

**September 17, 2008**  
**Minutes-Board Meeting**

The regular monthly meeting of the Lower Arkansas Valley Water Conservancy District Board of Directors was held on Wednesday, September 17, 2008 at 10:05 AM, at 801 Swink Avenue, Rocky Ford, CO 81067.

Chairman Singletary announced a quorum was present with all Directors' present.

**DIRECTORS PRESENT:**

John Singletary-Chairman  
Pete Moore-Vice Chairman  
Melissa Esquibel-Secretary  
Wayne Whittaker -Treasurer  
Loretta Kennedy  
Leroy Mauch  
Lynden Gill

**DISTRICT STAFF PRESENT:**

Jay Winner-Executive Director  
Kim Chavez- Financial Officer  
Carla Aragon-Quezada-Administrative Assistant  
Bart Mendenhall-Attorney  
Peter Nichols-Attorney

**DISTRICT STAFF EXCUSED:**

Bill Hancock-Conservation Program Manager

**MOTION TO ENTER INTO WATER ACTIVITY ENTERPRISE:**

Director Mauch moved that the Board convene into the Water Activity Enterprise, seconded by Director Esquibel. Motion unanimously carried.

At the conclusion of the Water Activity Enterprise meeting Director Moore moved to reconvene the District Meeting at 10:06 A.M., seconded by Director Kennedy. Motion unanimously carried.

**INTRODUCTION OF VISITORS:**

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

**VISITORS PRESENT:**

Chris Woodka, Pueblo Chieftain; Rick Kientz, Aurora Water; Alan Ward, Pueblo Board of Water Works; Ken Weber, CSU; Del Nimmo, CSU; Jim Valliant, CSU-CAES; Kelly Roesch, Pure Cycle; Tom Simpson, Aurora Water; Pat Edelmann, USGS; G W Werdel, Larkspur; Fred

Heckman, Farmer, McClave; Dave Merritt, HDR; Perry Cabot, CSU; Jean Van Pelt, SECWCD; Brenda Fillmore, AGUA.

**APPROVAL OF MINUTES:**

- ❖ *August 20, 2008 Monthly Board Meeting Minutes-* Chairman Singletary asked if the Board members had reviewed the minutes for the August 20, 2008 Board meeting and whether there were any corrections or additions. Director Esquibel moved to approve the minutes for August 20, 2008, seconded by Director Whittaker. Motion unanimously carried.
  
- ❖ *August 20, 2008 Work Session Meeting Minutes-* Chairman Singletary asked if the Board members had reviewed the minutes for the August 20, 2008 Work Session meeting and whether there were any corrections or additions. Director Esquibel moved to approve the minutes for August 20, 2008, seconded by Director Whittaker. Motion unanimously carried.

**TREASURER'S REPORT:**

Chairman Singletary reported that the financial report for the month of August was included in the Board's Monthly Meeting Packet. Director Whittaker reported August total revenues \$60,478.12 and total expenditures \$110,768.72 with total net <\$50,290.60>. Director Whittaker moved to accept the August Financial Statement, seconded by Director Mauch. Motion unanimously carried.

General Manger Winner stated that the board needed to elect a budget officer per C.R.S. 29-1-104 at this time. Director Whittaker nominated Financial Officer, Kim Chavez, seconded by Director Kennedy. Upon vote Kim was appointed Budget Officer.

**GM REPORT:** General Manager introduced Jean Van Pelt, Southeast Colorado Water Conservancy District (SECWCD).

**PRESENTATIONS:**

Presentation was given by Jean Van Pelt, SECWCD on update of the Tamarisk.

**Arkansas River Watershed Invasive Plants Plan (ARKWIPP)**

- ❖ Leadership role within the Basin
- ❖ Collaboration of over 30 partners to fund and develop the ARKWIPP for the watershed
- ❖ Funding provided by many local governments, organizations, and the State through the department of Local Affairs and the Colorado Water Conservation Board
- ❖ Goals include
  - Develop a strategic Plan for the long-term management in the Arkansas River Basin

- Arkansas River Watershed Invasive Plants Plan (ARKWIPP)
  - Complete mapping project for the entire basin
  - Develop a database & website to be used as a resource tool
  - Explore long-term funding sources for implementation of the Plan
- ❖ Based on the estimated amount of water tamarisk uses minus the water that would be used by natives (current—76,000 AF (acre feet) per year, future – 196,000 AF per year)
- ❖ Significant losses occur in upland areas that would normally have dry land vegetation
  - This area is typically 80% of the infested area
- ❖ Approximately \$70,000,000 – planning, control, revegetation, monitoring & maintenance activities

### **ARKWIPP Plan Implementation**

The Plan lays out a specific “path forward” for implementation that includes a set of five “actions” to facilitate success.

1. Develop ways to work with landowners
2. Develop and provide education, outreach, and volunteerism programs
3. Determine research needs
4. Determine and develop long-term funding mechanisms
5. Determine and develop long-term sustainability program

There are ten (10) counties affected: El Paso, Pueblo County, Fremont County, Crowley County, Bent County, Otero County, Prowers County, Baca County, Huerfano County, and Las Animas County.

### **ARKWIPP Resource Tools**

- ❖ Develop & maintain informational databases of partnerships, funding opportunities, intellectual and private industry resources, infestation levels, volunteer efforts, on the ground project area, and control, restoration, monitoring and maintenance actions.
- ❖ Developing a public outreach program
- ❖ Develop an educational website that houses an interactive database that will be used as a resource tool by land manager’s & will track the progress of the Plan [www.arkwipp.org](http://www.arkwipp.org)

### **ARKWIPP Funding**

Provide funding mechanisms to carry out the watershed plan

- ❖ Consistent from year to year & over a long time
- ❖ Available from federal, state, local sources, foundations, & possibly private landowner funds derived from taxes, user fees, bonds, incentives, grants, etc

Tamarisk Control Cost-Sharing Grant Program

- ❖ Dept. of Natural Resources through the Colorado Water Conservation Board
- ❖ \$4,000,000 over the next four years
- ❖ Cost share with federal, local and private funds

- ❖ Criteria to qualify for funding include local support of a coalition of organizations and a watershed strategic plan needs to be in place

#### **Federal Legislation**

- ❖ Public Law 109-320 The Salt Cedar and Russian Olive Control Demonstration Act signed October 2006 but not appropriated
- ❖ Requires federal agencies to create and deploy an Assessment and Demonstration Program for tamarisk and Russian olive
- ❖ Grants within 6 months after appropriations
  - At least 5 demonstration projects

General Manager Winner introduced Jim Valliant of CSU, Irrigation Specialist.

Valliant presented to board a presentation on Winter Canola Variety Proposal. He stated there is renewed interest in canola (*Brassica napus* L.) in the Arkansas River Valley due to rising energy costs and the desire to diversify crop production and boost agricultural income.

Oilseed canola with high erucic acid ( $\geq 45\%$ ) is used to produce industrial lubricants and biodiesel. There have been several varieties of canola that have been tested at the Arkansas Valley Research Center in Rocky Ford and have produced yields up to 3,500 pounds per acre and an average of 2,400 pounds per acre in 2006, 2007, and 2008.

In Southeast Colorado, Colorado Mills established a joint venture with Toronto-based SunOpta Inc., to build and operate a \$5 million organic and natural vegetable oil refinery located in Lamar, Colorado. This facility would be able to refine approximately 35 million pounds of sunflower, soybeans and canola annually.

Winter canola has a similar growth cycle to that of winter wheat. It is usually planted in late summer and harvested in June, preferably before winter wheat to avoid crowding of field operations. There are several canola varieties with excellent winter survival rates. Some challenges are: Damage from cabbage aphids; false chinch bugs, and other insects; Seed shattering-may vary with variety; Hail damage; Stand establishment. It is not clear what caused poor stands-could be related to seedbed preparation, soil type (crusting), seeding depth, or salinity; Weed control – does not appear to be a serious issue compared to insect infestation.

#### **Proposed Research:**

Research will consist of variety performance and agronomic trails to; select winter canola variety/hybrids best adapted to the environment of the valley and develop best management practices to optimize seed production and seed quality (oil content).

Motion made by Director Whittaker to provide \$16,057 over a period of 3 years for the study of canola, seconded by Director Gill. Motion carried unanimously.

Valliant gave an update on the effect of Land Fallowing and Water Rights Leasing on Corn Yield, Nutrient Needs and Economics in the Lower Arkansas River Valley. He asked the board if they could continue to support the program.

Motion made by Director Gill to support Land Fallowing Lease Program \$5,000.00, seconded by Director Kennedy. Motion carried unanimously.

General Manager Winner reported (IBCC) Interbasin Compact Committee met (4) four weeks ago right after the board meeting. Representative Kathleen Curry came up with (5) five water bills in this legislation session. We need to be aware there will probably be out in late November or early December.

Super Ditch had their first meeting. They met with (PPWA) Peaks Pike Water Authority and Colorado Springs Utilities. They're moving forward and have lots of meetings to go.

General Manager Winner directed Board Directors to Tab (2) two of the board packets. Fountain Creek Legislation: We are hoping to have an (IGA) Intergovernmental Agreement put together soon between Pueblo County and El Paso County which will put into legislation The Fountain Creek Authority. There is a little controversy on who should be on the board. We'll let the commissioner's handle it.

General Manager Winner directed Board Directors to Tab (3) three of the board packets. Agreement with Upper Arkansas Water Conservancy District: I would like to leave this for next meeting because one of representatives from Poncha Springs brought up (2) two amounts one for \$18,000 and another for \$10,000. We will look into this and bring it back to the next board meeting.

General Manager Winner gave an update that Larkspur Ditch is at 426 ac/ft as of today. Every year Larkspur Ditch continues to increase. Attorney Mendenhall will draft a letter to the Catlin Canal Directors to purchase the ditch.

**PRESIDENT'S REPORT:**

Chairman Singletary had nothing to report.

**LEGAL REPORT:**

Attorney Mendenhall reported with the help of Bill Hancock, Counsel has been drafting a Promissory Note and revising our Assignment of Tax Credits to assist in recovering costs advanced to potential conservation easement donors.

Counsel continues to work with potential easement donors to ensure that the basis for their donations will be as free of problems as possible, including; in particular, that title to water rights essential to their easement is adequate.

Interest in the Super Ditch continues to be high. Many were surprised that we got this far.

**Trout, Raley, Montano, Witwer & Freeman, PC**

**Water Leasing Program:**

- The District has executed the waiver, which the Super Ditch Board will take up at its meeting September 22, 2008.
- The draft Agreement was presented to both Boards for their review and comment. Both Boards have approved the Agreement, which the District has executed and the Super Ditch Board is ready to sign.
- The Super Ditch Company negotiating team (John Schweizer, Fred Heckman and Peter Nichols) has begun negotiating with potential lessees. The team will report to the Company Board on September 22, 2008.
- Counsel finalized the grant contract after the CWCB staff released its hold on the money pending the outcome of the legal analysis of antitrust issues discussed above. The District has executed the contract; it is awaiting action by the State Controller.

**Regional Water IGA: The purpose of this action is to negotiate a comprehensive settlement of water-related issues that threaten the economic future of the Lower Arkansas Valley.**

- Counsel and the General Manager continue to discuss outstanding issues with Aurora involving permanent water transfers and water leases and to exchange drafts of potential settlement language with Aurora. Settlement discussions are occurring in the context of the District's lawsuit with the Bureau of Reclamation, discussed below. SECWCD has expressed an interest in resuming negotiations, to which Counsel responded positively. Counsel and staff are scheduling a meeting with Colorado Springs within the next month to finalize the draft IGA developed last year.

**Bureau of Reclamation-Aurora Proposed Fry-Ark Excess Capacity Contract. The purpose of this action is to protect the water resources available to the Lower Arkansas Valley.**

- The Court has scheduled a hearing for September 26, 2008. The Court granted a motion by the District and Aurora to update the Court on the status of settlement negotiations at the same hearing.

**Other Matters:**

**D. Drought Grant. The purpose of this action is to prevent the curtailment of pumping to meet Colorado's water delivery obligations to Kansas under the Arkansas River Compact.**

- Counsel is drafting a Drought Grant to obtain reimbursement for the LAVWCD's lease of water for delivery to Kansas to meet Compact obligations, as requested by the Division Engineer. Counsel has all of the drought declarations necessary to support the grant request.

**COMMITTEE REPORTS:**

Director Kennedy-Personnel: Nothing at this time.

Director Kennedy-Liaison: Nothing at this time.

Director Esquibel-Legal: Nothing at this time.

**DIRECTOR'S COMMUNITY REPORT:**

Director Whittaker reported nothing at this time.

Director Moore reported very quite in Crowley County.

Director Esquibel reported the Chili Festival this weekend. Also Judge Ralph Wadleigh of La Junta District Court passed away. His funeral is this Friday at 10:00 in Cheraw.

Director Gill reported the moisture was good for Bent County.

Director Mauch reported Forty-eight days left and the plant should be finished.

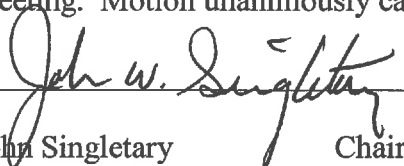
Director Kennedy reported Pueblo will have their first meeting on Conservation Easements. Vestas Plant will be the largest wind power plant who will be coming to Pueblo. Pueblo is grateful for PCC mobile training units to help out.

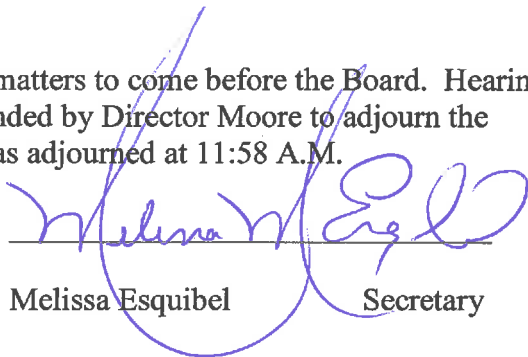
Chairman Singletary reported produce is starting to wind down.

**PUBLIC COMMENT:** None

**ADJOURNED:**

Chairman Singletary asked if there were any other matters to come before the Board. Hearing none, motion was made by Director Esquibel, seconded by Director Moore to adjourn the meeting. Motion unanimously carried. Meeting was adjourned at 11:58 A.M.

  
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John Singletary                      Chairman

  
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Melissa Esquibel                      Secretary