

MINUTES¹
SECOND REGULAR QUARTERLY MEETING OF THE
BOARD OF DIRECTORS OF THE
COLORADO RIVER WATER PROJECTS ENTERPRISE OF THE
COLORADO RIVER WATER CONSERVATION DISTRICT

April 21, 2010

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 21, 2010 at the Hotel Colorado, 526 Pine Street, Glenwood Springs, Colorado.

Directors present during all or part of the meeting:

Andrew A. Mueller, President	Thomas R. Sharp, Vice President
Tom Alvey	Jon Stavney
David H. Merritt	James Newberry
William S. Trampe	Warner Dewey
Richard Proctor	Tom Gray
Stephen M. Mathis	John Ely
Forrest F. Nelson	Rebie Hazard
Gary Martinez	

Directors not present:

Others present during all or part of the meeting:

Eric Kuhn, Secretary/General Manager, CRWCD
Peter Fleming, General Counsel, CRWCD
Dan Birch, Deputy General Manager, CRWCD
John Currier, Chief Engineer, CRWCD
Chris Treese, Manager, External Affairs, CRWCD
Jason Turner, Associate Counsel, CRWCD
Mary Kalmes, Senior Accountant/Admin. Chief, CRWCD
Laurie DePaolo, Executive Assistant, CRWCD
Don Meyer, Senior Water Resources Engineer, CRWCD
Dave Kanzer, Senior Water Resources Engineer, CRWCD
Mike Eytel, Water Resources Specialist, CRWCD
Dave Smith, Engineering Technician, CRWCD
Jim Pokrandt, Communication and Education Specialist, CRWCD
Martha Moore, Public Affairs Specialist, CRWCD
Denise Hussain, Records Specialist, CRWCD
Audrey Hughes, Human Resources Specialist, CRWCD
Nancy Stuart, Commissioner, Grand County
Gary Baumgarner, Commissioner, Grand County
Lurline Underbrink Curran, Manager, Grand County

1

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.

Quorum.

President Mueller found a quorum and called the meeting to order at 10:52 a.m.

Review and Agenda and Meeting Objectives.

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

Consent Agenda.

Director Dewey moved, seconded by Director Hazard, to approve the following consent agenda as presented. Motion carried unanimously.

Approval of Minutes and Actions Taken:

- a. Minutes of First Regular Quarterly Meeting, January 19, 2010.
- b. Ratification of Statements of Opposition in Applications of the Freemont Pass Ditch Co., Case Nos. 09CW187 and 09CW188 (Water Division 5), 09CW143 (Water Division 2), and 09CW278 (Water Division 1).

Approval of Treasurer's Reports for December 2009, January and February 2010.

Director Alvey moved, seconded by Director Proctor, to approve the Treasurer's reports for December 2009, January and February 2010. Motion carried unanimously.

Wolford Mountain Operations Update.

Dan Birch provided an update on the continuing analysis of the dam embankment settlement at Wolford Mountain Reservoir which is being conducted by URS Engineering. A comprehensive report on the compiled data and potential remedial actions will be presented to the Board at the October quarterly meeting.

Approval of Continuing Services Agreement with URS Engineering:

Director Newberry moved, seconded by Director Trampe, to approve a continuing services agreement with URS Engineering in an amount not to exceed \$145,000 for continued engineering services at Wolford Mountain Reservoir. Motion carried unanimously.

Approval of Contract with Eco-Rx:

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

Approval of Contract Amendment with Red Mountain RV Park:

Director Merritt moved, seconded by Director Stavney, to approve a contract amendment with Red Mountain RV Park in an amount not to exceed \$12,500 for boat inspection services. Motion carried unanimously.

Approval of Temporary Water Marketing Contract with Upper Yampa Water Conservancy District:

Dan Birch relayed a request from the Upper Yampa Water Conservancy District (Upper Yampa) for a temporary water marketing contract to replace contract water in Stagecoach Reservoir while Upper Yampa is in the process of enlarging the reservoir. Construction will require a drawdown of the reservoir. Mr. Birch also disclosed that he is a member of the Upper Yampa Board. Director Sharp disclosed that he too, is a member of the Upper Yampa Board, and recused himself from the discussion.

Director Trampe moved, seconded by Director Newberry, to approve a temporary water marketing contract

with the Upper Yampa River Water Conservancy District in an amount up to 4,500 a.f. Motion carried unanimously. Director Sharp abstained from the vote.

10,825 NEPA Process Update.

Dan Birch reported that progress is continuing to be made to provide a permanent supply of water for the 15 Mile Reach, as required by the 15 Mile Reach Programmatic Biological Opinion (PBO). The West Slope and East Slope each have an obligation to provide 5,412 a.f. of water. The East Slope's share would be supplied from Granby Reservoir. The West Slope's share would be provided by Ruedi Reservoir, and federal legislation is being pursued to make the Ruedi water non-reimbursable.

Amendment to Interim Water Supply Agreement:

Mr. Birch reminded the Board that the interim agreement to supply the West Slope's obligation for 5,412 a.f. of water from Wolford Mountain Reservoir expires on July 1, 2010, and an extension would be necessary until agreements and federal legislation can be completed for the permanent 10,825 supply. Denver Water is preparing a draft parallel agreement for the East Slope's share from Williams Fork Reservoir.

Director Merritt moved, seconded by Director Sharp, to extend the interim water supply agreement for supplying 5,412 a.f. of water from Wolford Mountain Reservoir to October 1, 2012. Motion carried unanimously.

After further discussion, Director Merritt, seconded by Director Sharp, offered an amended motion as follows: to allow an extension of the interim water supply agreement for supplying 5,412 a.f. of water from Wolford Mountain Reservoir up to July 1, 2013, if necessary, and to authorize counsel to make non-substantive changes to the interim water supply agreement. Motion carried unanimously.

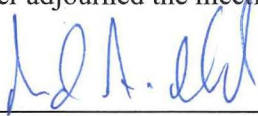
Permanent Water Supply Agreement:

Mr. Birch reviewed the water users draft permanent water supply agreement for the 10825 acre-feet of water required under the 15 Mile Reach PBO.

Director Sharp moved, seconded by Director Newberry, to approve the permanent water supply agreement with the inclusion of provisions that the River District is the sole signatory of the agreement, the River District is not the sole obligor to find a permanent water supply, nor will the River District be the sole provider of the West Slope's permanent supply, and to authorize counsel to make non-substantive changes to the agreement. Additionally the River District Board will ratify the agreement at the July quarterly board meeting. Motion carried unanimously.


Adjourn.

There being no further business before the Board, President Mueller adjourned the meeting at 11:58 a.m.



Andrew A. Mueller, President

ATTEST:



R. Eric Kuhn, Secretary/General Manager

