

MINUTES¹

SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
COLORADO RIVER WATER CONSERVATION DISTRICT
IN CONJUNCTION WITH THE BOARD OF DIRECTORS OF THE
SOUTHWESTERN WATER CONSERVATION DISTRICT

September 12, 2012

Pursuant to notice duly and properly given, a special meeting of the Board of Directors of the Colorado River Water Conservation District (CRWCD) in conjunction with the Board of Directors of the Southwestern Water Conservation District (SWCD) was held on Wednesday September 12, 2012 at the Montrose Pavilion, 1800 Pavilion Drive, Montrose, Colorado.

CRWCD Directors present during all or part of the meeting:

Thomas R. Sharp, President	James Newberry, Vice President
David H. Merritt	William S. Trampe
Tom Gray	Stephen M. Mathis
Jon Stavney	Tom Alvey
Steve Acquafresca	Andrew A. Mueller
Kai Turner	

CRWCD Directors not present:

Warner Dewey	Gary Martinez
Rebie Hazard	John Ely

CRWCD staff present during all or part of the meeting:

Eric Kuhn, General Manager
Peter Fleming, General Counsel
Dan Birch, Deputy General Manager
John Currier, Chief Engineer
Chris Treese, Manager, External Affairs
Jason Turner, Associate Counsel, CRWCD
Jim Pokrandt, Communication & Education Specialist
Laurie DePaolo, Executive Assistant
Ray Tenney, Deputy Chief Engineer
Dave Kanzer, Sr. Water Resources Engineer
Mary Kalmes, Chief Accountant
Audrey Turner, Administrative Chief
Denise Hussain, Records Manager
Ian Philips, Accountant

SWCD Directors present during all or part of the meeting:

John Porter, President	Steve Fearn, Vice President
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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.

April Montgomery Monte Naslund
Larry Demerl

SWCD staff present during all or part of the meeting:

Bruce Whitehead Jane Maxson
Denise Rue-Pastin Steve Harris
Barry Spear

Others present during all or part of the meeting:

John Carron, Hydros Consulting
Erin Wilson, Wilson Water Group
Frank Kugel, Upper Gunnison Water Conservancy District
Shanti Rosset O' Donovan, Attorney General's Office
Ken Curtis, Dolores Water Conservancy District
Bob Hurford, Division 4 Engineer

Convene.

President Sharp and President Porter convened the meeting at 1:04 p.m.

Presentation on Water 2012 Update and Activities.

Jim Pokrandt reported that the book "Water Wranglers" by George Sibley, which chronicles the 75-year history of the River District, is scheduled to be released at the District's annual water seminar in Grand Junction on September 13, 2012. Mr. Pokrandt also relayed that the District's anniversary was celebrated at various events throughout the year.

Denise Rue-Pastin reported that public outreach activities in the Dolores and San Juan River Basins included a children's water festival, a water professionals event with Fort Lewis college students, Southwestern's annual water seminar and a Water in the West art show featuring water-related art pieces.

Colorado River Basin Study Update.

Erin Wilson reviewed the primary purposes of the basin study which are to define current and future imbalances between supply and demands on the Colorado River through 2060 and to provide more information in order to develop specific strategies for future actions to avoid or minimize shortages. Study results indicate that the states of the Upper Division (Colorado, Wyoming, Utah and New Mexico) will not reach their full apportionment of Colorado River water by 2060, while the states of the Lower Division (Arizona, California and Nevada) will exceed their apportionment by 2015, which could result in frequent shortages. It was noted that the information contained in this study could have long-lasting effects on the operations and governance of the Colorado River. Ms. Wilson also relayed that the draft report on the study is slated to be released in November.

Presentation on Shortage Modeling and Risk Assessment.

John Carron reviewed the focus of the River District-sponsored study, the purpose of which is to compile a data base to assist in evaluating future risk, shortages and development of risk management strategies for the Upper Basin in the event of a Colorado River Compact curtailment. Other goals include avoidance of a curtailment, protection of post-compact critical uses in the event of a curtailment and still provide water for future growth and development.

Colorado River Compact Water Bank Feasibility Study Update.

Dan Birch recounted the events that led both districts to initiate the compact water bank study. Phase I study results indicate that in the event of a Compact curtailment, a water bank utilizing irrigation from row crops alone would not be sufficient to offset critical post-compact uses. Other measures such as a reduction in demands, deficit irrigation, pre-emptive curtailment of certain new uses, and uses of post-compact irrigation water would also need to be employed. Phase II of the study will involve pilot studies of eight irrigation systems (four in the Colorado River Basin, three in the Gunnison River Basin and one each in the Yampa and San Juan River Basins) and how crop fallowing or deficit irrigation could be utilized for a water bank as well as development of an overall strategy for compact curtailment risk management.

Colorado River Compact Update.

Shanti Rosset O'Donovan presented an overview of federal and international issues the State of Colorado is currently participating in including negotiations with the Republic of Mexico on shortage sharing and a compact compliance study.

District Activities and Updates.

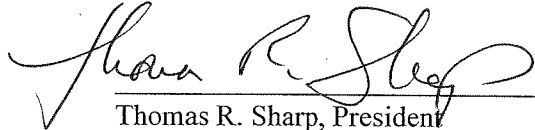
Eric Kuhn reported that in addition to the ongoing studies the River District is involved in, completion and execution of the Colorado River Cooperative Agreement with Denver Water, finalizing an agreement with Northern Water Conservancy District on the Windy Gap Firming Project, and settlement of Green Mountain Reservoir administration issues have been the recent focus of the River District. Bruce Whitehead summarized Southwestern activities that include the Flaming Gorge Task Force, La Plata River Compact and Animas-La Plata River Compact issues, the IBCC and legislative issues at the federal and state level.

Discussion of Mutual Interests and Cooperative Efforts.

A discussion ensued regarding court decisions and the difficulty associated with making conditional reservoir storage water rights absolute and the potential for legislation to address this issue.


Adjourn.

President Sharp and President Porter adjourned the meeting at 4:38 p.m.



Thomas R. Sharp, President

ATTEST:



R. Eric Kuhn, Secretary/General Manager