

January 19, 2011
Minutes-Board Meeting

The regular monthly meeting of the Lower Arkansas Valley Water Conservancy District Board of Directors was held on Wednesday, January 19, 2011 commencing at 10:35 A.M., at 801 Swink Avenue, Rocky Ford, CO 81067.

Chairman Moore announced a quorum was present with Directors Nunez and Brown being excused.

DIRECTORS PRESENT:

Pete Moore-Chairman
Lynden Gill-Vice Chairman
Melissa Esquibel-Secretary
Wayne Whittaker –Treasurer
Leroy Mauch

DISTRICT STAFF PRESENT:

Jay Winner-General Manager
Bill Hancock-Conservation Program Manager
Carla Aragon-Quezada-Office Manager
Brenda Fillmore-Finance/Water
Bart Mendenhall-Attorney
Peter Nichols-Attorney

DIRECTOR ABSENT:

Anthony Nunez
Reeves Brown

MOTION TO ENTER INTO WATER ACTIVITY ENTERPRISE:

Director Gill moved that the Board recess the regular Board Meeting and open the Water Activity Enterprise meeting, seconded by Director Esquibel. Motion unanimously carried.

At the conclusion of the Water Activity Enterprise meeting Director Esquibel moved to adjourn the Water Activity Enterprise meeting and reconvene the District Meeting at 10:42 A.M., seconded by Director Gill. Motion unanimously carried.

INTRODUCTION OF VISITORS:

Chairman Moore welcomed each of the visitors to the meeting, asked them to introduce themselves and identify the organization which they represent.

VISITORS PRESENT:

Alan Ward, PBWW; Rick Kienitz, Aurora; G.W., Larkspur; Gloria Gutierrez, Senator Udall's office; Dwight Gardner, Senator Bennet's office; Henry Schnabel, Prowers County Commissioner; Fred Heckman, FLCC; Chris Woodka, Pueblo Chieftain; Kelly Roesch, Pure

Cycle; Jim Baldwin, Otero County Commissioner; Keith Goodwin, Otero County Commissioner; Bette McFarren, LJ Tribune; Doris Morgan, Congressman Cory Gardner's office; Pat Edelmann, USGS; Bill Hancock, LAVWCD; Brenda Fillmore; John Knapp, NRCS; Heath Kuntz, Leonard Rice Engineering.

APPROVAL OF MINUTES:

- ❖ *December 9, 2010 Monthly Board Meeting Minutes-* Chairman Moore asked if the Board members had reviewed the minutes for the December 9, 2010 Board meeting and whether there were any corrections or additions. Director Esquibel moved to approve the minutes for December 9, 2010 with amending resolution 10-07 page, 3 from donated to conveyed to the District in 2010, seconded by Director Mauch. Motion unanimously carried.

- ❖ *December 9, 2010 Work Session Meeting Minutes-* Chairman Moore asked if the Board members had reviewed the minutes for the December 9, 2010 Work Session meeting and whether there were any corrections or additions. Director Whittaker moved to approve the minutes for December 9, 2011, seconded by Director Esquibel. Motion unanimously carried.

TREASURER'S REPORT:

Chairman Moore reported that the financial report for the month of December was included in the Board's Monthly Meeting Packet. Treasurer Whittaker reported December total revenues \$16,477.11 and total expenditures \$88,935.72 with total net <\$72,458.61>. Director Whittaker moved to accept the December Financial Statement, seconded by Director Mauch. Motion unanimously carried.

OFFICIAL DISTRICT BUSINESS:

Oath of Office:

Notary Carla Quezada swore in re-elected Director Esquibel and notarized the Oath of Office Statement.

Legal Postings:

Pursuant to C.R.S. 32-1-903(1), the Board must designate dates and post the time and place for all Board meetings for 2011. General Manager Winner suggested that the Regular Board meeting dates stay the same third Wednesday of the month. Two exceptions no board meeting in March and also, December board meeting will move to December 7, 2011. Chairman Moore asked if that is acceptable, Director Mauch directed the board that the dates for board meetings for July was incorrect it should be June 15, 2011 not June 17, 2011. Director Whittaker made a motion to accept the designated and post the time and place with the correction for all Board meetings for 2011, seconded by Director Gill. Motion unanimously carried. Posting of the Board meetings will be at Lower Arkansas Valley Conservancy District's Office, 801 Swink Avenue. Director Whittaker made a motion to post the meetings at the LAVWCD, 801 Swink Avenue, seconded by Director Gill. Motion unanimously carried.

Elections:

General Manager Winner announced a re-organization meeting of the Board is needed to elect Board Officers. Director Esquibel moved to re-nominate and reelect the slated officers as previous of 2010. Director Moore as Chairman; Lynden Gill as Vice-Chairman; Director Esquibel as Secretary; Director Whittaker as Treasurer; seconded by Director Mauch. Vote was unanimous for election of each officer.

LAVWCD Board Directors for 2011: Chairman, Pete Moore; Vice-Chairman, Lynden Gill; Secretary, Melissa Esquibel; Treasurer, Wayne Whittaker; Directors Leroy Mauch, Anthony Nunez and Reeves Brown.

GM REPORT:

General Manager Winner stated that Attorney Nichols will give an update on the Colorado Water Conservancy Board (CWCB) grants.

Attorney Nichols explained to the Directors that a lot of good things are going on. We have two Super Ditch letters of intent one with Pike Peak Regional Water Authority (PPRWA) and the other with Aurora. The board of Directors of the Super Ditch along with the help of LAVWCD staff sent out letters to the seven ditch (shareholders) asking for expression of interest in participating in these leases. In additions Super Ditch Directors held two public meetings one at the Rocky Ford Gobin building and also, at the Lamar Community College. We have received positive feedback with sixty-seven percent who are showing interest. Directors of the Super Ditch have extended the deadline to February 15, 2010. Now, if the shareholder chooses not to participate he/she will be excluded from the leases in the future. We urge every shareholder to participate in the sign up process. This is non-binding. It just shows that you are interested.

General Manager Winner stated we (LAVWCD) started this (5) five years ago and we actually set our number to (30) thirty percent. Now we're up to (67) sixty-seven percent-very impressive. These people will be included in the EIS, Master contract water court application.

Attorney Nichols replied there may not be another opportunity.

General Manager Winner stated we have another grant that was approved just last week on the Super Ditch. The state is very, very anxious to see if we can pull this off. So far it has been very positive.

Director Mauch made motion to have Attorney Nichols proceed with (CWCB) grant application for \$225,837.00 and LAVWCD would match (20) twenty percent, \$46,460.00. Director Esquibel added the delivering and storage of leased water is essential to the Super Ditch to function. It's essential for us to study those further issues as Attorney Nichols previously

mentioned and based on that this grant application is conducive on what projects we are undertaking, seconded by Director Whittaker. Motion unanimously carried.

Attorney Nichols stated that another grant application that Colorado Water Conservancy Board (CWCB) brought to our attention was the severance tax grants. These applications are due by the end of January. They go into legislation to adopt by Colorado General Assembly. Money will be available July 1, 2012. So we would like to submit an application to develop a recharge pond facility to implement Rule 10 Irrigation Efficiency improvement program for the LAVWCD due on behalf of the farmers.

Director Esquibel made a motion to direct staff and counsel to submit a grant application for the purpose of selecting a site to reconstruct a recharge pond that will be helpful in our implementation Rule 10 plan and our water leasing program. With the understanding the grant request for \$95,000.00 with LAVWCD matching \$10,000.00, seconded by Director Gill. Motion unanimously carried.

Attorney Nichols gave an update on Interbasin Compact Committee (IBCC). He stated that Governor Hickenlooper appointed John Stulp to serve on this special policy advisor.

Attorney Nichols gave an update on Colorado historic preservation. He stated it would qualify every irrigation structure and ditch in the State of Colorado constructed from the year of 1787 through 1960. We (LAVWCD) will discuss this in our February board meeting with more information available.

General Manager Winner stated that a year ago LAVWCD entered into an Intergovernmental Agreement (IGA) with Fountain Creek District and Colorado Springs Utilities. The agreement is very specific on how this money should be spent \$200,000 per year to the board and \$100,000 per year for Administration on the Master Plan. Winner stated he received a letter stating they want to change the IGA. General Manager Winner asked the board for their permission to send a letter to Fountain Creek District Board to explain they need to get back to the projects for which the board was formed. Director Mauch made motion to send letter to Fountain Creek District Board, seconded by Director Esquibel. Motion unanimously carried.

General Manager Winner gave an update on conservation easements.

General Manager directed board members to (5) Tab five of the board packets. This is the contract for Gilbert Werdel (GW) on our Larkspur Ditch. Who is currently the contractor for the Larkspur ditch. General Manager Winner stated that GW and myself came up with a (3) three year contract, where he is committed for these (3) years. GW turned in a doctor's note stating that he is healthy enough to take care of the Larkspur ditch. Director Gill made motion to accept Gilbert Werdel (GW) contract on the Larkspur Ditch, seconded by Director Esquibel. Motion unanimously carried.

PRESENTATION: None

LEGISLATIVE REPORT: None

DIRECTORS' DISCUSSION: None

COMMITTEE REPORTS:

Personnel: None.

Acquisition: None.

LEGAL REPORT:

Melissa Esquibel: None

Attorney Bart Mendenhall: Attorney Mendenhall's legal report, a copy of which is attached to the minutes as Exhibit A.

Trout, Raley, Montano, Witwer & Freeman, PC

Attorney Peter Nichols: Attorney Nichols legal report, a copy of which is attached to the minutes as Exhibit B.

Attorney Mendenhall presented to directors the contract for legal services for Trout, Raley, Montano, Witwer & Freeman, P.C.

Director Esquibel stated I move to either have Chairman Pete Moore or General Manager Winner to sign the 2011 Legal Services Agreement between Trout, Raley, Montano, Witwer & Freeman, P. C. and the District signed by Peter Nichols on behalf of the firm, seconded by Director Whittaker. Motion unanimously carried.

PUBLIC COMMENT:

Fred Heckman, a farmer from Lamar stood up and ask for a clarification on the Super Ditch card that went out to the (7) seven ditch company shareholders. My understanding that the farmer signs up with the Super Ditch Company that they still have the opportunity to turn down a lease if it isn't to their term. I just want to make sure this is correct.

General Manager Winner replied the shareholders who sign up first will have the opportunity to participate. It's first come, first serve. What we cannot do is take it through the process and then have people come back in a (5) five year or (10) ten year after we've done the EIS, after we went through water court case. We want to do this one time. There's (67) sixty-seven percent that say they want to participate. That's very impressive.

Attorney Mendenhall stated I think it's important with tax payer's money, that we do it just once.

Prowers Commissioner Henry Schnabel wanted everybody to really pay attention to this historical ditch information. Need to follow up on this it's very important.

Doris Morgan, Regional Director for Congressman Cory Gardner gave information on how to contact her or her office. Office number 719.931.4003; Fax number 719.931.4004; Cell number 970.817.4843 or you could reach her by e-mail doris.morgan@mail.house.gov.

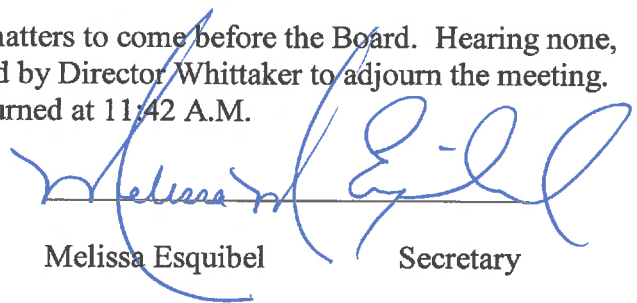
ADJOURNED:

Chairman Moore asked if there were any other matters to come before the Board. Hearing none, motion was made by Director Esquibel, seconded by Director Whittaker to adjourn the meeting. Motion unanimously carried. Meeting was adjourned at 11:42 A.M.



Pete Moore

Chairman



Melissa Esquibel

Secretary