mountain Project.**

**Operations Update:**

Dan Birch referred the Board to a memo from Don Meyer outlining the activities planned for Wolford Mountain Reservoir for 2009 including weed control, and a boat inspection program to prevent infestation of the reservoir by quagga and zebra mussels.

**Approval of Contract with Eco-Rx:**

Director Merritt, moved, seconded by Director Alvey, to approve a contract with Eco-Rx in an amount not to exceed \$32,825 in 2009, for weed control at Wolford Mountain Reservoir. Motion carried unanimously.

**Elkhead Reservoir Operations Update.**

Mr. Birch relayed that District staff had participated in a public meeting hosted by Division 6 to discuss 2009 reservoir operations and to discuss local landowners' concerns regarding potential erosion issues.

Director Alvey moved, seconded by Director Nelson, to approve a contract with URS Engineering in an amount not to exceed \$49,000 in 2009, for continuing engineering services at Elkhead Reservoir. Motion carried unanimously.

Director Merritt moved, seconded by Director Dewey, to approve a contract with Northwest Weed Management in an amount not to exceed \$31,000 in 2009, for weed control at Elkhead Reservoir. Motion carried unanimously.

**10,825 Update.**

Mr. Birch reviewed the preferred alternative for providing 10,825 a.f. of water for endangered fish species as mandated by the 15 Mile Reach PBO. The West Slope's obligation of 5,412 a.f., under the preferred alternative, will be provided by Ruedi Reservoir and will undergo a NEPA review process. Mr. Birch also stated that the District is currently compiling a list of Colorado mainstem water users to explore the possibility of a cost share allocation among the entities for the NEPA process.

Representatives of the Ute Water Conservancy District, Orchard Mesa Irrigation District, and Grand Valley Irrigation Company expressed their support and requested that the River District continue its leadership role in the 10,825 alternative process.

**General Counsel's Report - Executive Session.**

Peter Fleming reported that the following matters qualify for discussion in Executive Session pursuant to C.R.S. §§ 24-6-402(4)(b)(legal advice) and (e)(negotiations):

- i. Eagle Park Reservoir Company-Homestake Reservoir Exchange.
- ii. Eagle Park Reservoir Company Potential Acquisition of Additional Water Supply.
- iii. Protest of Referee's Ruling in Application of Copper Mountain Metro District, Case No. 02CW382, Water Division 5.
- iv. "10825" Fish Water Negotiations and Cost Sharing.
- v. Colorado River District Conditional Water Rights.

Director Stavney moved, seconded by Director Mathis, to proceed into Executive Session pursuant to C.R.S. §§ 24-6-402(4)(b)(legal advice) and (e)(negotiations). Motion carried unanimously.

Peter Fleming stated that no further record of the portion of the Executive Session in which legal advice or negotiations are discussed would be kept based on his opinion that the discussion will constitute privileged attorney-client communications.

*President Mueller reconvened into Public Session at 11:44 a.m.*

**General Counsel's Report - Public Session.**

Peter Fleming reported that during Executive Session, the Board provided guidance to staff and General Counsel on the following matters:

- i. Eagle Park Reservoir Company-Homestake Reservoir Exchange.
- ii. Eagle Park Reservoir Company Potential Acquisition of Additional Water Supply.
- iii. Protest of Referee's Ruling in Application of Copper Mountain Metro District, Case No. 02CW382, Water Division 5.
- iv. "10825" Fish Water Negotiations and Cost Sharing.
- v. Colorado River District Conditional Water Rights.

Director Dewey moved, seconded by Director Merritt, to ratify a Protest of Referee's Ruling in Application of Copper Mountain Metro District, Case No. 02CW382, Water Division 5. Motion carried unanimously.

Director Merritt moved, seconded by Director Dewey, to confirm the District's intent to complete the appropriation of the Wolford Mountain Reservoir direct flow power right, and direct staff and Counsel to

file a diligence application in a timely manner. Motion carried unanimously.

Director Merritt moved, seconded by Director Stavney, to confirm the District's intent to complete the appropriation of the Ruedi Reservoir refill right, and direct staff to file a diligence application in a timely manner. Motion carried unanimously.

Director Stavney moved, seconded by Director Proctor, to ratify the Joint Application of the Colorado River District and Eagle Park Reservoir Company, Case No. 09CW28, Water Division 5. Motion carried unanimously.

Director Merritt moved, seconded by Director Alvey, to ratify the following Statements of Opposition. Motion carried unanimously.

- Applications of 2001 Properties, Case Nos. 08CW149 and 08CW150, Water Division 5.
- Application of #13 Enterprises, Case No. 08CW196, Water Division 5.
- Application of Thomas/Gunsight Pass Ranch, Case No. 08CW204, Water Division 5.

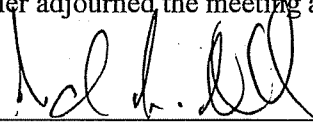
Director Stavney moved, seconded by Director Mathis, to approve the proposed change to the Water Marketing Policy. Motion carried unanimously.

**Discussion with Dick Wolfe, Colorado State Engineer and John Cyran, Colorado Attorney General's Office.**


State Engineer Dick Wolfe updated the Board on issues his office is currently focusing on including the development of rules and regulations for compact compliance in the Republican and Arkansas River Basins, as well as rulemaking for well compliance in the Rio Grande River Basin. Mr. Wolfe's office is also involved in discussions regarding a possible importation statute as a result of the Million Project's proposal to import water from Flaming Gorge Reservoir to the Front Range of Colorado. Mr. Wolfe commented that discussions to address rule promulgation in the event of a Colorado River Compact curtailment are ongoing.

**Adjourn.**

There being no further business before the Board, President Mueller adjourned the meeting at 12:37 p.m.

  
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Andrew A. Mueller, President

ATTEST:

  
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R. Eric Kuhn, Secretary/General Manager

*Executive Session Attestations.*

*I hereby attest that the portions of the Executive Session that were not recorded constituted privileged attorney-client communications.*

  
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Peter Fleming, General Counsel