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2002 RECONVENED ANNUAL MEETING

ARKANSAS RIVER COMPACT ADMINISTRATION

FRIDAY, MAY 23, 2003

8:30 A.M. (MST)

COW PALACE INN

1301 NORTH MAIN STREET

LAMAR, COLORADO

*Approved 12/12/06*  
*Bob Jensen*

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APPEARANCES

CHAIRPERSON: Mr. Robin Jennison

APPEARING FOR COLORADO:

- Ms. Wendy Weiss
- Mr. Rod Kuharich
- Mr. Tom Pointon
- Mr. Jim Rogers

APPEARING FOR KANSAS:

- Mr. Randy Hayzlett
- Mr. David Brenn
- Mr. David Pope
- Mr. John Draper
- Mr. Leland Rolfs

1                   CHAIRMAN JENNISON: We would like to  
2                   welcome you all to the Reconvened Annual Meeting of  
3                   the Arkansas River Compact Administration. I am  
4                   Robin Jennison, newly appointed as the Federal  
5                   Commissioner, and I think to start off, I'm just  
6                   going to pass this microphone down and let the  
7                   folks up here introduce themselves to you. And  
8                   David, on the way back, if you would just get the  
9                   microphone and introduce any additional people from  
10                  Kansas that you think need to be introduced; and  
11                  Rod, I would ask you to do the same thing when it  
12                  comes back to you. So I'll just start here, and  
13                  you can pass it down and introduce yourself. When  
14                  the mike is on its way back, David, just make  
15                  additional introductions.

16                 MR. HAYZLETT: I'm Randy Hayzlett from  
17                 Kansas.

18                 MR. BRENN: Dave Brenn from Garden City.

19                 MR. DAVID POPE: David Pope from Topeka,  
20                 Chief Engineer of the Division of Water Resources.

21                 MR. DRAPER: John Draper, Santa Fe  
22                 Counsel for Kansas.

23                 MR. ROLFS: Lee Rolfs, Topeka, Kansas.

24                 MR. DAVID POPE: Let me make a couple of  
25                 additional introductions here. In the front row

1 from our Garden City field office is Mark Rude, who  
2 is our Water Commissioner there and also serves as  
3 Assistant Operations Secretary. Next to him on his  
4 right is Dale Book. Dale is an engineering  
5 consultant for the State of Kansas, Spronk Water  
6 Engineers in Denver. And we have Kevin Salter over  
7 on the side of the room there who works on Compact  
8 issues for us out of the Garden City field office.  
9 And David Anderson is here, I believe. He is out  
10 of the room right at the moment. Did I miss  
11 anybody, Mark?

12 MR. ROGERS: Jim Rogers, Lamar, Colorado.

13 MR. POINTON: Tom Pointon, Las Animas  
14 Colorado.

15 MR. ROD KUCHARICH: Rod Kuharich, State of  
16 Colorado Water Conservation Board.

17 MS. WEISS: Wendy Weiss, Colorado  
18 Attorney General's office.

19 MR. ROD KUCHARICH: And on my staff, Steve  
20 Miller, who pretty much does the leg work for the  
21 Arkansas Compact Commission. Ken Knox is here from  
22 the State Engineer's Office. Ken, would you want  
23 to introduce the people that are here with the  
24 Division of Water Resources?

25 MR. KNOX: Certainly. Mr. Witte is on

1 his way here. Charlie DiDomenico and Bill Tyner.  
2 Our water commissioners are out doing what they are  
3 needing to do at this time. Thank you.

4 CHAIRMAN JENNISON: Thank you. And our  
5 reporter today is Norma Underwood, and so if anyone  
6 wants to speak, let's take the time to get the  
7 microphone so that she can hear us and have an  
8 accurate recording of the meeting today.

9 First of all, call your attention to the  
10 Agenda, and it has been revised just a little bit.  
11 Under 3. b. there's going to be a report from the  
12 Southeastern Colorado Water Conservancy District.  
13 Did I say that right, Steve?

14 MR. MILLER: Conservancy District.

15 CHAIRMAN JENNISON: Other than that,  
16 that's the only addition that I see. Are there  
17 additions or corrections to the Agenda that we have  
18 before us?

19 If not, we'll proceed with that Agenda,  
20 and it looks like that brings us to 3. b. Are we  
21 ready for that report? Okay. I would ask that  
22 when you come up, to identify yourself so Norma can  
23 get that in the record as well. And if you would,  
24 just come up and get this microphone from me so I  
25 don't have to come around the table.

1 MR. BRODERICK: Good morning. My name is  
2 Jim Broderick, I'm the general manager for the  
3 Southeastern Colorado Water Conservancy District.  
4 And I would like to give you a little update on the  
5 Preferred Storage Options Plan and basically give  
6 you about a five-minute overview of what it is and  
7 then open it up for questions. Generally the  
8 Preferred Storage Option Plan is the result of  
9 nearly a five-year effort-study from a District  
10 wide perspective on water and storage needs, assess  
11 storage, resource management and alternatives, and  
12 address water quality, recreational needs and  
13 provide assurance that existing uses and  
14 entitlements in the Fryingpan-Arkansas Project will  
15 be protected. It basically involved thousands of  
16 hours of work by a local storage study committee,  
17 which includes municipal, agricultural,  
18 recreational, environmental, state, federal  
19 resource management agencies. The storage study  
20 committee first developed a water storage needs  
21 assessment report in 1998 to determine the District  
22 wide demand for water and storage needs to meet the  
23 domestic and agricultural needs into the year 2040.  
24 This report indicated a need for additional  
25 storage. The committee, through the District, then

1 asked the Bureau of Reclamation to do an  
2 investigation of technical feasibility of enlarging  
3 the Pueblo Reservoir in August of 1999. The  
4 committee worked with hired staff and staff  
5 engineers to evaluate over 30 different  
6 alternatives to meet the project demand. This  
7 evaluation led to the conclusion that we were best  
8 served to focus our efforts on existing Frying-Pan  
9 Ark project reservoirs as a means to meet future  
10 demands. This committee then began to evaluate how  
11 existing reservoirs could be better used; and in  
12 that effort, many, many hours of study and  
13 consideration, public meetings led to the  
14 development of the Preferred Storage Option Plan,  
15 known as the PSOP Implementation Plan, which  
16 provides a greater detail from a report called PSOP  
17 Implementation Report. Elements of the Preferred  
18 Storage Option Plan include the following: A  
19 re-operation of the storage, enlargement of Pueblo  
20 Reservoir and Turquoise Reservoir, and that would  
21 be up to 75,000 acre feet of conservation storage  
22 added to Pueblo Reservoir, and as needed by 2013;  
23 and up to 19,000 acre feet of conservation storage  
24 added to Turquoise Reservoir needed by  
25 approximately 2015. It includes an enterprise

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1 water management storage; it includes monitoring, a  
2 water quality monitoring program; it includes  
3 Pueblo flow management program; it includes  
4 preserving the capacity for a future Arkansas  
5 Valley conduit; it also protects the winter water  
6 storage program; and it includes implementation of  
7 the committee reports.

8 The local commitment to the PSOP was also  
9 included in House Bill 3881, which included  
10 participation of 20 communities and water providers  
11 within the District. These entities have signed  
12 agreements with the District requesting 38,300 acre  
13 feet of re-operation contract storage and 69,775  
14 acre feet of enlargement storage. And House  
15 Bill 3881 represents the first step of meeting  
16 these expectations. Throughout the process in  
17 developing the PSOP, we have involved local  
18 citizens and organizations through the storage  
19 committee, decision-making process. In addition to  
20 these committee processes, all of our storage  
21 committee meetings were open to the public and  
22 maintained a mailing list of individuals and  
23 entities that had interest in the PSOP. The State  
24 of Kansas, which is included on that mailing list,  
25 they had opportunities to review and comment on the

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1 Preferred Storage Option Plan report, both in draft  
2 and in final report. We have previously reported  
3 to the Arkansas River Compact Administration  
4 regarding our plans and are just now doing an  
5 update to let you know where we are. It is our  
6 intent that any development of additional storage  
7 capacity through PSOP be completed in compliance  
8 with the Arkansas River Compact. We will expect  
9 that Reclamation will continue to involve the State  
10 of Kansas in its implementation of the PSOP.  
11 Reclamation has proposed legislative language which  
12 has been agreed to by both PSOP participants and  
13 the District, but which have not yet been  
14 introduced. It is designed to provide greater  
15 assurance that the Compact will be honored. Our  
16 current actions at the present time -- I know I  
17 talked quick, but I didn't think I would ruin the  
18 microphone problem -- current activities.  
19 Basically we are meeting with Reclamation since  
20 last fall and more recently begun substantial  
21 rewrites of the legislation, this improved language  
22 regarding respect for the Arkansas River Compact.  
23 Some issues regarding limitations on Reclamation's  
24 contracting authority are still under discussion.  
25 We are continuing to have a dialogue with the

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1 cities of Aurora and Pueblo to address these  
2 cities' concerns, and no new date has been set for  
3 legislation at this time.

4 That's an overview of where we are, and  
5 I'll be glad to answer any questions if you have  
6 any questions.

7 CHAIRMAN JENNISON: Jim, just keep the  
8 mike; and if any of the Commissioners have  
9 questions, perhaps you can repeat it. That way the  
10 audience will hear them and the reporter can hear  
11 them as well; and if the Commissioners here in  
12 front would speak up so that Norma can get it, that  
13 would be helpful. Do any of the Commissioners have  
14 questions for Jim?

15 MR. DAVID POPE: Yes, I have a couple,  
16 Jim. Thank you for coming today and giving us an  
17 update. I think as you and others that have been  
18 involved in the District know the State of Kansas  
19 has had a number of concerns about the implications  
20 and how the PSOP would be implemented and whether  
21 it would go forward. I guess one of my questions  
22 would be whether or not there's an update on the  
23 status of some of the other concerns that were  
24 raised, going back several months or a year or so  
25 at the time the House Bill was being considered

1 last year with the City of Pueblo, for example, on  
2 the stream flow issue. Would you update us on  
3 that.

4 MR. BRODERICK: The question that was  
5 asked is could I give an update on where we have  
6 been from the last three or four months to a year  
7 ago with regards to stream flow issues regarding  
8 the City of Pueblo and that issue. At the present  
9 time, we are negotiating and discussing with the  
10 City of Pueblo what the flow can be and what they  
11 are looking for and what their needs are. Those  
12 discussions have been going on for approximately a  
13 month; and I think there's pretty good progress on  
14 it. We are not ready yet to settle on it. And we  
15 still have some details to work out, but I think we  
16 are making great progress compared to where we were  
17 a year ago with that process as it relates to  
18 legislation and flow.

19 MR. DAVID POPE: I guess, Mr. Chairman, I  
20 might have one other question or perhaps it's  
21 somewhat of a comment. I just would note here that  
22 while we appreciate the opportunity to have  
23 received copies of materials and we have made some  
24 comments and have been involved in at least in some  
25 aspects of this. I think we continue to believe

1           that there are a number of issues that need to be  
2           carefully looked at, certainly protection of the  
3           Compact, and you mentioned that, and we appreciate  
4           that extra attention be given to that item; but I  
5           think there were also some broader questions  
6           particularly that relate to what the total effect  
7           on quantity and quality to the State of Kansas  
8           would be with regard to additional storage or  
9           re-operations, and certainly would just want to  
10          remind you of those concerns and we look forward to  
11          continuing to have some dialogue and hope that if  
12          this reaches the stage where additional legislation  
13          is introduced, the Bureau gets involved in any  
14          studies, that those issues would be taken very  
15          seriously.

16                   MR. BRODERICK: We surely appreciate  
17                   those comments and we take those comments to heart.  
18                   We will indeed include those in our delegation of  
19                   legislation. I think probably more importantly, is  
20                   we understand what you're saying, and we thank you  
21                   for that, and we'll make sure we keep you informed  
22                   and continue to provide the information to you, and  
23                   any information that you need to have, please don't  
24                   hesitate to let us know.

25                   CHAIRMAN JENNISON: Other questions for

1 Mr. Broderick? Okay. Thank you, Jim. Under the  
2 next order of business, we go to the Operations  
3 Committee. Commissioner Rogers, how do you want to  
4 handle that?

5 MR. ROGERS: Steve Witte gives us his  
6 report. We will begin with that.

7 CHAIRMAN JENNISON: Steve, you want to  
8 give us the Operations Secretary report.

9 MR. WITTE: My name is Steve Witte, I'm  
10 the Operations Secretary. Good morning  
11 Mr. Chairman and members of the Administration. I  
12 just wanted to hit the highlights of our  
13 discussions from the committee meeting yesterday.  
14 As you all know, 2002 was just probably the worst  
15 single year of drought on record in the Arkansas  
16 River Basin. It affected the amount of water  
17 available, including the in-flow accounting of the  
18 Compact storage. I think it is very significant to  
19 note that Compact storage was essentially equal to  
20 the average in-flow to Compact storage in the  
21 period 1950 to 1975, the period of time under the  
22 Compact prior to the implementation of Colorado's  
23 upstream winter storage program.

24 The prospects for 2003 in terms of water  
25 supply are somewhat better. The in-flow to John

1 Martin, however, coming out of that 2002 drought  
2 was about half of what it was the previous year.  
3 At the present time, snow pack in the Arkansas  
4 River Basin remains above average, though it's  
5 declining, and the peak of the runoff has been  
6 delayed. Because of the unavailability of  
7 replacement water, there will be minimal well  
8 pumping that has been approved to date by Colorado  
9 wells in 2003.

10 Yesterday at the committee meeting, I  
11 submitted an Operations Secretary's report. There  
12 are many continuing unresolved issues. We have --  
13 the Assistant Operations Secretary and  
14 myself have agreed to renew our efforts to work  
15 towards solution pursuant to directions provided by  
16 the Operations Committee. I would like at this  
17 point in time to renew a request on the record for  
18 daily Kansas ditch diversions that are needed to  
19 allow evaluation of the extent to which Kansas  
20 ditches are able to utilize Arkansas River flows  
21 following the end of releases of Article II water  
22 that they have ordered.

23 Finally then, I would like to report that  
24 a report was submitted to the Engineering Committee  
25 yesterday regarding the operations of the offset

1 account for last year. I believe the resolution,  
2 paragraph 11, calls for that report to have been  
3 submitted to the Operations Committee. We will  
4 correct that in the future and deliver the report  
5 to the proper committee; however, I just want to  
6 make note of the fact that the report was tendered  
7 in fulfillment of that resolution requirement.  
8 That completes my report. Thank you.

9 CHAIRMAN JENNISON: Thank you, Steve.  
10 Mr. Rogers, have questions?

11 MR. ROGERS: No.

12 MR. ROD KUCHARICH: Mr. Chairman, I would  
13 move acceptance of the report.

14 CHAIRMAN JENNISON: You moved to accept  
15 the report? You guys require a second?

16 MR. ROD KUCHARICH: There are only two  
17 votes on this.

18 CHAIRMAN JENNISON: Yeah, that's why I  
19 was wondering if we need a second.

20 MR. DAVID POPE: Mr. Chairman, I'll  
21 second the motion. We would like some brief  
22 discussion.

23 CHAIRMAN JENNISON: The motion has been  
24 seconded. Discussion, Mr. Pope?

25 MR. DAVID POPE: Steve, a couple of

1 points. One in regard to the submittal of the  
2 report dealing with the offset account. I  
3 certainly acknowledge and appreciate that, as I  
4 indicated yesterday. One comment, since this may  
5 be the primary, you deal with it here as compared  
6 to an engineering committee report perhaps. Should  
7 I try to use this? Does that help? Steve, as I  
8 was indicating, with regard to the -- your comment  
9 regarding the submittal of the report regarding the  
10 offset account that was presented to the  
11 engineering committee, as you indicated yesterday.  
12 While you are here at the podium, I would just  
13 mention, we certainly acknowledge receipt of that,  
14 and as I indicated yesterday, there's a lot of good  
15 information in the report and a lot of detailed  
16 work that goes into that, as there is of course in  
17 the Operations Secretary report. The one comment I  
18 would make here essentially for the record is to  
19 point out that the actual accounting for delivery  
20 of water from the offset account is an issue that  
21 was in dispute during the litigation between the  
22 states in the Kansas v. Colorado case. At this  
23 point, of course, there's not results. I'm not  
24 sure how that is going to play out. But just  
25 wanted to note here that that was a point that is

1 in disagreement. We have not brought that to this  
2 body as a matter for resolution at this point in  
3 time, but I wanted to just note that Kansas does  
4 have concerns about how that is done. So I wanted  
5 to say that. Secondly, Steve has made the request  
6 for the daily Kansas diversion records. I think  
7 you had indicated that you mentioned yesterday, and  
8 apparently had mentioned that earlier, I missed  
9 that somehow; but while we did have some limited  
10 discussion about that yesterday and I think we  
11 still have some questions about just how that would  
12 be used and the relevance of that, but we certainly  
13 don't object to providing the information that is  
14 available to us to you and we'll make arrangements  
15 to do that. So any information that's essentially  
16 public information available, we certainly would  
17 want to make available and will do so in due  
18 course. I'm not sure exactly -- we will have to  
19 talk to Mark about what form and the nature of  
20 daily records. I think we can provide something of  
21 that sort. So I appreciate that, and any analysis  
22 that can be done, I think you mentioned you had  
23 also done some analysis, some of the different runs  
24 over the years, and hopefully that is an item we  
25 can all look at together at some point. I think

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1 those are the comments I had at this point.

2 CHAIRMAN JENNISON: Further discussion on  
3 the motion? How does Kansas vote?

4 MR. DAVID POPE: Kansas votes aye.

5 CHAIRMAN JENNISON: Colorado?

6 MR. ROD KUCHARICH: Aye.

7 CHAIRMAN JENNISON: The motion carried.

8 MR. WITTE: Mr. Chairman, if I may?

9 CHAIRMAN JENNISON: Yes.

10 MR. WITTE: I would just respond to one  
11 thing that Mr. Pope said. And that is that I will  
12 be later today providing a preliminary analysis of  
13 some Article II runs -- or all of the Article II  
14 runs that have been conducted since the inception  
15 of the 1980 Operating Plan to Mr. Rude. That will  
16 begin that process of trying to resolve some of  
17 these issues that we discussed yesterday.

18 MR. DAVID POPE: Thank you.

19 CHAIRMAN JENNISON: Commissioner Rogers,  
20 you want to report on the committee now, or were  
21 you going to do a report?

22 MR. ROGERS: Mark, did you want to touch  
23 on your report?

24 MR. RUDE: Sure. Mr. Chairman, my name  
25 is Mark Rude. I am currently in the position of

1 Assistant Operations Secretary for the  
2 Administration. Last night I provided a letter  
3 report to the Operations Committee, and that letter  
4 simply attempts to further the discussion on some  
5 of the disputed items that we have been working --  
6 providing significant work to in the last six years  
7 that the position of Assistant Operations Secretary  
8 has been in existence. I just simply offer a copy  
9 of that to the record.

10 MR. ROGERS: Thank you.

11 CHAIRMAN JENNISON: Thank you, Mark.

12 Questions? Seeing none, --

13 MR. ROD KUCHARICH: Do we need a motion to  
14 accept the report? I would make that motion.

15 CHAIRMAN JENNISON: Okay. Motion by  
16 Colorado to accept the report.

17 MR. DAVID POPE: Second.

18 CHAIRMAN JENNISON: Second. Discussion?  
19 How does Colorado vote?

20 MR. ROD KUCHARICH: Aye.

21 CHAIRMAN JENNISON: Kansas?

22 MR. DAVID POPE: Aye.

23 CHAIRMAN JENNISON: Motion carries. Do  
24 you have anything else on the Operations Committee?

25 MR. ROGERS: Yeah. I would give the

1 operations recommendation, which we had a lengthy  
2 meeting yesterday with a lot of discussion, and  
3 what come out of the report was is the AOS and the  
4 OS was going to work together and get the  
5 information back to the committee so some -- get  
6 some of the wrinkles ironed out, and so it should  
7 be taken care of by December at the next meeting.

8 That is the end of my report.

9 CHAIRMAN JENNISON: Any questions on that  
10 report?

11 MR. BRENN: Mr. Chairman, as a part of  
12 the process of that meeting, the issue -- not  
13 issue, but the possibility was discussed of the OS  
14 and AOS getting together and looking at the  
15 limitations, possibilities of the rotation of  
16 Operations Secretary between states, the  
17 feasibility of that, and providing the report in  
18 regards to that feasibility prior to the December  
19 meeting of the Compact.

20 CHAIRMAN JENNISON: Is there any -- do  
21 you guys -- are you in a history of accepting  
22 reports to receive them, or how do you like to  
23 handle that, or in some cases do you not take any  
24 action to give a report?

25 MR. ROD KUCHARICH: We have accepted them

1 when they are in written format, I think, typically  
2 accept.

3 CHAIRMAN JENNISON: Steve?

4 MR. MILLER: If I could, since I do the  
5 annual reports, and we may have time to talk about  
6 that later on. I think maybe acceptance is  
7 slightly different. I think that's the action you  
8 took, which means they are part of the record of  
9 the Administration meeting today versus approved  
10 the report, which is the signal to me that the  
11 numbers are all right and I should incorporate  
12 those into the official report of ARCA. I think  
13 all that happened today was accepting the reports  
14 as part of the meeting record.

15 MR. DAVID POPE: That would be my  
16 understanding too. I think there are still issues  
17 too that we have other discussions where we have  
18 not really approved either report.

19 MR. MILLER: I guess another issue with  
20 accepting them into the record is the volume of  
21 them. You probably don't want them attached to the  
22 minutes. Some things you will accept today and you  
23 may want to make them exhibits for the reporter to  
24 include with the minutes, so you might want to just  
25 designate as you accept things and receive things

1           whether you want them to be exhibits as part of the  
2           record or in fact approving information in those  
3           things that you are accepting.

4                   CHAIRMAN JENNISON:   Steve, of what we  
5           have done today then, should we have any of those  
6           be exhibits?  Are they voluminous enough for that  
7           or should we just accept them?

8                   MR. MILLER:  I would recommend that they  
9           just be available by reference in the minutes but  
10          not be appended to the minutes.  The Agenda  
11          probably would become an exhibit.  And I think Lee  
12          is circulating a sign-up sheet; that probably will  
13          be an exhibit when it's ready for you.

14                   MR. DAVID POPE:  Mr. Chairman, I think I  
15          would concur with Steve on that.  I think, given  
16          the nature of the reports and their size and their  
17          status otherwise, I think what we were -- I thought  
18          what we were doing was simply receiving those  
19          reports and acknowledging that they had been  
20          tendered to the Administration.

21                   CHAIRMAN JENNISON:  Is that your  
22          understanding as well, Rod?

23                   MR. ROD KUCHARICH:  Yes.

24                   CHAIRMAN JENNISON:  Okay, we will just  
25          work that way then.

1 MR. WITTE: Mr. Chairman?

2 CHAIRMAN JENNISON: Steve.

3 MR. WITTE: I have tendered copies of the  
4 Operations Secretary's report and the Offset  
5 Account report to individual members of the  
6 Administration. You have received that, but my  
7 question is, do I need to provide individual copies  
8 of both of those reports to the reporter to be  
9 included into the record?

10 CHAIRMAN JENNISON: What has been --

11 MR. MILLER: I think as long as the  
12 recording secretary, which is Jan Anderson based  
13 here in Lamar, has a copy, then anybody who read  
14 the minutes who was interested in pursuing it  
15 further could go to the ARCA office and look at  
16 that material rather than having to print it  
17 ourselves.

18 CHAIRMAN JENNISON: Does that with work  
19 with everybody? Next order of business, report of  
20 federal agencies. The first one is the U.S. Bureau  
21 of Reclamation.

22 UNIDENTIFIED SPEAKER: Mr. Person will be  
23 giving the report. I believe he is trying to wrap  
24 up some details.

25 CHAIRMAN JENNISON: We will just skip

1 over them temporarily and try the Army Corps of  
2 Engineers.

3 MS. SHAMPINE: Good morning, Ladies and  
4 Gentlemen. My name is Susan Shampine, I'm Chief of  
5 Operations Division for the U.S. Army Corps of  
6 Engineers, Albuquerque District. I apologize for  
7 my throat, I've got a cold that I picked up while I  
8 was traveling. I apologize for torturing you with  
9 that, listening to that this morning. Also I want  
10 to send my regrets from Lieutenant Colonel Dana  
11 Hurst, our District commander. He was headed up  
12 here last night on the plane, and I guess he was on  
13 one of those small commuter planes and there was a  
14 weight restriction so he got bumped off the plane.  
15 We had every intention of him being here today.

16 I'm here to give the Corps of Engineers'  
17 report for our activities in the Arkansas  
18 River Basin for the calendar year 2002. But before  
19 I do that, I would like to introduce our  
20 staff with the Corps of Engineers. These  
21 are the folks that work with you on a day-to-day  
22 basis. I would ask you if you would stand  
23 when I call your name or raise your hand. First I  
24 would like to introduce Mark Stark. Mark is our  
25 operations manager for John Martin, our Trinidad

1 project, and he's located there in our John Martin  
2 office.

3 Also I have with us today Van Truan, who  
4 is chief of our southern Colorado regulatory office  
5 located in Pueblo. Sandy Rayl. I think a lot of  
6 you know Sandy, but if you don't, the Corps  
7 recognized several years ago that we've got four  
8 different Districts operating in the State of  
9 Colorado, and it's been a real challenge for many  
10 of you to deal with the Corps, and so we have  
11 made a real strong effort to try to present one  
12 door of the corps, so you have one person that you  
13 can go to to get things done. Sandy has opened  
14 that office, our Colorado Service Office in Denver;  
15 and she is a great conduit for any kind of programs  
16 or issues that you have with the Corps. She may  
17 not be able to take care of you personally, but she  
18 will get you in touch with the people you need to  
19 handle your issues. Thank you, Sandy.

20 Also I have with us Dennis Garcia out of  
21 our Reservoir Control Branch; he's our Arkansas  
22 River Basin coordinator, Dennis. And Mark Yuska  
23 is -- recently a turncoat; we stole him away from  
24 the Bureau of Reclamation and happy to have him on  
25 our staff. He's our new Chief of Reservoir Control

1 Branch. Also I would like to introduce Lorenzo  
2 Santana. Lorenzo is one of our engineer interns.  
3 We have got a great program in the Corps where we  
4 bring young engineers in and develop them within  
5 the agency. And then lastly, I want to introduce  
6 Shawneen O'Neil, who is coming to us today from  
7 our Tulsa office. And so you folks from Kansas, we  
8 are trying to get a little bit more actively  
9 involved with you folks, she has come here today,  
10 so if you all have any questions on the activities  
11 of Kansas, so you might want to talk to Shawnee.  
12 Thank you very much for that.

13 Three years ago we reached our record  
14 pool elevation at John Martin Reservoir, and a mere  
15 three years later in 2002 this whole area was  
16 facing record droughts, and so we got a great  
17 chance to see the many faces of the Arkansas River.  
18 Obviously last year we had a snowmelt runoff that  
19 was below normal. It was basically about 24  
20 percent to 55 percent of average throughout the  
21 Basin, and we didn't have any flood control  
22 activities as a result of that. So what I would  
23 like to focus on through the rest of my  
24 presentation are the different programs and  
25 authorities that we have to assist the states and

1 other local governments in trying to do your water  
2 management activities and kind of let you know what  
3 we've got going on in the state in that arena. One  
4 of the biggest programs that we've got available is  
5 our planning assistance to the states, Section 22,  
6 and that comes with a 50-50 cost sharing, 50  
7 percent federal and 50 percent to the local  
8 planning or for the local agency. And these are a  
9 variety of tools that you can use to solve your  
10 water management problems. One of them that we are  
11 real excited about that was just signed earlier  
12 this week, a Section 1135 project here in the City  
13 of Lamar with Prowers County and also the city. We  
14 signed a preliminary -- or excuse me, a letter of  
15 intent to work on a preliminary restoration plan to  
16 address river channel improvement and wetland and  
17 riparian restoration on the Arkansas River  
18 within the city here at Lamar. Another program  
19 we've got, basically the 1135 deals with ecosystem  
20 restoration in areas that have been impacted by the  
21 construction of a Corps project, such as the John  
22 Martin Reservoir; but we also have a program,  
23 Section 206, which allows us to work with local  
24 communities on ecosystem restoration just in  
25 general that don't have anything to do with our

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1 projects. And here in Arkansas this year, the  
2 Arkansas River -- excuse me, we would be in  
3 Colorado -- the Arkansas River Fisheries Habitat  
4 Restoration project was approved in October of  
5 2001, and a Project Cooperation Agreement signed  
6 with the City of Pueblo in April of last year.  
7 Basically, you all may be familiar with this  
8 project; it's improving the fish and riparian  
9 habitat along nine miles of the Arkansas River just  
10 downstream from Pueblo Dam. There are still a  
11 number of issues that are being worked on that, but  
12 that project is actively underway.

13 Also in October of 2002, the Corps  
14 completed a preliminary restoration plan and  
15 requested approval to begin a feasibility study for  
16 Confluence Park Stream Restoration project, and  
17 that's located at the confluence of Fountain and  
18 Monument Creeks in Colorado Springs. The local  
19 sponsor there is the City of Colorado Springs.  
20 This project would restore a portion of Monument  
21 and Fountain Creeks in downtown Colorado Springs to  
22 a more natural riparian habitat.

23 We are also preparing a PRP for restoring  
24 wetlands near Rocky Ford here in Colorado, with the  
25 City of Rocky Ford being the local sponsor. Under

1           our Section 14, emergency streambank stabilization  
2           program. We've got two projects in Colorado  
3           Springs, both deal with trying to do bank  
4           stabilization to protect roadway bridges there in  
5           the city. These involve grade control and slope  
6           protection.

7                        I have a Section 205 project at Colorado  
8           Springs, also on Cheyenne Creek, and this started  
9           out with a small study and kind of expanded. The  
10          programs that I have just listed are for kind of  
11          smaller projects. And they generally have a  
12          funding limit of various amounts, but maybe under a  
13          million dollars, that sort of thing. Anything that  
14          gets larger would fall under our general  
15          investigations program, and we are currently  
16          working with the City of Colorado Springs and about  
17          10 -- a coalition of 10 government agencies to  
18          enhance the Fountain Creek basically between  
19          Colorado Springs and Pueblo. And that thing is  
20          actively underway, and I think right now we've got  
21          a four million dollar project there, so there will  
22          be a lot of good work that comes out of that, and I  
23          think a lot of small projects that will help the  
24          local communities there spin off.

25                        That's kind of a brief overview of the

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1 programs that we've got going on. We also have  
2 some flood plain management services that we  
3 provide. We worked with the Colorado Water  
4 Conservation Board in the City of Florence this  
5 past year, completed a flood plain delineation  
6 study for Oak Creek. That's in Fremont County  
7 between the City of Florence and the town of  
8 Williamsburg. The Corps of Engineers is also  
9 responsible for implementation of Section 404 of  
10 the Clean Water Act. And just to briefly mention  
11 that we've -- in 2002, we had seven individual  
12 permits issued and probably dealt with about  
13 another 102 different activities on the Arkansas  
14 River that were covered by nationwide permits.

15 We are currently doing something kind of  
16 exciting. We are working with the Colorado  
17 Department of Transportation and other agencies to  
18 streamline the NEPA and the 404 regulatory process,  
19 trying to combine those to make that work  
20 smoother, bring us and the other agencies in  
21 earlier to the planning phase. Right now we are  
22 talking about using a highway project to improve  
23 Highway 50 from Pueblo into Kansas as a  
24 demonstration project on a method of improving and  
25 streamlining that process. So you may want to

1 follow that as that progresses in the next few  
2 years.

3 Lastly, I would like to just cover some  
4 of the maintenance activities that we have got  
5 going on out at John Martin Reservoir, some of the  
6 operations activities. Many of you are aware that  
7 about two years ago that we signed an agreement  
8 with the State of Colorado State Parks Division to  
9 operate the recreation at the lake; and if you  
10 haven't been out there recently, they've done a  
11 tremendous amount of improvements. And they are  
12 still in a learning mode and development mode,  
13 but -- and they have got a challenge with not  
14 having much water in the lake, but they've done a  
15 great job out there and I want to thank them for  
16 their efforts. You may have also seen a lot of  
17 activities in the last couple of years. We've got  
18 the tainter gates repainted; we were having some  
19 severe corrosion on those. Went through and  
20 basically tore out the whole electrical system,  
21 replaced that, upgraded that, and built stop  
22 logs -- anyway, we are trying to get that thing  
23 back in shape. It's a 55-year old project. It has  
24 some major issues there.

25 For this year, the end of 2003 and then

1 continuing on into fiscal year 2004, we are going  
2 to be replacing the chains that actually lift those  
3 16 tainter gates. These are -- if you haven't  
4 seen them, these are those huge big bicycle chains.  
5 Those things have corroded over the years. We will  
6 be replacing those. And with that, I think we are  
7 going to be in pretty good shape. The other major  
8 maintenance items that we are still looking at  
9 completing at John Martin, we don't have the  
10 funding for this yet. Over the years, sediment has  
11 built up at the base of the dam. Even though we  
12 don't have the sediment that was projected  
13 originally, I think we are only at about 30 percent  
14 of sedimentation that we expected for this time in  
15 the life of the project. We have had sediment  
16 buildup right at the intake for the sluicing and  
17 regulating gates. The water is -- there's no  
18 problem with us passing water right now, but it has  
19 impacted our ability to set stop logs so that we  
20 can get in and inspect the conduit and do repairs  
21 on the emergency gates if we need to do that. And  
22 so we will be looking at trying to do some sort of  
23 analysis of the sediment that is down there and  
24 trying to dredge that in some manner in the next  
25 couple of years. Again, that's going to be subject

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1 to funding.

2 That concludes my report. Do you have  
3 any questions?

4 CHAIRMAN JENNISON: Questions?

5 MR. DAVID POPE: Susan, do you have any  
6 other states where you have -- what did you call  
7 it, the coordination services office around the  
8 country, or is this an evolving thing or is it kind  
9 of unique?

10 MS. SHAMPINE: I think it's relatively  
11 unique. Sandy, do you know of any?

12 MS. RAYL: I didn't hear the question.

13 MS. SHAMPINE: He asked if having one  
14 consolidated state office was typical in the Corps,  
15 or if this was an unique situation.

16 MS. RAYL: There actually are other  
17 examples. For instance, Los Angeles District has a  
18 satellite office in Phoenix, Arizona to cover a  
19 portion of Arizona as well as some of the adjacent  
20 states, a little bit of Utah. Then also there's an  
21 office in Salt Lake City, which unlike mine is a  
22 regulatory office with a planning office, and they  
23 serve several states. There's also an office in  
24 Idaho, which serves Idaho; so there is precedent  
25 for this within the Corps.

1 MR. DAVID POPE: Thank you; I appreciate  
2 that. I was just kind of curious. We also have  
3 our state split up into three separate District  
4 offices and two divisions, so there is an issue  
5 from time to time in terms of different operations.

6 MS. SHAMPINE: And Colorado is in two  
7 divisions also, so we have struggled with that. We  
8 were able to make it work. I guess I might just  
9 suggest to Shawneen that you might want to take  
10 that back to your management and suggest that there  
11 may be some interest in the state of Colorado -- or  
12 in the state of Kansas for something similar; and  
13 I -- from my perspective, it's been very effective.  
14 Those of you who work with Sandy are probably  
15 beginning to see the results of that. I think we  
16 are giving a lot more coordinated response to the  
17 states through that program.

18 CHAIRMAN JENNISON: Rod?

19 MR. ROD KUCHARICH: I would just like to  
20 comment on our experience with Sandy. You know,  
21 Colorado being at the headwaters of many different  
22 river basins, we have several Corps offices, and  
23 Sandy has been instrumental in coordinating with  
24 these various offices the needs and desires of  
25 Colorado; and I would suggest to David that if

1           there -- if you think that there is a need, then  
2           there will definitely be a benefit from something  
3           like this. I will also say it's driven by the  
4           personalities involved. We have had two  
5           experiences, almost at both ends of the spectrum,  
6           and Sandy has been a tireless worker. And by  
7           evidence of being here today, I never thought I  
8           would see her down here today.

9                       MS. SHAMPINE: She is all over the place.

10                      MR. ROD KUCHARICH: She is. And I have to  
11           say that and commend her, because she has made her  
12           function very useful to the State of Colorado.

13                      MS. SHAMPINE: I will pass that onto her  
14           boss --

15                      MR. ROD KUCHARICH: Please do.

16                      MS. SHAMPINE: We are real pleased with  
17           what Sandy has been able to do. I represent the  
18           operations side of the house; Sandy knows basically  
19           the program all the way across the board, so she  
20           has been a great asset to us. I'm glad that's  
21           working out for you. Any other questions?

22                      CHAIRMAN JENNISON: Other questions for  
23           Susan? Don't see any.

24                      MS. SHAMPINE: Okay, I've got a  
25           one-parting shot, a closing comment. I just want

1 to congratulate you all on the spirit of  
2 cooperation I saw yesterday. I sat in on the  
3 Engineering Committee working and saw some real  
4 progress happening. I just wanted to again  
5 congratulate you on that. I just encourage  
6 you that -- you know, we are all involved in our  
7 day-to-day efforts of trying to operate this river  
8 and take care of our individual interests, but I  
9 would like to encourage you to step back from time  
10 to time and look at the big picture or holistic,  
11 and what kind of legacy that we are leaving for our  
12 children and our future generations. We've got a  
13 lot of challenges out there that are way bigger  
14 than what we deal with on a day-to-day basis. If  
15 there's anything that we as an agency can do to  
16 help you out, feel free to contact us. Thank you.

17 CHAIRMAN JENNISON: Thank you. Brian,  
18 are you ready?

19 MR. PERSON: Thank you, Mr. Chairman and  
20 good morning to members of the Commission. My name  
21 is Brian Person -- I'll start over. Thank you,  
22 Mr. Chairman, and thank you members of the  
23 Commission. My name is Brian Person, I am the area  
24 manager for the Eastern Colorado area office of the  
25 Bureau of Reclamation. We are headquartered in

1 Loveland, Colorado, I apologize for missing my  
2 appointed time. My remarks are very much a work in  
3 progress, refined this morning, and that's what I  
4 was doing. I also apologize in advance.  
5 Uncharacteristically for me, I will read most of  
6 these remarks; there's a good bit of detail here,  
7 and I don't want to risk missing any of this, so  
8 you'll see me unabashedly reading most of this. As  
9 most of you know, the Eastern Colorado area office  
10 operates two major transmountain diversion projects  
11 in Colorado, the Colorado Big Thompson and the  
12 Frying-Pan Arkansas project. Why we are here, we  
13 also administer the irrigation repayment contract  
14 portion of the Purgatoire River Water Conservancy  
15 District for the Trinidad Dam and Reservoir  
16 Project. I'll discuss a number of issues today,  
17 and I am very happy to say that there's a lot of  
18 positive things to report and significant progress  
19 has been made. I will address the 2002 and 2003  
20 water year for the Fry-Ark Project, the Operating  
21 Principles for the Trinidad project; and I'll touch  
22 on and expound on some of the remarks that  
23 Mr. Broderick made, a few of the ongoing issues  
24 impacting the Fry-Ark. To start with the water  
25 year, the water year outlook is considerably better

1 this year. Last year left a wide margin for  
2 improvement, and we have realized some of that.  
3 The East Slope project storage began the water year  
4 2003 at 61 percent of average, after one of the  
5 driest years of record in 2002.

6 Many of you have heard accounts of tree  
7 ring studies suggesting that drought in Colorado in  
8 2002 is the worst in upward of 300 years. Precip  
9 over the Fry-Ark project area this year --

10 (At this time, an off-the-record  
11 discussion was held, after which the  
12 following continued:)

13 MR. PERSON: In 2002, West Slope water  
14 imported through the Boustead Tunnel was a little  
15 over 13,000 acre feet, 13,188 by our records. In  
16 2003, the forecast is better. At the beginning of  
17 May, the estimated water available for imports  
18 through the West Slope is forecasted to be 55,000  
19 acre feet, so that's about four and a half times  
20 what was available last year. By the beginning of  
21 May, there was over 262,000 acre feet of storage  
22 space available in East Slope reservoirs. Space  
23 available is not a concern. To say some words  
24 about the Operating Principles: Reclamation's  
25 primary interest or primary charge is to approve

1 amendments to the Operating Principles to provide  
2 optimum beneficial use of available water. We are  
3 on the verge of making some great strides this year  
4 on a number of the amendments that will further  
5 this interest. The parties have put in a  
6 significant amount of effort, much of that you saw  
7 late yesterday. It's my hope we can capitalize on  
8 this progress. First, on acreage verification. As  
9 most of you are aware, the Purgatoire District has  
10 developed an acreage verification system. Our  
11 approach has been to work with the District to  
12 assist them primarily financially in developing a  
13 system that would lead to closure on the acreage  
14 verification issues prior to considering the  
15 amendments transmitted by the District in their May  
16 9, 2001 letter. The District procured the services  
17 of a consultant to develop the AVS. Reclamation  
18 provided \$13,500 to fund a portion of that effort,  
19 but the District considered -- expended  
20 considerably more of its own funds. The District  
21 gave Reclamation an initial presentation of the AVS  
22 in July of 2001. More recently, the District  
23 demonstrated the system to representatives of  
24 Reclamation, Colorado, Kansas and others on  
25 February 25th of this year. I attended that

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1 demonstration and was very encouraged by what I  
2 saw. The District had made considerable progress.  
3 Recently, I believe it was Tuesday of last week,  
4 the District's consultant demonstrated and  
5 explained how he acquires and uses the satellite  
6 imagery portion of the system. It was demonstrated  
7 to Malcolm Wilson of our staff and to Mr. Kevin  
8 Salter of Kansas. Reclamation believes that this  
9 Acreage Verification System -- with this system,  
10 the District can assure that no more than the  
11 allowable acreage will be irrigated. The District  
12 has done a good job in developing and demonstrating  
13 the Acreage Verification System. Reclamation,  
14 Colorado and Kansas have had an opportunity to  
15 review that work and to have any questions  
16 answered. Given this progress, Reclamation now  
17 supports, and that is subject, as is all of our  
18 approvals, subject to review from our regional  
19 office, approval of amendments to the Operating  
20 Principles proposed by the Purgatoire District and  
21 Kansas. These amendments address water rights  
22 tabulation, the irrigated acres tabulation, the  
23 Acreage Verification System, subject to the changes  
24 we talked about yesterday, and some of those  
25 changes memorialized today in this ongoing draft.

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1           On the stock water amendment, the District proposed  
2           a change yesterday afternoon to the permanent stock  
3           water amendment that we have previously discussed.  
4           As proposed, the change would appear to allow for  
5           more efficient use of the stock water. I think  
6           that's unquestionable. However, the proposal would  
7           involve storage of stock water in a manner not  
8           previously considered, at least in terms of the  
9           formal amendments to the Principles. We recognize  
10          the benefits of this storage, however, it's going  
11          to require further analysis on our part to come to  
12          terms with that amended version. We have two  
13          options, I think, and they have been drafted by  
14          Kevin's work. One is to move forward with approval  
15          this year of an amendment on stock water that  
16          mimics what we have done previously. We are not  
17          prepared yet to approve the amendment that has a  
18          greater latitude in storage until we have a chance  
19          to look at it a little bit further. As I have  
20          expressed to the District this morning, we will  
21          work toward that end. It is very possible we will  
22          be able to find a way to make that work, but it's  
23          going to require a little bit further analysis on  
24          our part. So we have two options, as I see it at  
25          least, to move forward and recommend our approval

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1 of the original language or to hold off and do some  
2 more work on the language that allows for more  
3 storage.

4 Zeroing in on acreage verification,  
5 further Kansas circulated proposed amendments to  
6 the Operating Principles on May 7 of this year,  
7 including one on acreage verification. Yesterday  
8 we reached agreement amongst the parties to some  
9 changes. We are prepared to support the acreage  
10 verification amendment. The agreement includes  
11 language on field inspections to clarify that  
12 inspections by Kansas or Reclamation are elective,  
13 may or may not occur; it is their choice. The  
14 District has proposed some amendments over the past  
15 years, more recently in letters of October 3rd of  
16 last year, April 28th of this year. These  
17 amendments include a listing of the project  
18 participating water rights and a listing and  
19 reduction of irrigated acreage. As reported in the  
20 December 2001 ARCA meeting, Reclamation has found  
21 that the water rights listing in the District's  
22 proposed amendments agree with the water rights and  
23 the District's original contracts with their  
24 constituents. Regarding the listing of limitation  
25 of irrigated acres amendment to Article 4 b.

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1 proposed by the District, this amendment includes  
2 several changes to the Operating Principles. With  
3 assistance from the District, we have confirmed  
4 that the acreage listed under the individual  
5 ditches in the proposed amendment is in fact in  
6 accordance with the contracted acreages. This  
7 amendment includes additional changes. The acreage  
8 is lowered from 19,717 acres to 19,499, and the  
9 listed contract acres totals 20,608. A sentence  
10 has been added limiting the acreage irrigated in  
11 any year to not more than 19,499 acres.

12 Again, there were changes agreed to  
13 yesterday, and Reclamation supports those  
14 changes -- those amendments as changed.

15 Last, but not least with regard to the  
16 amendments being considered, we have reviewed the  
17 amendments to the Operating Principles proposed by  
18 Model Land and Irrigation. We have also discussed  
19 the proposal with the Corps of Engineers. Along  
20 with approving amendments to the Operating  
21 Principles that optimize beneficial use of  
22 available water, Reclamation has a significant  
23 interest in ensuring repayment of the irrigation  
24 capacity of Trinidad Reservoir. To provide for  
25 this assurance, we have proposed an addition to

1 Model's language that states: "The amendment shall  
2 not diminish payment by the District of the annual  
3 construction charge." It is our understanding that  
4 the parties are in agreement with our proposed  
5 language. With that suggested addition, we support  
6 Model's proposed amendments. This amendment, as  
7 well as the others I've mentioned, will be subject  
8 to review, including for compliance with federal  
9 laws and contractual requirements as is customarily  
10 done in our regional office where these amendments  
11 are signed. But we support them and we will foster  
12 them through the process.

13 Some updates on our field services  
14 program. We will provide a brief review.  
15 Reclamation has continued its efforts to support  
16 the District through our water conservation field  
17 services program. Through that program, we assist  
18 water agencies to develop water conservation plans;  
19 we assist water agencies and others by providing  
20 information about water use and management,  
21 emerging technologies and implementing general  
22 conservation measures. In addition to support  
23 provided to the District in developing the AVS  
24 through a cooperative agreement, we helped the  
25 District fund a canal loss study. At the request

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1 of the District, this work was performed by the  
2 U.S. Geological Survey. They have conducted gain  
3 loss measurements and estimates on canals within  
4 the District in 2000 and 2001. The last data  
5 collection was scheduled for 2002, but it's our  
6 understanding that due to low water supply with the  
7 drought that work was put on hold until 2004. We  
8 are encouraged; the District has made considerable  
9 progress in implementing the study, and very useful  
10 data has been collected.

11 Lastly, we will provide an update on some  
12 of the ongoing issues; and as I mentioned earlier,  
13 expound on some of the ongoing activities  
14 associated with the Frying-Pan Arkansas project.  
15 To add a little bit of information to that provided  
16 by Mr. Stark yesterday, since 1997, Reclamation's  
17 Denver Technical Service Center has been using  
18 bio-control measures on Tamarisk at Pueblo  
19 Reservoir. The bio agent is a leaf eating beetle,  
20 as mentioned by Mr. Stark. For the first three  
21 years, the beetle were housed in cages that were  
22 tied to the trees. In 19 -- in 2002 rather, that  
23 was the first year after release, 25 trees had been  
24 80 to 100 percent defoliated by the beetles.  
25 There's also a lot of activity in the contracting

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1 area. The regional water infrastructure authority  
2 comprised of Colorado Springs and smaller  
3 communities south of there, Fountain and Security  
4 primarily, has requested that Reclamation execute a  
5 conveyance contract for use of excess capacity in  
6 the Fry-Ark to convey non-project water to the  
7 proposed Southern Delivery System. When built, the  
8 Southern Delivery System would deliver water to the  
9 Colorado Springs area, actually to the southeastern  
10 corner of the populated area there. Reclamation is  
11 the lead agency for the need of the compliance  
12 process and has begun consideration of this  
13 request. Mr. Broderick earlier discussed the PSOP  
14 in some detail. We have worked with the District  
15 and others on the legislation during the last  
16 congressional session. We look forward to  
17 continuing that cooperative effort with the  
18 interested parties in their quest for legislation  
19 that maximizes the use of the Fry-Ark Project.  
20 That will be done within legal parameters,  
21 including compliance with the Arkansas River  
22 Compact. As Mr. Broderick mentioned, in the  
23 redraft of the legislation, we have included  
24 provisions to address some of the concerns Kansas  
25 has raised. We shared redrafts with Kansas last

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1 year. We will continue to work with Kansas as the  
2 process moves forward.

3 Moving forward with a part of the PSOP,  
4 the Preferred Storage Options Plan, the  
5 Southeastern Colorado Water Conservancy District  
6 has requested Reclamation enter into what are  
7 termed re-operations contracts with District  
8 municipal entities for the use of excess capacity  
9 for storage of non-project water. Reclamation is  
10 presently examining its statutory authority to  
11 enter into such contracts. We anticipate providing  
12 the District with our response, with our answer by  
13 early August of this year. Implementation would  
14 include an analysis of those issues that were  
15 raised by Kansas and others in the public review  
16 process, so I want to provide you that assurance.  
17 Reclamation has also responded to a request by the  
18 City of Aurora for issuance of a long-term excess  
19 capacity contract for storage and conveyance of  
20 Aurora's non-project water. Reclamation earlier  
21 determined that it does in fact have the authority  
22 to enter into such contracts with the City of  
23 Aurora. Federal legislation has been introduced,  
24 again reintroduced recently in both the House and  
25 the Senate to authorize a federal cost share along

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1 with the participants for designing construction of  
2 what is called the Arkansas Valley Conduit. The  
3 Conduit is an authorized feature from the time of  
4 the 1962 original authorization of the Fry-Ark  
5 Project, but it was never constructed, deemed to  
6 have been economically infeasible. The Conduit  
7 would extend from the outlet works of Pueblo Dam  
8 down the Arkansas River corridor and ending about  
9 here in Lamar.

10 We received appropriations for this  
11 fiscal year to conduct what is called a  
12 reevaluation statement. Since the authorization  
13 for the pipeline and the intended NEPA is of the  
14 '60s and '70s vintage, a reauthorization -- a  
15 reevaluation statement rather requires that we  
16 contemporize the data that was considered then.  
17 That work is under way.

18 I believe I will conclude with that. I  
19 would like to express my thanks to all of the  
20 parties who sat down at the table in the spirit of  
21 cooperation, and I think we made some significant  
22 progress. As I mentioned a few moments ago, there  
23 are concerns with one aspect of the stock water  
24 amendment, but it is my commitment on Reclamation's  
25 part that we will work very vigorously toward

1 adopting amendments here in any way that we can.  
2 Again, I expressed two options there on the stock  
3 water amendment. The others, as I expressed a few  
4 moments ago also, we are ready to recommend  
5 approval of. I am hoping that we can make some  
6 progress. Thank you very much.

7 CHAIRMAN JENNISON: Thank you very much.  
8 Questions for Brian?

9 MR. DAVID POPE: Mr. Chairman, I might  
10 have one just to make sure I understood part of  
11 your report there towards the end, Brian. You were  
12 indicating that you were doing this initial  
13 analysis on -- I believe you were referring to the  
14 re-operations issue. Was that it that you expected  
15 to have an answer in early August for the Fry-Ark?

16 MR. PERSON: Yes, the Southeastern  
17 Colorado Water Conservancy District has requested  
18 that Reclamation enter into contracts for what is  
19 termed re-operations. You probably remembered that  
20 term from your review of the Preferred Storage  
21 Options Plan legislation. Re-operations is a  
22 component of that; but what it really is is  
23 long-term space available contracts for in-District  
24 entities but for nonproject water. So the work is  
25 under way now is that Reclamation solicitors are

1           investigating as to whether or not we have  
2           statutory authority to enter into those contracts.  
3           We anticipate a response from our solicitors on  
4           that question by August.

5                       MR. DAVID POPE:  Brian, is there any --  
6           you acknowledged that we had some concerns about  
7           this area when it was being considered as part of  
8           the legislation, and I appreciate that.  I am just  
9           trying to figure out if there's a way for us to  
10          help engage that issue or provide information or  
11          input into that analysis some way or another.  Is  
12          there some process on that that is available?

13                      MR. PERSON:  Well, if through no other  
14          means, there will certainly be your opportunity to  
15          provide input as we embark -- if there's no earlier  
16          opportunity for Kansas to express any concerns or  
17          support, there will be through the NEPA process,  
18          National Environmental Policy Act.  We will have to  
19          complete NEPA of those contracts, and that is the  
20          process by which interested parties can express  
21          concerns or support.

22                      MR. DAVID POPE:  If the analysis turns  
23          out positive, in other words, there would then be a  
24          NEPA process associated with any new contracts.  
25          That's what you are saying?

1 MR. PERSON: That's correct.

2 MR. DAVID POPE: What effect would this  
3 decision have on the proposed legislation then,  
4 would it make it unnecessary?

5 MR. PERSON: No, it would not. There are  
6 other elements of the legislation that the  
7 proponents still intend to pursue. Re-operations  
8 was one major component. Another very major  
9 component is that the legislation would authorize  
10 Reclamation to conduct feasibility studies of  
11 enlarging Pueblo and Turquoise Reservoirs. And  
12 re-operations does not provide for that  
13 enlargement.

14 MR. DAVID POPE: Okay.

15 CHAIRMAN JENNISON: Yes.

16 MR. POINTON: Brian, you will have an  
17 opinion on the stock water provision before our  
18 December meeting?

19 MR. PERSON: Yes. And we will make that  
20 commitment from Reclamation's standpoint,  
21 irrespective of which way this Commission proposes  
22 to take it today. If we elect -- you all elect to  
23 move forward with the earlier language and continue  
24 pursuit of the storage elements of the stock water  
25 amendment, we will have that by December. If you

1 elect not to pursue the amendment with the existing  
2 language and wish only to pursue the storage  
3 provision, we will have that by December as well.

4 CHAIRMAN JENNISON: Other questions for  
5 Brian? Don't see any. Thank you.

6 MR. PERSON: Thank you.

7 CHAIRMAN JENNISON: U.S. Geological  
8 Survey.

9 MR. EDELMANN: I'll speak up. Good  
10 morning. I'm Pat Edelmann, the Subdistrict Chief  
11 of the Pueblo Office of the U.S.G.S. located -- or  
12 for Colorado. I have three items that I believe  
13 are direct interest to the Administration and two  
14 or three items that I think are more general  
15 interest. For water year 2002, the total annual  
16 stream flow in the Arkansas River below John Martin  
17 was 41 percent of average. At Lamar, it was 36  
18 percent of average; and near Granada, it was 29  
19 percent of average. These data, as well as all the  
20 other data collected throughout the state,  
21 including water quality and stream flow data will  
22 be published in our U.S.G.S. annual data report in  
23 the next three weeks and subsequently available on  
24 the World Wide Web.

25 As Brian mentioned, the U.S.G.S., in

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1 collaboration with the Bureau of Reclamation Water,  
2 the Colorado Conservation Board, and the Purgatoire  
3 River Water Conservation District, we are  
4 continuing to look at and evaluate the seepage  
5 losses of eight ditches along the Purgatoire River.  
6 We hope that there may be enough flows this year to  
7 measure four of those eight ditches and get the  
8 final measurement on those four, and then in 2004  
9 measure seepage losses on the other four ditches.  
10 That does depend on having adequate irrigation  
11 diversions to be able to conduct those studies. As  
12 part of our final cooperative -- final phase of our  
13 cooperative study between U.S. -- with U.S.G.S. and  
14 the Colorado State Engineer, we will be evaluating  
15 the temporal variability of groundwater pumpage  
16 using the power conversion coefficient techniques  
17 and the totalizing flow meters. We expect to have  
18 that completed by the fall of 2003. As part of  
19 some flood hardening activities, in collaboration  
20 again with Colorado Water Conservation Board, we  
21 are beginning to install throughout the state  
22 non-contact sensors. In our area, we have  
23 currently installed two non-contact sensors in  
24 Fountain Creek Basin. These sensors should go a  
25 long ways in eliminating the loss of stream flow

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1 record during flood events. We also, as part of  
2 the Preferred Storage Options Program and just in  
3 coordination with the Southeastern Water  
4 Conservancy District, have implimented a long-term  
5 basic water quality network at multiple sites  
6 throughout the Ark River Valley. That includes  
7 about ten sites upstream of John Martin Reservoir.  
8 Our terminal location is Arkansas River below John  
9 Martin Reservoir. This includes both periodic  
10 water quality samples as well as having continuous  
11 monitors that record on a 30-minute interval the  
12 salinity concentrations in the Arkansas River and  
13 the major tributaries. Also as part of that, we  
14 are finalizing a method that will be used to  
15 develop a threshold or an action level to indicate  
16 whether future changes and salinity concentrations  
17 have occurred. That concludes my report.

18 CHAIRMAN JENNISON: Questions for Pat?

19 MR. DAVID POPE: I guess as usual, I am  
20 the one that has all the questions here,  
21 Mr. Chairman. Pat, on the last item you reported  
22 on in terms of a long-term water quality monitoring  
23 network, I noted that you, I believe, indicated  
24 that 10 sites would be located, and the furthestest  
25 downstream site would be just below John Martin?

1 MR. EDELMANN: (Indicates, but no audible  
2 response.)

3 MR. DAVID POPE: Did you give any  
4 consideration to analyzing further downstream? One  
5 of the issues -- and let me just say for preface to  
6 my question, is the fact that if additional water  
7 is stored or re-operations occurred, potentially if  
8 things evolve in that direction, one of the major  
9 concerns Kansas has expressed already has been the  
10 fact of storing more water which takes higher flows  
11 out of the system, and we already have this huge  
12 water quality problem in the lower part of the  
13 valley and in Kansas, and it seems like that's an  
14 area that be would be potentially most affected by  
15 water quality, and I wonder why that's not the area  
16 being monitored.

17 MR. EDELMANN: There was consideration to  
18 do that. As a result of limitations of funding, we  
19 pared that down. The Southeast Activity Enterprise  
20 relative to the Preferred Storage Options Program,  
21 looking at the effects of re-operations of the  
22 Fry-Ark and future water changes and transfers felt  
23 like the most likely reach impacted would be  
24 downstream of Pueblo between Pueblo Reservoir and  
25 John Martin Reservoir. We talked about having two

1 sites in this lower reach and did not have adequate  
2 funding to do that.

3 MR. DAVID POPE: Is there additional  
4 analysis? Is it mainly just the data collection  
5 component or does the study include analysis of  
6 data and other aspects as far as this monitoring  
7 program?

8 MR. EDELMANN: There's two phases  
9 currently going on; one is the data collection  
10 component; and then the other is actually looking  
11 at and developing action levels at a variety of the  
12 monitors where it would indicate what historical  
13 conditions were and when a future change would be  
14 noted or indicated. That we will conclude this  
15 year and put plans to have that action level  
16 technique on the Web that everybody can look at and  
17 evaluate. Those sites that we are looking at with  
18 that component are really from Canyon City down to  
19 about 15 to 20 miles east of Pueblo. The other is  
20 looking at just strictly long-term water quality  
21 monitoring at this point in time.

22 MR. DAVID POPE: Thank you.

23 MR. BRENN: Mr. Chairman, just a -- Dave  
24 Brenn. Just to follow up in regards to Dave's  
25 question, and it kind of backs up and looks at this

1 in the big picture, to quote an earlier presenter.  
2 In regards to the water quality issues and  
3 certainly the U.S.G.S.'s process, collection of  
4 data and information, I think both states and this  
5 has been discussed and probably fueled by the TMDL  
6 reality, and because the states are separate in  
7 regards to their EPA Districts, and I don't know,  
8 you know, what coordination is possible there, but  
9 obviously a singular resource for salinity, et  
10 cetera would be significant in that process, and I  
11 just raise it to you that the TMDL issues certainly  
12 aren't going to go away and we have significant  
13 differences between states in regards to the EPA's  
14 position on that. So just something to think  
15 about. It's certainly going to be important to  
16 both states in the process.

17 MR. EDELMANN: I personally totally  
18 concur. And we would -- the U.S.G.S. would be  
19 happy to be able to work in a collaboration between  
20 both states to address that.

21 CHAIRMAN JENNISON: Other questions for  
22 Pat? Don't see any. Thank you.

23 MR. EDELMANN: Thank you.

24 CHAIRMAN JENNISON: Report of the  
25 Engineering Committee Reports, Commissioner Pope.

1 MR. DAVID POPE: Thank you, Mr. Chairman.  
2 The engineering committee consisting of myself and  
3 Tom Pointon met yesterday. The committee worked  
4 through the Agenda that was listed as a part of the  
5 overall Agenda for the meetings with the exception  
6 of the final item there dealing with the LAWMA  
7 Colorado DOW proposal that was -- that item was  
8 withdrawn from the Agenda, so we did not hear or  
9 discuss that matter, but we did work through the  
10 rest of the items. The first two items of the  
11 Agenda consisted of a fairly informative and  
12 extensive -- very informative and an extensive  
13 report led by Mark Stark from the Corps of  
14 Engineers, including a video and power point  
15 presentation, regarding the Tamarisk issue,  
16 particularly with regard to experience that had  
17 occurred in the Pecos River System in Texas and New  
18 Mexico, so we had an opportunity to hear about that  
19 and discuss that matter.

20 I would note that it was indicated that  
21 in addition to the work that has gone on there, the  
22 major level of interest appears to be in place in  
23 both Colorado and Kansas to help deal with that  
24 issue that is recognized as being a significant  
25 problem. So we're interested in that, and I think

1           it would be good to keep updated on that matter  
2           from time to time and hopefully perhaps the Compact  
3           Administration can help cooperate in regard to that  
4           matter. I think it was also noted at the meeting  
5           that Senate Bill 1051 has been introduced in  
6           Congress, which is a follow-up bill to one that was  
7           considered last year, and so I think many of us  
8           will probably be watching that bill as well.

9                        I will go ahead and continue here, and  
10           then Tom, if you have things to add, why please do.

11                      The second item, we did receive a report  
12           from Bill Tyner and I guess Steve Witte, regarding  
13           the status report of Offset Account operations for  
14           this past year, a very detailed report; and Bill  
15           summarized that process for us and made that  
16           available to the engineering committee. Mr. Witte  
17           made reference to that again here this morning in  
18           his report, and I think we've -- probably I need  
19           not spend any further time on that. I think I did  
20           have some comments on that earlier this morning  
21           about that matter as well, but the committee mainly  
22           just received the report and had some questions  
23           about that issue.

24                      The third item, and the one that we spent  
25           actually several hours on, was then because the

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1           committee I think actually met in a couple of  
2           different formats during the course of pretty much  
3           all afternoon. We basically took up the issue of  
4           the status of the Acreage Verification System and  
5           the series of proposed amendments to the Operating  
6           Principles for the Trinidad project. We decided to  
7           work through those by inviting the principals  
8           involved in those proposed amendments, including  
9           Kansas, the Bureau of Reclamation, the Purgatoire  
10          District, and the Model Land and Cattle Company, is  
11          it? And others to sit down together in an informal  
12          setting and work through the various proposed  
13          amendments; and I guess I would report as I think  
14          others have said here already, that I think this  
15          was a productive session. We, I think, are in the  
16          position of potentially acting on parts or all of  
17          that set of amendments. I think Brian did a very  
18          good job of sort of outlining where things would  
19          stand on that, as I would understand it as well,  
20          particularly in light of the issues that were  
21          raised yesterday in regard to the stock watering  
22          provision. Mr. Chairman, let me ask Tom if he has  
23          things to add, and then I would presume we would  
24          want to move into consideration of those issues.  
25          Tom, does that fairly represent --

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1 MR. POINTON: Fine with me.

2 MR. DAVID POPE: -- the committee's  
3 activities over a period of five or six hours,  
4 whatever it was, four or five hours? With that, I  
5 guess, Mr. Chairman, I don't know how would be best  
6 to proceed on this, but would you like to -- are we  
7 at the point where we want to move into item 7, or  
8 how would you like to proceed? Do we need a quick  
9 break in here or anything?

10 CHAIRMAN JENNISON: As far as the break,  
11 it's whatever the Committee wants to do. And we  
12 are ready to move into item number 7, unless you  
13 guys wanted to -- I can't remember, did we decide  
14 to accept these committee reports? Are you ready  
15 to accept the committee report, or do you just want  
16 to move right into item number 7?

17 MR. KUCHARICH: Mr. Chairman, we did  
18 accept the Operations Committee -- actually the  
19 Operations Secretary and Assistant Secretary's  
20 Report. I believe those are really the only ones  
21 that we had in writing.

22 CHAIRMAN JENNISON: Okay, we just as well  
23 move into item number 7.

24 MR. DAVID POPE: I wonder, Mr. Chairman,  
25 and I'm open on this, but if it might be helpful,

1 given the fact that there were a couple of  
2 different options mentioned by Mr. Person, maybe if  
3 we did take a break now, we could have some real  
4 brief informal consultation. That may be -- I  
5 think Malcolm here has some draft copies that could  
6 be passed out, and maybe that would be a good  
7 segway to move into consideration.

8 CHAIRMAN JENNISON: How much of a break?

9 MR. DAVID POPE: You know, ten minutes or  
10 something like that.

11 CHAIRMAN JENNISON: We'll recess for ten  
12 minutes.

13 (THEREUPON, a short recess was had.)

14 CHAIRMAN JENNISON: I think we'll call  
15 the meeting back to order. When we recessed, we  
16 were ready to take up item number 7. I think I'll  
17 turn it over to Commissioner Pope, see how him and  
18 Commissioner Pointon want to handle it.

19 MR. DAVID POPE: Item number 7 on the  
20 Agenda, we have had some discussions here during  
21 the break. There are some issues here that have  
22 become somewhat of a concern about how to deal with  
23 a couple of the items. Let me go through and  
24 explain basically what is before us. I think each  
25 member of the Administration, and I think all the

1 parties that have at least a direct interest in the  
2 Trinidad amendments, I believe have a copy of a  
3 revised or proposed amended Operating Principles  
4 related to the Trinidad project, speaking now of  
5 Model, Purgatoire and the Bureau and those of us  
6 here in Administration. What this is is a  
7 compilation from the work session we had yesterday.  
8 I'll point out some issues and some differences  
9 there, and then after going through that review,  
10 then we will be able to propose some actions that  
11 hopefully would go to something that Administration  
12 could consider. What this document consists of is  
13 essentially a compilation of four different  
14 components. There is some minor cleanup language,  
15 for example, in the first page where the correct  
16 name of the Model Land and Irrigation Company is  
17 corrected, for example. There are changes in some  
18 definitions that are made necessary by these  
19 proposed changes. Essentially the first category  
20 that is listed on the Agenda under the item 7, 7 a.  
21 relates to acreage verification. Let me skip over  
22 that for just a second and go to item B, tabulation  
23 of project water rights. In the proposed  
24 amendments on page 5 is a revised tabulation of  
25 direct flow rights. Mr. Person indicated that

1           those have been reviewed by I think the Bureau and  
2           the State Division of Water Resources and the  
3           District, and I believe everyone has indicated  
4           those are updated and correct changes, including  
5           some really minor tweaks like I think related to  
6           the name of the South Side Ditch from yesterday.  
7           So that's one set of changes.

8                         On the item 7 c. relates to tabulation  
9                         and limitation of irrigated acres. The first part  
10                        of that is on the following page, page 7 under the  
11                        title "Limits of Land and Water Use." And there  
12                        included is a -- under item 1 is a list of the  
13                        current contract acres by entity. I believe that  
14                        there's no disagreement in regard to that list. It  
15                        totals 20,607.9 contract acres. There's also  
16                        included within this document, and I guess that  
17                        shows up in another spot, but there is the revised  
18                        limitation of I believe it's 19,499 acres. That's  
19                        included in this document.

20                        Also in item 2 of this paragraph 4 b. is  
21                        two paragraphs that relate to essentially what is  
22                        referred to as acreage verification. I believe  
23                        that's right there.

24                        And again, this is language that we  
25                        reviewed in the working group yesterday and I think

1 made some minor changes there, and that part of it  
2 I think ended up by itself, at least we came to  
3 agreement on.

4 The next item 7 d. and there are a number  
5 of changes throughout this document that relate to  
6 the Model Land and Irrigation Company/Colorado  
7 State Parks change of water rights. And rather  
8 than going through each of those individually, I  
9 think I would just indicate that these changes are  
10 patterned after the changes that were made a few  
11 years ago for the City of Trinidad transfer. These  
12 were reviewed. There were included -- there was  
13 included some revised language that is found on  
14 page 2 and over into page 3 related to the concern  
15 expressed by the Bureau of Reclamation that the --  
16 that this amendment shall not diminish the payment  
17 of annual construction charged by the District  
18 pursuant to the contract. You can see that  
19 language there. And I believe that has been worked  
20 up, and I'm not aware that there's any concerns  
21 with that.

22 There's included within the definition  
23 section on page 4, item 17, a new definition that  
24 is called "removed from irrigation." It means  
25 District irrigable area for which the associated

1 and consumptive use has been changed from  
2 irrigation to another type of use by decree or  
3 approval of the State Engineer. That definition is  
4 used then in several places throughout the document  
5 to make clear that when water is transferred from  
6 irrigable land to this other new purpose, why that  
7 is then deducted from the 19,499 acres that can be  
8 irrigated in any one year.

9 Finally, the last item, Agenda item 7 e.  
10 entitled "Stock Watering Purposes." I think I'm on  
11 page 12. And this is the item -- I guess that  
12 would be what, 4 d. 2, I think is correct, entitled  
13 "District Operation, Non-irrigation Season." This  
14 item includes an Option I and an Option II. The  
15 Option I language under what would be paragraph A  
16 is included as essentially the same language,  
17 adapted from the temporary amendments that have  
18 been approved the last two years, I think it is, to  
19 allow a different method of using stock water. And  
20 that had been considered, like I say, in past  
21 actions on a temporary basis. This is also I think  
22 the same language that Kansas transmitted earlier  
23 this month to the Administration and other  
24 interested parties. Last evening or late afternoon  
25 when that item was being discussed, the District

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1 suggested some alternative language, and that's  
2 found in Option II. And at that time, each of us  
3 said that we would look at that language and  
4 consider it during the course of the evening and  
5 this morning, and I think you also heard some  
6 discussion about that by Mr. Person in his report  
7 this morning indicating that the Bureau was not  
8 ready to proceed with that new language at this  
9 point in time and feels it does need additional  
10 analysis, but is certainly willing to commit to  
11 doing that. So we have that item there.

12 And I think the rest of the document is  
13 all of the various language associated with those  
14 four categories of amendments. There were some  
15 minor changes from the document that was produced,  
16 the consolidated document that was produced by  
17 Kevin Salter with these various components last  
18 night. And then after the review over the evening  
19 and this morning, there were some minor changes, I  
20 think, suggested of a minor nature. I don't know  
21 explicitly what those are. If someone is concerned  
22 about those, we could ask Kevin or the Bureau to  
23 run over those with us. But that essentially is  
24 the status of the proposed amendments. We have the  
25 issue of the Option I, Option II issue. I

1 understand that the District has expressed some  
2 concerns about including anything other than Option  
3 II for the stock watering as a part of something  
4 they would like to see go forward at this time with  
5 all the other changes, particularly in light of the  
6 changes that they have agreed to on the acreage  
7 verification issue and the work that they have done  
8 with the verification system. That is sort of a  
9 description of where we are. Tom, do you have  
10 comments at this time?

11 MR. POINTON: Not at this point.

12 MR. DAVID POPE: I guess -- let me ask if  
13 there's any member here that would like any further  
14 description or questions on any of the changes. Is  
15 everybody clear what we have before us in the  
16 document at least? It appears that we have then  
17 one option is to approve all of this with either  
18 Option I or II, and I think we understand that  
19 there's a concern with the Option II on the stock  
20 watering, and I would indicate that I think the  
21 State of Kansas also would like an opportunity to  
22 review this matter as well, as we indicated last  
23 night. So I think we're comfortable with that  
24 being deferred as far as time for additional  
25 analysis before that Option II could be considered.

1 We are willing to proceed with Option I, which is  
2 the same language as the temporary amendment that  
3 we have had in the past that would allow that  
4 method of stock water use, as far as that part  
5 goes. And we are ready to act on the rest of these  
6 provisions. I don't know whether Tom, Colorado has  
7 other comments, and where you would prefer to go  
8 with this or would you propose action?

9 MR. POINTON: I would like to have the  
10 whole stock water issue deferred until the December  
11 meeting.

12 MR. DAVID POPE: Okay.

13 MR. POINTON: Both Option I and Option  
14 II.

15 MR. DAVID POPE: So in that regard, it  
16 would basically be removing both of those proposed  
17 changes, Option I and Option II, and that would  
18 leave us with the current language that is in the  
19 principles on the stock water. Then with that, I  
20 know the people from Model in particular are  
21 anxious to have an amendment that includes their  
22 portion. I think one option -- one course of  
23 action would be then to deal with the rest of the  
24 changes. And I guess -- are you ready for a  
25 motion, or would you like --

1 MR. POINTON: Yeah, I'm ready.

2 MR. DAVID POPE: You want to make it?

3 MR. POINTON: It doesn't matter. I move  
4 we approve the changes to the Operating Principles  
5 of the Trinidad Dam and Reservoir project as  
6 amended 2003, on this date. And I guess that's it.

7 MR. DAVID POPE: With exception of the --

8 MR. POINTON: With exception of the stock  
9 water, which will be deferred to the December  
10 Annual Meeting for 2003.

11 MR. DAVID POPE: Mr. Chairman, I should  
12 have turned this mike over to you.

13 CHAIRMAN JENNISON: No, you're fine.  
14 That's the motion. Is there a second to that  
15 motion?

16 MR. DAVID POPE: I think we are ready to  
17 second it.

18 CHAIRMAN JENNISON: We have a motion and  
19 a second. Is there a discussion to that point?  
20 Rod?

21 MR. ROD KUCHARICH: I do have a comment.  
22 As -- first of all, I would like to thank the  
23 Bureau for all the work they've done on this. I  
24 know they worked late into the night. Even though  
25 the people thought they were on Ebay, they were

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1 actually rewriting this document. I would make one  
2 observation on Option I for consideration by the  
3 Bureau, and that is that we are well aware that a  
4 larger volume in a shorter period of time needs to  
5 be run in order to get water into these stock  
6 ponds. There is concern, I think, of the previous  
7 days' in-flow being sufficient enough to accomplish  
8 that, and I would just ask that as we work towards  
9 a solution here, we analyze that particular issue  
10 as to whether or not that limitation that was in  
11 Option I, which really is probably the only concern  
12 I have with Option I, if that would in some cases  
13 prohibit the stock watering activity. That's the  
14 only comment I have. And I think Colorado is ready  
15 to vote.

16 CHAIRMAN JENNISON: Other discussions?  
17 Question?

18 MR. TROUT: May I address the group? My  
19 name is Bob Trout; I am the attorney for the Model  
20 Company. I greatly appreciate that the Committee  
21 is prepared to take full action on this. I have  
22 talked to the Purgatoire District, and I hope you  
23 are aware that the Purgatoire District is not  
24 willing to approve the acreage verification  
25 language. My concern from Model's standpoint is

1 that if you approve all these changes, we still  
2 won't get an approved change in the Operating  
3 Principles this year. And I don't know if you are  
4 aware of that, and I don't know if the District  
5 wants to address it. I'm obviously concerned that  
6 if you do approve the Model changes, then they  
7 can't be signed. So -- I don't know if you have  
8 any -- if that's your action or not. You want to  
9 say anything?

10 (At this time, an off-the-record  
11 discussion was held, after which the  
12 following continued:)

13 MR. DANIELSON: Mr. Chairman, on behalf  
14 of the Purgatoire District, we welcome you to the  
15 Wonderful World of Oz. I think you are going to  
16 embark on a very interesting tour --

17 CHAIRMAN JENNISON: Pick up the little  
18 mike, if you will and give the reporter your name.

19 MR. DANIELSON: My name is Jeris  
20 Danielson; I'm general manager for the Purgatoire  
21 River District. We welcome you as a new  
22 commissioner. We made, I believe, a great deal of  
23 progress yesterday towards resolving some major  
24 issues that we have been wrestling with for at  
25 least 10 years. It appears that we are not quite

1           there yet, and the Purgatoire District would  
2           suggest one of two ways to proceed.

3                         We are ready to accept the document that  
4           you have, which the time is 9:26 a.m. today, with  
5           Option II of the stock water. We are not prepared  
6           to commit to the language that requires the  
7           District to continue a very costly Acreage  
8           Verification System and get nothing in return.

9                         The quid pro quo is Option II for stock  
10          water, and we commit to the AVS. Now, I understand  
11          that the Bureau is unable to agree to Option II, so  
12          I would suggest we defer until perhaps December  
13          when they have had time to analyze the  
14          environmental consequences of releasing stored  
15          water out of the dam which we do every day, and  
16          perhaps we can take that up in December.

17                        The District is very concerned that the  
18          Model and Division of Parks' amendments proceed.  
19          My understanding is Parks may have funding problems  
20          if this continues to lag. It's something that  
21          needs to be done now. And we would urge you to  
22          approve the Model amendments, Model Park  
23          amendments, and let's defer on the other issues  
24          until everybody has had a chance to become more  
25          comfortable with them. Thank you.

1                   CHAIRMAN JENNISON: Thank you, Jeris.

2                   Based on those words, is there any  
3 further discussion?

4                   MR. ROD KUHARICH: Would someone wish me  
5 to address Bob Trout's comment about the District  
6 signing? I guess I believe that the District's  
7 acceptance or not is the District's own concern. I  
8 do think that the Compact Commission would have  
9 done its duty here and do all it can by adopting  
10 these changes and working towards a final solution  
11 on the irrigation -- on the stock water provision.  
12 I guess that's all I have to say.

13                   CHAIRMAN JENNISON: Kansas have any  
14 further comments?

15                   MR. DAVID POPE: Thank you, Mr. Chairman.  
16 Well, I think I concur with what Rod had said. I  
17 guess I think we have all spent so much time on  
18 this -- yes, Rod. I think we have all spent a lot  
19 of time on this, and I understand that there are  
20 now these concerns. And I can appreciate that, and  
21 I think that's still reasonable for that to be  
22 considered at sometime in the future, and the  
23 Bureau has indicated they would be working on that  
24 option. It seems to me like that we would be  
25 willing to go forward in one of two ways; one, with

1 all of the amendments here except for the stock  
2 watering; or we would be willing to include the  
3 Option I, which at least takes us a step towards  
4 where I think the District was wanting us to go in  
5 the past; and that's another -- that doesn't mean  
6 it can't be revised again sometime in the future;  
7 but -- so I'm somewhat in a dilemma, because we  
8 really think we need to move forward with these  
9 things that have been worked through in all other  
10 aspects and I'm certainly -- I think Kansas is  
11 prepared to do that.

12 CHAIRMAN JENNISON: Well, okay. Well,  
13 the motion before the Committee is to adopt these  
14 proposed amendments to the Operating Principles  
15 with the exception of the language speaking to the  
16 non-irrigation season. Is that accurate?

17 MR. POINTON: Non-irrigation stock  
18 watering.

19 CHAIRMAN JENNISON: Stock watering, yeah.  
20 How does Colorado vote?

21 MR. ROD KUCHARICH: Aye.

22 CHAIRMAN JENNISON: Kansas?

23 MR. DAVID POPE: Kansas votes aye.

24 CHAIRMAN JENNISON: Motion carries. Does  
25 that take care of item number 7?

1 MR. POINTON: Yes.

2 MR. ROD KUCHARICH: And again, thanks to  
3 the Bureau for all the work they've done.

4 CHAIRMAN JENNISON: The next item on the  
5 Agenda is 8, reports of officers for the Compact  
6 year. And I don't really have a report, but I  
7 would say just as a matter to introduce some of the  
8 people to myself just a little bit better, I do  
9 come from western Kansas; I live about 60 miles  
10 north of Garden City. I still claim that my  
11 occupation is a farmer; but because of the  
12 agriculture economics, I do a little lobbying. I  
13 spent 10 years in the legislature. And so I do  
14 that. And when I left the legislature, me and four  
15 others started a promotional company to promote  
16 outdoor recreation in Kansas. And out of that, we  
17 produce a two-hour outdoor radio show every week.  
18 So I support my farming habit with an outdoor radio  
19 show and some lobbying in the wintertime. So I  
20 spend January through the first of May in Topeka;  
21 and then I spend the rest of the year out at Healy.  
22 And I think if anybody wants to -- the easiest way  
23 to get ahold of me is to try my e-mail. If you  
24 want to write it down, it's easy; it's  
25 Robin@Kansasoutdoors.com; and that's probably the

1 easiest way, because I do go back and forth from  
2 Healy to Topeka. That's about the easiest way to  
3 catch me. We do have other people that can -- that  
4 are on the Agenda to give a report. Dave, did you  
5 have a report that you would like to give?

6 MR. DAVID POPE: No report.

7 MR. ROD KUCHARICH: Outdoors plural?

8 CHAIRMAN JENNISON: Kansasoutdoors.com;  
9 it's Kansas written out,  
10 k-a-n-s-a-s-o-u-t-d-o-o-r-s dot c-o-m. Jan, did  
11 you have a report?

12 MS. ANDERSON: Very briefly.

13 CHAIRMAN JENNISON: This is your  
14 microphone; you ought to have a chance to use it.

15 MS. ANDERSON: Just for the record, as we  
16 talked about yesterday, getting the bills paid and  
17 so forth, it's kind of a tenuous thing, and so I  
18 hope you will consider letting us get approval for  
19 your bills so we can get our bills paid in a timely  
20 way. Okay? And you can contact us at 112 West  
21 Elm, Lamar, Colorado. Seced@Seced.net is how you  
22 contact me.

23 MR. DAVID POPE: Give me that again.

24 MS. ANDERSON: Seced@Seced.net. Thank  
25 you.

1 CHAIRMAN JENNISON: Thank you, Jan.

2 Jim, do you have a treasurer's report?

3 MR. ROGERS: Not at this time. It'll be  
4 covered under the financials.

5 CHAIRMAN JENNISON: Okay. That brings us  
6 to the report of administrative and legal  
7 committee. Rod.

8 MR. ROD KUCHARICH: Thank you,  
9 Mr. Chairman.

10 Item A and Item B, the transcripts --  
11 thank you. Items A and B, the transcripts and  
12 annual reports, I think, suffice it to say, they  
13 are in process. That was a pointed silence there.

14 A report on the actions taken at the  
15 telephonic board meeting in December on the  
16 officers for the Compact year of 2003. We have  
17 Chairman Robin Jennison from Healy, Kansas; Vice  
18 Chairman David Pope from Topeka, Kansas; recording  
19 secretary Jan Anderson, Lamar, Colorado; treasurer  
20 Jim Rogers, Lamar, Colorado; Operations Secretary  
21 Steve Witte, Pueblo, Colorado; and Assistant  
22 Operations Secretary Mark Rude, Garden City,  
23 Kansas.

24 Additionally, committees and  
25 chairs were appointed. The administrative and

1 legal committee, Robin Jennison, Randy Hayzlett,  
2 and Chairman Rod Kuharich. The Operations  
3 Committee, Robin Jennison, David Brenn, and  
4 Chairman Jim Rogers. The Engineering Committee,  
5 Robin Jennison, Tom Pointon and Chairman David  
6 Pope.

7 In terms of financial matters, the  
8 Committee received an audit report identifying the  
9 current status, and rather than read the numbers, I  
10 would note that we are solvent in the black to  
11 approximately \$91,000. And the budget review and  
12 adoption, I would turn this over to Steve Miller at  
13 this time.

14 MR. MILLER: Thank you. I gave a brief  
15 report to the legal committee yesterday, but it was  
16 an incomplete report, so I have two things I would  
17 like to hand out and then quickly go through with  
18 you.

19 Initially though, the audit report  
20 historically has been accepted and approved by ARCA  
21 at this point. I think based on Rod's report and  
22 the recommendation from his committee, it would be  
23 appropriate for someone to move approval of that  
24 report.

25 MR. ROD KUCHARICH: I would so move.

1 CHAIRMAN JENNISON: Motion. Second?

2 MR. DAVID POPE: Second.

3 CHAIRMAN JENNISON: Moved and seconded.  
4 Discussion? Colorado?

5 MR. ROD KUCHARICH: Aye.

6 CHAIRMAN JENNISON: Kansas?

7 MR. DAVID POPE: Aye.

8 MR. MILLER: Then something else we  
9 sometimes do during budget -- I'll leave this up to  
10 you, Mr. Chairman -- if these numbers start flying  
11 around too fast, sometimes we let the reporter take  
12 a small break, go off the record, and then come  
13 back on when we all are in agreement with what the  
14 numbers are. I'm not sure that is going to be  
15 necessary, but if it's bogging down any ---

16 CHAIRMAN JENNISON: Okay.

17 MR. MILLER: I'm going to pass out two  
18 different sheets, if you could get those going both  
19 ways.

20 After I looked at the numbers that Jim  
21 provided in his treasurer's report, and I don't  
22 know if you want to hear that again or not. What  
23 Jim did for us yesterday was look forward from the  
24 end of our fiscal year that ended June 30, 2002,  
25 which is what the audit covered, up to some day

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1 last week. And I would keep -- I just made enough  
2 for the front table. These are draft budgets and  
3 after the Administration takes action, we will  
4 certainly get signed copies to anybody who has an  
5 interest. They are intended for the Administration  
6 right now. At any rate, Jim gave a treasurer's  
7 report yesterday and showed that we have underspent  
8 the budget that is about to end on this June 30.  
9 So with that information, I reanalyzed a little  
10 bit, and the surplus situation is even higher than  
11 what I reported yesterday. If you will look at the  
12 sheet I have that is marked -- handed out "Revised  
13 Fiscal Year 2003-04 Budget," you'll see that down  
14 in Roman Numeral III, our estimated balance this  
15 July 1st coming will be nearly 98,000. The  
16 principle reason for that is that we are not  
17 printing annual reports, and we are continuing to  
18 budget as if we were. Also some of the expenses we  
19 have, for instance, we have a contingency item we  
20 haven't really had to access that, so that's  
21 basically increasing our surplus by 2,000 each  
22 year. At any rate, that would be the starting  
23 point for the budget discussions. And then what I  
24 would like to find out is that this is the reason  
25 for the revised budget is because as I was going

1 through the paperwork that I brought with me, I  
2 realized that I sent Jim and he signed and mailed  
3 out to at least some people an incorrect budget.  
4 The numbers I sent you to sign, Jim, there was a  
5 couple of blanks in that sheet and they didn't  
6 match up with the numbers that I think will be in  
7 the minutes of the 2001 December meeting.

8 So to solve that problem, and to reflect  
9 the different surplus situation that we are in than  
10 what we anticipated two years ago, I propose that  
11 we just revise this budget for the year that we are  
12 about to enter, get it signed, and then there'll be  
13 no confusion as to which version and the numbers  
14 will actually be a little bit more correct also.  
15 If you would like me to walk you through the  
16 numbers in this, I can; or for the benefit of the  
17 written minutes, I could just tell you that this  
18 budget reflects total expenditures of 76,200; total  
19 income of 70,000; the difference being made up from  
20 that surplus account, and then anticipate that on  
21 June 30, 2004 we would be in a surplus situation of  
22 having about 92,000 on balance.

23 I have tried to reflect in here a little  
24 more accurate -- actually, these are actual numbers  
25 for the U.S.G.S contract we have for this year.

1           Those charges for calendar year 2003, G.S.  
2           activities are paid, I think on January of '04, so  
3           they would come out of this budget. Those are real  
4           numbers, in other words. I have a high forecast  
5           for the annual report printing of \$8,000. That's  
6           probably optimistic both in terms of our ability to  
7           resolve some of the accounting issues and my  
8           ability to get that many reports ready for printing  
9           in one year's time. But it's a way of making sure  
10          we don't forget that we have got an expenditure at  
11          some point to make. I guess we could move -- I  
12          don't know, it's probably cleaner if we do these  
13          budgets one at a time. If there's questions, I  
14          will answer them; if not, we can move this budget,  
15          accept it --

16                        THE COURT: So we are ready to take  
17          action on the '03-'04 budget?

18                        MR. MILLER: I believe so unless there  
19          are questions.

20                        MR. POINTON: I have just one comment. I  
21          would rather you use "fund balance" instead of  
22          "surplus," because it is a fund balance; it's not a  
23          surplus, because we may need that. It should be a  
24          fund balance.

25                        MR. MILLER: You know, you are absolutely

1 right, Tom. I even thought -- although with my  
2 printer broke down, I wouldn't be having anything  
3 to hand to you if it weren't for Kevin Salter  
4 helping me out this morning. We should maybe  
5 even -- I was thinking we should have a report  
6 printing fund where we could park that money, so it  
7 wouldn't be a temptation to use it for something  
8 else. We could change the wording on that, and I  
9 could do that when I reprint these back at the  
10 office before I send them to Jim. However you  
11 would like to call that.

12 MR. POINTON: I would like to see it  
13 "fund balance"; and I would move we accept the  
14 budget with that change.

15 MR. MILLER: So Roman Numeral III here I  
16 would just say "fund balance account"?

17 MR. POINTON: Yes.

18 MR. MILLER: Or "Fund balance" and not  
19 use the word "account"?

20 CHAIRMAN JENNISON: We have a motion to  
21 accept the '03-'04 budget. Is there a second?

22 MR. DAVID POPE: Yes.

23 CHAIRMAN JENNISON: Discussion?

24 MR. DAVID POPE: On the discussion part,  
25 this may just be a minor tweak in words. I take it

1 where item 3 is called "cash surplus account" that  
2 would be renamed, and then also probably needs to  
3 be renamed in 3 b., "expenditures from fund  
4 balance." That is what you are suggesting, Tom?

5 MR. POINTON: Yes.

6 MR. MILLER: Also I was just trying to  
7 figure out what I would say there. I could call it  
8 expenditures and excessive revenue or additions to  
9 balance, for B and C? Any other wording?

10 MR. DAVID POPE: Well, I think you have  
11 the thrust.

12 MR. MILLER: You want to just let me --

13 MR. DAVID POPE: "Surplus" probably is  
14 not the appropriate word, I think, is the key  
15 thing.

16 MR. MILLER: I'll change B and C to be  
17 consistent with Roman Numeral III.

18 CHAIRMAN JENNISON: Further discussion on  
19 the '03-'04 budget? Seeing none, Colorado?

20 MR. ROD KUCHARICH: Aye.

21 CHAIRMAN JENNISON: Kansas?

22 MR. DAVID POPE: Aye.

23 CHAIRMAN JENNISON: Motion carries.

24 Steve?

25 MR. MILLER: And then the next year's

1 budget would pick up, I assume we will make the  
2 same change, we will call that fund balance in  
3 Roman Numeral number III. You'll see that it's  
4 92,000 where we think we are going to end up the  
5 prior year. In this budget, the expenditures are  
6 slightly higher; and that's basically attributable  
7 to an estimation of the increase that G.S. will  
8 come to us with for the calendar year '04 gauging  
9 program. For the Chairman's benefit, we coop with  
10 U.S.G.S. on six or seven or eight, I guess, gauges  
11 in Colorado and another two or three in Kansas.  
12 The state line gauges actually sit in Kansas, so  
13 the Kansas district of U.S.G.S. maintains those  
14 gauges. I guess we are not contributing on Garden  
15 City gauge, so there's two gauges in Kansas that we  
16 help pay for and eight or so -- I don't know if  
17 Mr. Edelman is still here. We have actually  
18 periodically gotten some fairly specific reports  
19 from U.S.G.S. we could share with you if you are  
20 interested in exactly how that funding -- but  
21 that's a major piece of our budget. It continues  
22 to escalate. We have debated amongst ourselves how  
23 we could rein in that escalation; no one has a good  
24 idea. We could certainly drop a gauge when it  
25 becomes too expensive, the total program. It's

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1 hard to predict what data we will be interested in  
2 down the road, so we basically continue to agree to  
3 pay for those escalating costs. That's the big  
4 increase here. So for the proposed '04-'05 budget,  
5 I have total expenditures of 78,800. The  
6 assessments would remain the same. Total income of  
7 70,000. We have drawn that fund balance down about  
8 \$8,800, and end the year June 30, '05 with 83,200  
9 in the account balance.

10 I do have another \$8,000 in this budget  
11 for report printing, so a total of \$16,000 over two  
12 years to print reports that is optimistic, although  
13 I see Rod over there saying it better not be  
14 optimistic.

15 I think with the progress the Operations  
16 Committee has committed itself to make, we don't  
17 want to go down the road of preparing dual  
18 accounting reports. I think we ought to give  
19 ourselves at least a year to see if we can come up  
20 with a unified set of numbers to provide the public  
21 and the federal agencies. So that's in here too.  
22 I guess I would ask if there's any questions; if  
23 not, we can adopt this one.

24 CHAIRMAN JENNISON: Questions for Steve?  
25 Do we have a motion on the '04-'05 budget?

1 MR. POINTON: I move for adoption.

2 MR. BRENN: Second.

3 CHAIRMAN JENNISON: It's been moved and  
4 seconded that we adopt the '04-'05 budget. Is  
5 there discussion? Seeing none, Colorado?

6 MR. ROD KUCHARICH: Aye.

7 CHAIRMAN JENNISON: Kansas?

8 MR. DAVID POPE: Aye.

9 CHAIRMAN JENNISON: Motion passes.

10 MR. ROD KUCHARICH: Mr. Chairman?

11 CHAIRMAN JENNISON: Rod.

12 MR. ROD KUCHARICH: I have two other  
13 items. One is that the -- there was discussion  
14 yesterday in the work group about amending the  
15 bylaws to provide for a speedier way to pay the  
16 bills; and Steve Witte will report to the  
17 Commission in December on how we would propose to  
18 speed this up, primarily through the use of  
19 e-mails. I think there was general consensus that  
20 in just a bookkeeping manner we can deal with these  
21 things --

22 MR. DAVID POPE: Rod, I think you said  
23 Steve Witte, you mean Steve Miller?

24 MR. ROD KUCHARICH: I'm sorry, Steve  
25 Miller.

1 MR. DAVID POPE: Steve is probably not  
2 wanting to -- trying to help you out, Steve.

3 MR. MILLER: I guess I would expand on  
4 that a little further. We will bring a bylaw --  
5 proposed bylaw change to ARCA in time for them to  
6 consider it and adopt it in December to put into  
7 place. Maybe we will have several options that we  
8 will discuss with the Administration over the  
9 summer, but have a formal bylaw change ready to be  
10 adopted in December, to make that happen.

11 MR. ROD KUCHARICH: Thank you. And as  
12 many of you know, we are going to be losing  
13 Colorado's attorney here. Wendy Weiss will be  
14 retiring the first of July; and in recognition, we  
15 have cake and coffee in the back of the room to  
16 send Wendy on her way. She is not going to  
17 practice law in a private firm initially; she is  
18 going to travel, which is probably the best thing  
19 you could do when you retire. So I guess at this  
20 time, I would just like to offer a round of  
21 applause to Wendy and thank her very much for the  
22 work she has done for Colorado on and the  
23 Commission.

24 (Applause)

25 MR. ROD KUCHARICH: Mr. Chairman, I would

1 make a motion to adjourn.

2 CHAIRMAN JENNISON: Motion to adjourn. A  
3 second?

4 MR. DAVID POPE: Yes, I'll second that.  
5 If I could take the liberty of just saying on  
6 behalf of Kansas, we also extend our  
7 congratulations, Wendy, to you and have appreciated  
8 the opportunity over many years to work with you  
9 and wish you well.

10 MS. WEISS: Thank you very much.

11 CHAIRMAN JENNISON: I hope it's not  
12 because of the new chairman that you quit. We have  
13 a motion and a second to adjourn. Discussion?

14 MR. ROD KUCHARICH: Aye.

15 CHAIRMAN JENNISON: Colorado? Kansas?

16 MR. DAVID POPE: Aye.

17 CHAIRMAN JENNISON: We are adjourned.

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## May 23, 2003 ATTACHMENTS

<b>Transcript page no.</b>	<b>Exhibit no.</b>	<b>Item</b>
5	1	Notice & Agenda Reconvened 2002 meeting
19	2	Assistant Operations' Secretary report
22	3	Attendance sheet
24	4	Report of Civil Works Activities by the U.S. Army Corps of Engineer
52	5	USGS Annual Data Report
63	6	Proposed Amended Operating Principles Trinidad Dam and Reservoir Project, dated May 22, 2003
79	7	Audit report
80	8	ARCA Revised FY 2003-2004 Budget
81	9	Treasurer's report

# **Exhibit 1**

# ARKANSAS RIVER COMPACT ADMINISTRATION

112 West Elm Street, Lamar, Colorado 81052  
719-336-2732

For Colorado  
Rod Kuharich, Denver  
James G. Rogers, Lamar  
Thomas R. Pointon, Las Animas

Chairman and Federal Representative  
Robin Jennison  
Healy, Kansas

For Kansas  
David L. Pope, Topeka  
David A. Brenn, Garden City  
Randy Hayzlett, Lakin

## **NOTICE & AGENDA** **RECONVENED 2002 ANNUAL MEETING**

### **ARKANSAS RIVER COMPACT ADMINISTRATION**

**THURSDAY, MAY 22, 2003, 10 AM (MDT)**

**FRIDAY, MAY 23, 2003, 8:30 A.M. (MDT)**

**COW PALACE INN**  
**1301 NORTH MAIN STREET**  
**LAMAR, COLORADO**  
**719-336-7753 [800-678-0344]**

Due to scheduling conflicts, and by agreement of all representatives, the 2002 Annual Meeting of the Arkansas River Compact Administration (ARCA) was held on the date required pursuant to ARCA's Bylaws, December 10, 2002, by telephonic conference call. An abbreviated agenda was considered at that meeting, and ARCA agreed to reconvene its 2002 Annual Meeting in May at Lamar, Colorado, for consideration of substantive issues. Accordingly, the 2002 Annual Meeting of ARCA will be reconvened at the Cow Palace Inn, in Lamar, Colorado, on **Friday May 23, 2003, at 8:30 AM (MDT)**. The meeting will be recessed for the lunch hour at about noon and continued for the completion of any remaining business in the afternoon as necessary. Meetings of the Administration are operated in compliance with the federal Americans with Disabilities Act. If you may need a special accommodation as a result of a disability please contact the Cow Palace at 719-336-7753 or Jan Anderson at 719-336-2732 at least 3 days before the meeting.

The following Committees of the Administration will meet on **Thursday, May 22, 2003 at 10:00 A.M. (MDT)**, also at the Cow Palace Inn, continuing to completion at approximately 5:00 P.M.:

1. Administrative and Legal Committee
2. Operations Committee
3. Engineering Committee

An agenda for the Committee Meetings is set out below. The public is welcome to attend the Committee meetings, but time for comments may be limited.

The tentative agenda for the Annual Meeting, which is subject to change, is also set out below.

**THURSDAY, MAY 22, 2003, 10:00 AM (MDT)**  
**ARCA COMMITTEE MEETINGS**  
**TENTATIVE AGENDA (subject to change)**

**I. ADMINISTRATIVE and LEGAL COMMITTEE at 10:00 AM**

**A. Review agendas for Committee Meetings and Annual Meeting**

**B. Review actions and draft minutes from December 10, 2002 Telephonic Meeting**

**C. Confirm officers for Compact Year 2003:**

1. Chairman, Robin Jennison, Healy, Kansas
2. Vice-chairman, David Pope, Topeka, Kansas
3. Recording Secretary, Jan Anderson, Lamar, Colorado
4. Treasurer, Jim Rogers, Lamar, Colorado
5. Operations Secretary, Steve Witte, Pueblo, Colorado
6. Assistant Operations Secretary, Mark Rude, Garden City, Kansas

**D. Confirm Committee members and chairmen for Compact Year 2003:**

1. Administrative and Legal Committee: Jennison, Hayzlett, Chairman: Kuharich
2. Operations Committee: Jennison, Brenn, Chairman: Rogers
3. Engineering Committee: Jennison, Pointon, Chairman: Pope

**E. Recording Secretary Report**

**F. Financial matters:**

1. Treasurer Report
2. Audit Report, review and approval of FY 01-02 Report (7/1/01-6/30/02)
3. Budget review and adoption
  - (a) Review of current fiscal year (2002-03) budget
  - (b) Review of previously adopted FY 2003-04 budget and assessments
  - (c) Adoption of FY 2004-2005 budget and assessments

**G. Status of transcripts and/or summaries from prior meetings:**

1. December, 2001 Annual Meeting Minutes
2. December, 2000 Annual Meeting Minutes
3. December, 1999 Annual Meeting Minutes
4. December, 1998 Annual Meeting Minutes
5. December, 1993 Annual Meeting Minutes
6. Special Meeting Minutes

**H. Annual report preparation**

1. Status of uncompleted reports from 1994-2001
2. Process to complete backlog and for future years

**THURSDAY, MAY 22, 2003, (continued)**

**II. OPERATIONS COMMITTEE at 11:00 AM**

**A. Reports of Operations Secretary and Assistant Operations Secretary**

1. Operations Secretary, Steve Witte
2. Assistant Operations Secretary, Mark Rude

**B. Committee recommendations re 2002 Operations Secretary Report and 2002 Assistant Operations Secretary Report**

**C. Other matters**

**Note: Administration will recess Committee Meetings for lunch from noon to 1 PM**

**III. ENGINEERING COMMITTEE at 1:00 PM**

**A. Tamarisk Control/Removal:** Review of video and presentation by Corps of Engineers and local water users

**B. Status Report Colorado Offset Account operations,** by Colorado Division Engineer, Steve Witte.

**C. Purgatoire River Water Conservancy District / Trinidad Project:**

1. Status report on Trinidad Project and District operations
2. Status report on acreage verification system development
3. Proposed Amendments to Trinidad Project Operating Principles
  - (a) Acreage verification system
  - (b) Tabulation of project water rights
  - (c) Tabulation and limitation of irrigated acres
  - (d) Model Land and Irr. Co. / Colorado State Parks: change of water rights
  - (e) Stockwater provisions

**D. LAWMA / Colorado DOW proposal:** potential new source of water for John Martin Reservoir permanent pool

**E. Other matters**

**IV. OPERATIONS COMMITTEE reconvene at 3:00 PM**

(as may be necessary)

**FRIDAY, MAY 23, 2003, 8:30 AM (MDT)**  
**RECONVENED 2002 ANNUAL MEETING**  
**TENTATIVE AGENDA** (subject to change)

1. **Call to order:** Federal Representative, Robin Jennison  
Vice-chairman, David Pope
2. **Introductions of Representatives and Visitors**
3. **Review and revision of agenda**
4. **Report of Operations Committee**
  - a. Reports of Operations Secretary and Assistant Operations Secretary
  - b. Committee recommendations re 2002 Operations Secretary Report and 2002 Assistant Operations Secretary Report
5. **Reports of federal agencies:**
  - a. U.S. Bureau of Reclamation:
  - b. U.S. Army Corps of Engineers
  - c. U.S. Geological Survey:
6. **Report of Engineering Committee**
7. **Purgatoire River Water Conservancy District / Trinidad Project:** Proposed Amendments to Trinidad Project Operating Principles
  - a. Acreage verification system
  - b. Tabulation of project water rights
  - c. Tabulation and limitation of irrigated acres
  - d. Model Land and Irr. Co. / Colorado State Parks: change of water rights
  - e. Stockwater provisions
8. **Reports of Officers for Compact Year 2002:**
  - a. Chairman: Robin Jennison
  - b. Vice-chairman: David Pope
  - c. Recording Secretary: Jan Anderson
  - d. Treasurer: Jim Rogers
9. **Report of Administrative and Legal Committee**
  - a. Approval of transcripts and/or summaries from prior meetings
  - b. Annual report preparation
  - c. Officers for Compact Year 2003
  - d. Committee members and chairs for Compact Year 2003
  - e. Financial matters
    - (1) Audit Report
    - (2) Budget review and adoption
10. **Adjournment**

# **Exhibit 2**

# **Exhibit 3**

# Attendance Sheet

(print)

<u>name</u>	<u>Representing</u>
Lee Rolfs	Kansas Dept. of Agriculture.
MARK RUDE	K.S. DIV OF WATER RESOURCES
Dale Beck	State of Kansas
Malcolm Wilson	Bureau of Reclamation
Lisa Velmas	Bureau of Reclamation
Alice Johns	Bureau of Reclamation
Paula Sunde	Bureau of Reclamation
Don Anderson	PRWCD Trinidad
Abel BENAVIDEZ	PRWCD Trinidad
Charles DiDomenico	Colo Div. Water Resources
Donny Marques	Division of Water Resources Water Commissioner 19
Ken Knox	Division of Water Resources - Denver
Steve Witte	Colo Div Water Resources - Pueblo
Bill Tynor	" "
Thomas Teferthier	Model Hand Irrigation Co.
Donald Steerman	Amity / Dist 67
Tony Howland	Amity Supt.
Erma Evans	P.R.W.C.D. Trinidad
LORENZO SANTANA	U.S. Army Corps of Engineers
Mark M. Stark	U.S. Army Corps of Engineers
Jan Anderson (SECED)	Recording Secretary ARCA, Lamar
VAN TRUAN	CORPS OF ENGINEERS - Pueblo
David W. Anderson	Kansas Dept. Ag
GEORGE AUSTIN	KS Dept of Ag., DWR, Topeka
Pat Edelmann	U.S. Geological Survey

# **Exhibit 4**

**Report of Civil Works Activities by the  
U.S. Army Corps of Engineers, Albuquerque District  
in the Arkansas River Basin  
During Calendar Year 2002**

1. **General.** During 2002, activities of the U.S. Army Corps of Engineers, Albuquerque District (Corps), in the Arkansas River Basin consisted of reservoir regulation, flood-control related studies, flood plain management services, regulation under Section 404 of the Clean Water Act, and emergency assistance.

2. **Flood Control Operations.** The Arkansas River snowmelt runoff was below normal throughout the entire basin, ranging from 24% to 55% of average. There were no significant flood-control operations at Trinidad, John Martin or Pueblo Reservoirs.

3. **Planning Assistance to States (Section 22) Program.** Under authority of Section 22 of the Water Resources Development Act of 1974, the Corps is authorized to assist non-Federal entities in the preparation of comprehensive plans for the development, use, and conservation of water and related land resources.

In 2002, no new studies were initiated in the Arkansas Basin under the Planning Assistance to States Program.

4. **Section 1135.** The 1986 Water Resources Development Act authorized the review of completed water resources projects to implement modifications that improve the quality of the environment.

A Preliminary Restoration Plan (PRP) has been developed with the City of Lamar and Prowers County to address river channel improvement, and wetland and riparian forest restoration on the Arkansas River within the vicinity of Lamar, Colorado. Officials from both sponsors are planning to meet later this month to determine who the lead sponsor will be and to sign the PRP letter of intent.

5. **Section 206.** The 1996 Water Resource Development Act provided authority for aquatic ecosystem restoration projects in areas unrelated to existing Corps water projects.

The Arkansas River Fisheries Habitat Restoration project was approved in October 2001 and a Project Cooperation Agreement was signed with the City of Pueblo in April 2002. The project will improve fish and riparian habitat along nine miles of the Arkansas River downstream of Pueblo Dam. The Corps is currently preparing the construction drawings and technical specifications and the City of Pueblo is acquiring the real estate. Construction is scheduled to start in the fall of 2003.

In October 2002, the Corps completed a PRP and requested approval to begin the feasibility study for the Confluence Park Stream Restoration project. The project is located at the confluence of Fountain and Monument Creeks in Colorado Springs, CO and the local sponsor is the City of Colorado Springs. The project would restore a portion of Monument and Fountain creeks in downtown Colorado Springs to a more natural riparian condition.

The Corps is also preparing a PRP for restoring wetlands near Rocky Ford, CO. The local sponsor is the City of Rocky Ford, CO.

**6. Continuing Authorities Program.** Under Section 14 of the 1946 Flood Control Act, as amended, the Corps provides emergency streambank protection works to prevent damage to public facilities. Up to \$1,000,000 in Federal funds can be spent for each project. Under our Section 205 authority, small flood control projects may be constructed with a maximum Federal contribution of \$7,000,000.

The non-federal sponsor, under both of these authorities, must contribute 35% of the cost for these projects. This program is available to communities, flood control organizations, and other governing entities. Those having a need for this program should contact the U.S. Army Corps of Engineers, 4101 Jefferson Plaza NE. , Albuquerque, New Mexico 87109, telephone (505) 342-3201.

There are two Section 14 projects at Colorado Springs; one at Powers Blvd and one at Chelton Road. The projects are to protect the roadway bridges and involve grade control and slope protection.

There is one Section 205 project at Colorado Springs along Cheyenne Creek. The District is recommending that this become a General Investigation Study, since the costs exceed the Federal funding limitations for a Section 205 project.

**7. Flood Plain Management Services.** The Corps Flood Plain Management Services (FPMS) Program authority stems from Section 206 of the Flood Control Act of 1960 (PL 86-645), as amended. The objective of the Flood Plain Management Services Program is to support comprehensive floodplain management with technical services and planning guidance at all appropriate governmental and community levels. These services are provided to State, regional, and local governments and Indian tribes at no cost. Section 321 of the Water Resources Development Act of 1990 requires recovering the cost of services provided to Federal Agencies and to private entities. A fee schedule has been established. Section 202 of the Water Resources Development Act of 1999 (PL 106-53) authorizes the Secretary of the Army to collect funds contributed voluntarily from State, regional, and local governments, Indian tribes,

and other non-Federal public agencies for the purpose of recovering the cost of providing services pursuant to Section 206.

Services available include assistance in interpretation and evaluation of basic flood-hazard data; guidance in preparation of floodplain regulations; advice on the use of data regarding possible alternative developments in flood-prone areas; guidance on structural and nonstructural measures that might be employed to reduce flood hazard; and, in some cases, development of basic flood-hazard data. Governmental agencies or persons having a need for these services should contact the U.S. Army Corps of Engineers, Hydrology and Hydraulics Section, 4101 Jefferson Plaza NE, Albuquerque, New Mexico 87109-3435, telephone 505-342-3323, or consult the FPMS web page at: <http://www.spa.usace.army.mil/fpms>.

In 2002, at the request of the Colorado Water Conservation Board and the city of Florence, the Corps initiated and completed a floodplain delineation study for Oak Creek in Fremont County between the City of Florence and the town of Williamsburg.

The Corps also initiated a hydrologic analysis of the Black Squirrel Creek watershed in El Paso and Pueblo Counties and a floodplain delineation study for Coal Creek through the City of Florence.

The Corps continues work on a hydrologic analysis of Fountain Creek from the headwaters to the confluence with the Arkansas River. In addition to these studies, the Corps received twelve requests for technical services at specific sites within the Arkansas River Basin.

**8. 404 Permits.** Section 404 of the Clean Water Act prohibits discharges of dredged or fill materials into waters of the United States, including wetlands, without a permit from the Corps. Persons or agencies who are planning to do filling or excavation activities in any waterway should contact the Corps office in Pueblo, Colorado.

In 2002, 7 individual permits were issued in the Arkansas River Basin. An additional 102 activities in the Basin were reviewed during the period and most were covered under nationwide permits. Persons or agencies who are planning to conduct fill or excavation activities in any waterway are advised to contact the Southern Colorado Project Office, 720 North Main, Suite 205, Pueblo, Colorado 81003, (719) 543-9459. Information, including all public notices, is also available on our web home page at: <http://www.spa.usace.army.mil/reg/>.

**9. Emergency Management Coordination.** Public Law 84-99 gives the Corps of Engineers the authority to assist state and local governments before, during and after flood events.

The Corps' Emergency Management Branch works with Local governments to inspect numerous flood control projects throughout the Arkansas Basin to insure that these facilities are in proper operational condition for the next flood season. During years with high snow pack, the Corps works with the Colorado Water Conservation Board to prepare for flood fight activities that may be required.

During the past year, the Emergency Management Branch received 6 contacts from local governments and private citizens in the Arkansas River Basin requesting information or assistance regarding flood related activities.

# **Exhibit 5**

# **Exhibit 6**

OPERATING PRINCIPLES  
TRINIDAD DAM AND RESERVOIR PROJECT

AMENDED 2003

**Preamble**

The Trinidad Dam and Reservoir Project as reported in House Document No. 325, 84<sup>th</sup> Congress, 2d Session, and as authorized by the Flood Control Act of 1958, will be operated in such a manner as to secure the greatest practicable benefits from the regulation and use of the flows of the Purgatoire River consistent with the laws and policies of the State of Colorado and of the United States including the Arkansas River Compact. The objectives and principles governing the operation of the Trinidad Dam and Reservoir Project to secure such benefits are contained within the following articles.

- Article I - OBJECTIVES
- Article II - DEFINITION OF TERMS
- Article III - FLOOD CONTROL
- Article IV - IRRIGATION, MUNICIPAL AND INDUSTRIAL
- Article V - FISHERY AND RECREATION
- Article VI - REVIEW AND AMENDMENT

**Article I - OBJECTIVES**

The operation of the Trinidad Dam and Reservoir involves the regulation of the flows of the Purgatoire River for flood control, irrigation use, municipal and industrial use and recreation, including a permanent fishery pool. The project plan provides for:

1. Control of floods originating above the reservoir for benefit of the City of Trinidad and downstream reaches.
2. Optimum beneficial use of the available water for irrigation and municipal and industrial uses (municipal and industrial hereinafter abbreviated M&I) within the project area consistent with the protection of downstream non-project rights as set forth in House Document No. 325, 84th Congress, 2d Session, which provides:
  - (a) Transfer of the storage decree of The Model Land & Irrigation Company for 20,000 acre-feet annually from the present site to the proposed Trinidad Reservoir.
  - (b) Storage in the Trinidad Reservoir of flood flows originating on the Purgatoire River above the dam which would otherwise spill from John Martin Reservoir.

(c) Storage in Trinidad Reservoir of the winter flows of the Purgatoire River historically diverted for winter irrigation of project lands.

- 3. The maintenance of a minimum pool for enhancement of recreation and fishery values.
- 4. The construction of the Trinidad Dam and Reservoir with the following allocated capacities:

Flood Control .....	51,000 acre-feet
Irrigation and M&I .....	20,000 acre-feet
Permanent fishery pool .....	15,967 acre-feet
Joint use * .....	<u>39,000</u> acre-feet
Total capacity .....	125,967 acre-feet

\* For irrigation, M&I and sediment accumulation.

**Article II – DEFINITION OF TERMS**

Definition of terms as used herein:

- 1. “Reservoir” means the reservoir presently planned and authorized for construction on the Purgatoire River above the City of Trinidad, Colorado.
- 2. “District” means the Purgatoire River Water Conservancy District, that entity created and existing under laws of the State of Colorado to contract for repayment to the United States of an appropriate share of the project costs allocated to the irrigation and M&I use. The District shall also be the agency responsible for the regulation of irrigation and M&I water supplies within the District boundaries in the manner set forth therein.
- 3. “Unused Sediment Capacity” means that portion of the 39,000 acre-feet of Reservoir capacity allocated to joint use but unoccupied by sediment at any given time.
- 4. “Irrigation Capacity” means the 20,000 acre-feet of reservoir capacity allocated to irrigation and M&I use plus the unsedimented portion of the joint use capacity, and which may be used to replace evaporation and seepage from the permanent fishery pool if rights to water stored in the irrigation capacity are acquired by the State of Colorado, Department of Natural Resources, Division of Parks and Outdoor Recreation, for such purpose. Use of the irrigation capacity to replace evaporation and seepage from the permanent fishery pool shall not diminish the payment of the annual construction charge

- by the District pursuant to Contact No. 7-07-70-W0095, as amended, between District and the United States.
5. **“Permanent Fishery Pool Capacity”** means the 15,967 acre-feet of Reservoir capacity allocated to fishery and recreation.
  6. **“Permanent Fishery Pool”** means the quantity of water stored in the Permanent Fishery Pool Capacity.
  7. **“Flood Control”** means the temporary storage of flood waters at any Reservoir pool level as necessary to alleviate flood damages through the City of Trinidad and downstream reaches.
  8. **“Flood Control Capacity”** means the 51,000 acre-feet of capacity exclusively allocated to flood control lying initially above m.s.l. reservoir elevation 6,229.6.
  9. **“Reservoir Inflow”** is to be expressed in mean daily cubic feet per second of time and means that total flow of water entering the reservoir, comprising measured flows at the inflow gaging stations and other unmeasured inflows entering the reservoir, less such flow of water as may be acquired and imported into the Arkansas River Basin by the State of Colorado for filling and maintaining the permanent fishery pool.
  10. **“District irrigable area”** means only 19,499 acres of contracted lands lying within the District Boundaries.
  11. **“Irrigation Season”** means that period of the year, as determined annually by the District, during which water may be beneficially applied to the District irrigable area, less those lands removed from irrigation, provided the irrigation season will not begin earlier than April 1 or end later than October 15, except as modified by the District with the consent of the Secretary of Interior.
  12. **“Non-Irrigation Season”** means that period of the year other than the Irrigation Season.
  13. **“District Storage Right”** means those rights under which the District may store water in the irrigation capacity for use within the District.
  14. **“District Water Supply”** means the water supply of the Purgatoire River subject to District administration for irrigation and M&I use within the District, and which may be used to replace evaporation and seepage from the permanent fishery pool if rights to water stored in the irrigation capacity are acquired by the State of Colorado, Department of Natural Resources, Division of Parks and Outdoor Recreation, for such purpose.
  15. **“Colorado State Engineer”** means the Colorado State Engineer or such other administrative agency having jurisdiction and control over the distribution of the waters of the State of Colorado.

- 16. “Operating Agency” means the U.S. Army Engineer District, Albuquerque, New Mexico, Corps of Engineers.
- 17. “Removed from irrigation” means District irrigable area for which the associated consumptive use has been changed from irrigation to another type of use by decree or approval of the State Engineer.

**Article III - FLOOD CONTROL**

Trinidad Reservoir shall be operated for flood control benefits in accordance with regulations prescribed by the Secretary of the Army and the following operating principles:

- 1. All potentially damaging flood inflows shall be temporarily detained as necessary to limit the flow insofar as possible to a non-damaging flow, currently estimated to be 5,000 c.f.s., downstream from the Trinidad Reservoir.
- 2. All flood water stored in the flood control capacity shall be released at the maximum non-damaging rate insofar as practicable.
- 3. Any inflow, other than that stored for irrigation and M&I and permanent fishery pool use, temporarily retained below the bottom of the flood control capacity for flood control purposes, shall be released by the operating agency at such a rate, time, and quantity as may be ordered by the Colorado State Engineer, but within non-damaging flow in the channels below the reservoir.

**ARTICLE IV– IRRIGATION, MUNICIPAL AND INDUSTRIAL**

Administration of the irrigation capacity in Trinidad Reservoir and the distribution of water to the District irrigable area to M&I uses within the District, and to replace evaporation and seepage from the permanent fishery pool if rights to water stored in the irrigation capacity are acquired by the State of Colorado, Department of Natural Resources, Division of Parks and Outdoor Recreation, for such purpose, will be made by the District in accordance with House Document No. 325, 84<sup>th</sup> Congress, 2d Session, and these operating principles. Agreements, satisfactory to the Secretary of the Interior, shall be entered into between the District and the ditch companies and other owners of affected water rights to insure that these principles and the operation described herein shall be adopted.

The principles and provisions under which the District will administer water supplies to the District irrigable area to M&I uses within the District, and to replace evaporation and seepage from the permanent fishery pool if rights to water stored in the irrigation capacity are acquired by the State of Colorado, Department of Natural Resources, Division of Parks and Outdoor Recreation, for such purpose, are contained in the following four parts of this Article: “Water Rights,” “Limits of Land and Water Use,” “District Water Supply,” and “Operation and Exercise of Water Rights.”

A. Water Rights

Accomplishment of the following conditions is necessary under the laws of the State of Colorado to provide the District with the right to regulate the flows of the Purgatoire River in the manner described herein:

1. The water users within the District shall assign the right to the exercise of all the decreed direct flow water rights within the District boundaries to the District for administration by the District at such times and to the degree outlined in these principles. The right to the exercise of the following water rights, all in Water District No. 19, shall be so assigned.

Direct Flow Rights  
Water Division No. 2

<u>Number</u>	<u>Priority Date</u>	<u>Contracted Amount (cfs)</u>	<u>Contracting User</u>
3	11/30/ 1861	4.00	Baca
3	11/30/ 1861	2.00	Chicosa, Lujan & Northside
5	03/20/ 1862	4.00	John Flood
7	04/30/ 1862	7.00	Chilili
8	11/15/ 1862	1.55	El Moro Water Users
8	11/15/ 1862	2.18	El Moro
9	01/01/ 1863	1.28	John Flood
9	01/01/ 1863	4.72	Hoehne
12	06/30/ 1863	0.50	Enlarged South Side
13	01/01/ 1864	1.25	John Flood
13	01/01/ 1864	3.75	R. Lacy
15	04/10/ 1864	5.10	John Flood
15	04/10/ 1864	0.80	Hoehne
15	04/10/ 1864	0.847	R. Lacy
19	06/01/ 1865	4.00	R. Lacy
20	10/07/ 1865	7.35	John Flood
20	10/07/ 1865	16.65	Hoehne
21	01/01/ 1866	3.25	R. Lacy
22	02/01/ 1866	1.34	R. Lacy
27	05/31/ 1866	2.25	John Flood
27	05/31/ 1866	0.75	R. Lacy
40	04/30/ 1868	1.40 <sup>1</sup>	Enlarged South Side

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<sup>1</sup> 0.77 cfs abandoned, 0.63 cfs remains

## Work Product of ARCA Engg Committee – Version B

May 22, 2003

<u>Number</u>	<u>Priority</u> <u>Date</u>	<u>Contracted</u> <u>Amount</u> <u>(cfs)</u>	<u>Contracting User</u>
64	04/01/ 1873	2.40	<b>John Flood</b>
73	11/01/ 1875	6.00	<u>Enlarged South Side</u>
74	02/17/ 1876	34.00	<u>Enlarged South Side</u>
75	12/25/ 1876	4.00	<u>Enlarged South Side</u>
77	03/11/ 1877	1.30	<b>El Moro</b>
77	03/11/ 1877	2.70	<u>El Moro Water Users</u>
80	04/07/ 1877	18.60	<u>Enlarged South Side</u>
93	12/15/ 1882	4.00	<u>Enlarged South Side</u>
95	11/04/ 1883	14.39	<u>Chicosa, Lujan &amp; Northside</u>
96	11/23/ 1883	16.84	<u>Enlarged South Side</u>
98	04/30/ 1884	60.00	<u>Enlarged South Side</u>
103	06/21/ 1886	14.73	<u>Chicosa, Lujan &amp; Northside</u>
104	10/21/ 1886	10.00	<u>R. Lacy</u>
106	03/12/ 1887	15.00	<u>Chicosa, Lujan &amp; Northside</u>
108	02/15/ 1888	9.70	<u>Enlarged South Side</u>
109	03/01/ 1888	8.00	<u>Enlarged South Side</u>
145	10/20/ 1902	100.00	<b>John Flood</b>
168	01/22/ 1908	200.00	<b>Model</b>
242 ½	06/12/ 1920	45.56	<u>Chicosa, Lujan &amp; Northside</u>

2. Waters of the Purgatoire River shall be stored by the District in the irrigation capacity of Trinidad Reservoir under rights created under Colorado law; said rights, defined as the District storage right, include:
  - (a) The Model storage right, being the right to store 20,000 acre-feet of water from the flows of the Purgatoire River, under reservoir priority No. 10 in Water District No. 19 at a rate of flow not exceeding 700 cubic feet per second of time under date of appropriation of January 22, 1908, as decreed by the District Court of Las Animas County, Colorado, on January 12, 1925, which right shall, by appropriate statutory proceedings be transferred from the place of storage as originally decreed to the site of the reservoir; and
  - (b) Such other rights to store water in the reservoir as the District may lawfully acquire by appropriation or purchase.

**B. Limits of Land and Water Use**

In order that the Trinidad Dam and Reservoir Project may provide an optimum beneficial use of water for irrigation, and M&I uses within the District, and to replace evaporation and seepage from the permanent fishery pool if rights to water stored in the irrigation capacity are acquired by the State of Colorado, Department of Natural Resources, Division of Parks and Outdoor Recreation, for such purpose, the following limitations on land and water use shall apply:

1. The acreage irrigated by the District water supply shall be limited to the District irrigable area, less those lands removed from irrigation. The District irrigable area shall be composed as nearly as practicable of the acreage identified in contracts with the District under individual ditches:

<u>Picketwire</u>	<u>2,414.7 acres</u>
<u>Baca</u>	<u>319.6 acres</u>
<u>Chilili</u>	<u>300.0 acres</u>
<u>El Moro</u>	<u>176.9 acres</u>
<u>John Flood</u>	<u>2,170.7 acres</u>
<u>Model</u>	<u>7,028.8 acres</u>
<u>Enlarged South Side</u>	<u>6,299.6 acres</u>
<u>Hoehne</u>	<u>1,200.0 acres</u>
<u>Burns &amp; Duncan</u>	<u>229.7 acres</u>
<u>Lewelling &amp; McCormick</u>	<u>467.9 acres</u>

a total of 20,607.9 contract acres.

2. The District shall provide notice each year to the State of Kansas and the Bureau of Reclamation, prior to April 1, of the particular tracts to be irrigated with a map and tabulation identifying those tracts. The Bureau of Reclamation and the State of Kansas may conduct field inspections related to the District Irrigable Area, and the District shall cooperate with the Bureau of Reclamation and the State of Kansas in the conduct of such inspections.

The District shall implement substantive procedures to verify each year that no more than the District irrigable area less lands removed from irrigation are irrigated in that year ("acreage limitation"). The procedures shall be sufficient to identify the particular parcels under irrigation in any year and to determine compliance with the acreage limitation. The District shall prepare a verification report each year in which it shall verify and document that irrigation has been limited to the District irrigable area, less those lands removed from irrigation. The District shall provide the

verification report to the Bureau of Reclamation and State of Kansas prior to February 1 of the following year

- 3. All water deliveries to the District irrigable area, less those lands removed from irrigation, will be limited during the irrigation season to the irrigation requirements at the farm headgate as determined by the District. Allowance for canal and lateral losses on the individual ditch systems will be determined by the District.
- 4. Water deliveries may be diverted or stored for M&I or permanent fishery pool purposes with the following limitations:

(a) Conditions applicable to the City of Trinidad:

- (1) **Only water attributable to the historic consumptive use on acreage removed from irrigation, limited to 948 acres under the Johns Flood Ditch system and 373.7 acres under The Model Land & Irrigation Company system may be made available for M&I storage or permanent fishery pool storage. Water deliveries shall be limited to the following volumes, which shall not include the volumes retained in storage for later release to maintain historic delayed return flow patterns to the Purgatoire River:**

	Maximum Monthly Water Deliveries (acre-feet)
Apr	220
May	345
Jun	565
Jul	685
Aug	620
Sep	345
Oct	160
Nov - Mar	0
Annual Total	2802

- (2) **Water attributable to historic return flows associated with the exercise of the water rights used on the acreage removed from irrigation shall be released in such a manner as to maintain the historic return flow patterns to the Purgatoire River. Such return flows, which shall include non-irrigation season return flows, shall be equal to at least 35 percent of the water available to acreage removed from irrigation.**

- (3) **Removal of District irrigable land from irrigation to enable water to be diverted or stored for M&I or permanent fishery pool purposes shall correspondingly reduce the number of acres allowed to be irrigated from the District water supply. Prior to April 1 each year, the City of Trinidad shall provide notice to the Arkansas River Compact Administration and the State of Kansas of the acreage to be removed each year corresponding to the amount of water for the Johns Flood Ditch and the Model ditch to be stored in Trinidad Reservoir for that year. The report shall include a map indicating the specific acreage to be removed from irrigation.**
  
- (4) **Any Colorado state court or administrative approval of the City of Trinidad’s water use covered by these Operating Principles shall require compliance herewith.**
  
- (b) Conditions applicable to the State of Colorado, Department of Natural Resources, Colorado Division of Parks and Outdoor Recreation:
  - (1) Only water attributable to the historic consumptive use on acreage removed from irrigation, limited to 805.46 acres under The Model Land and & Irrigation Company system may be made available from the irrigation capacity for replacement of evaporation and seepage from the permanent fishery pool. Water deliveries shall be limited to the following volumes, which shall not include the volumes retained in storage for later release to maintain historic delayed return flow patterns to the Purgatoire River:

	<u>Maximum Monthly Water Deliveries (acre-feet)</u>
<u>Apr</u>	<u>135</u>
<u>May</u>	<u>210</u>
<u>Jun</u>	<u>345</u>
<u>Jul</u>	<u>420</u>
<u>Aug</u>	<u>380</u>
<u>Sep</u>	<u>210</u>
<u>Oct</u>	<u>95</u>
<u>Nov - Mar</u>	<u>0</u>
<u>Annual Total</u>	<u>1,708</u>

- (2) Water attributable to historic return flows associated with the exercise of the water rights used on the acreage removed from

irrigation shall be released in such a manner as to maintain the historic return flow patterns to the Purgatoire River. Such return flows, which shall include non-irrigation season return flows, shall be equal to at least 35 percent of the water available to acreage removed from irrigation.

(3) Removal of District irrigable land from irrigation to enable water from the irrigation capacity to be used for replacement of evaporation and seepage from the permanent fishery pool shall correspondingly reduce the number of acres allowed to be irrigated from the District water supply. Prior to April 1 each year, the Colorado Division of Parks and Outdoor Recreation shall provide notice to the District, the Arkansas River Compact Administration and the State of Kansas of the acreage to be removed each year corresponding to the amount of water for the Model Ditch to be stored in Trinidad Reservoir for that year. The report shall include a map indicating the specific acreage to be removed from irrigation.

(4) Any Colorado state court or administrative approval of the State of Colorado, Department of Natural Resources, Colorado Division of Parks and Outdoor Recreation water use covered by these Operating Principles shall require compliance herewith.

5. No water deliveries for irrigation of the **District irrigable area**, less those lands removed from irrigation, will be made during the **non-irrigation season**. Water may be released during the **non-irrigation season** for M&I use or to maintain historic return flow patterns for lands removed from irrigation.

C. District Water Supply

1. That water supply of the Purgatoire River subject to **District** administration for irrigation and M&I use within the **District**, and to replace evaporation and seepage from the permanent fishery pool if rights to water stored in the irrigation capacity are acquired by the State of Colorado, Department of Natural Resources, Division of Parks and Outdoor Recreation, for such purpose, defined as the **District water supply**, consists of:

(a) The water stored under the **District storage right** in the **irrigation capacity**.

- (b) The stream gains to the Purgatoire River below Trinidad Dam that are divertible to the District irrigable area, less those lands removed from irrigation, for irrigation use through the District's exercise of the water rights listed in IV.A.1.
  - (c) That portion of the reservoir inflow at Trinidad Dam which is available to the District through the District's exercise of the water rights listed in IV.A.1.
2. The District water supply will be allocated by the District to the ditches within the District to provide each acre of the District irrigable area, less those lands removed from irrigation, an equitable share of the District water supply after allowance has been made for individual ditch transportation losses, provided such allocation will not exceed the irrigation requirements at the farm headgate.

D. Operation and Exercise of Water Rights

The principles governing operation of the irrigation capacity and the District's exercise of the assigned direct flow water rights listed under IV.A.1. and the District storage right are hereinafter set forth as they apply to operations during the entire year as well as to operations during either the non-irrigation season or irrigation season.

1. Non-interference with Downstream Water Rights
- (a) Bypasses to the river shall be made at any time during the year to satisfy downstream senior rights as ordered by the Colorado State Engineer to the extent that such demands are not met by stream gains or otherwise satisfied; but are limited to the extent as determined by the Colorado State Engineer to actually benefit such rights without unnecessary waste through channel losses.
  - (b) Reservoir inflow in excess of the amount stored under the transferred Model right may be detained in the reservoir at such times as John Martin Reservoir is reasonably expected to spill; to the extent that John Martin Reservoir would have spilled, such detained water shall be considered to have been stored under the District storage right and become part of the District water supply. Such detained water which does not become a part of the District water supply shall be released as called for by the Colorado State Engineer in the amounts and at such times as he shall determine that such releases may be required to avoid a material depletion of the water of the Arkansas River as defined in Article 3 of the Arkansas River Compact C.R.S., 1953, 148-9-1.

- (c) Except as provided by paragraph (b) above, any water temporarily detained in the reservoir as a result of the reservoir inflow exceeding the design outlet capacity of the reservoir shall be released as soon as possible.
- (d) All releases from the reservoir as set forth in (a), (b) and (c) above, shall be passed down the Purgatoire River without interference by water users in the District irrigable area.

2. District Operation, Non-Irrigation Season

Option 1 (a) During the non-irrigation season the District will provide an allowance for stock watering purposes of not more than 1,200 acre-feet measured at the ditch headgates diverting water for stock watering purposes. If the stream gains below the Trinidad Dam are insufficient to fulfill the allowance, an equivalent volume of reservoir inflow may be released to satisfy stock water demands within the allowance, provided, the stock water allowance shall not be used for irrigation purposes. The maximum daily quantity released may be up to, but shall not exceed, the total reservoir inflow on the previous day and shall not count as water stored under the District Storage Right. No other diversions by Project ditches shall be allowed prior to April 1 of any year.

Option 2 (a) During the non-irrigation season the District may release up to 1,200 acre-feet per year of reservoir inflows, measured at the ditch headgates, not to exceed the aggregated daily inflows to that date. Such releases may be used during the non-irrigation season, within the District boundaries, for stock watering purposes. On April 1st of each year, any such water remaining in storage in the reservoir shall be accounted for as being stored as part of the District storage right. No other diversions by Project ditches shall be allowed prior to April 1 of any year.

Resume A report of reservoir releases and diversions for stock watering operations by the Colorado State Engineer will be provided within 30 days of the end of the non-irrigation season, and upon request, reports on specific operations, to the Water Commissioner of the Garden City field office of the Division of Water Resources, Kansas Department of Agriculture

- (b) During the non-irrigation season, the District shall release water stored by the City of Trinidad as designated by the City of Trinidad for:

- (1) M&I purposes;
- (2) Winter return flows;
- (c) During the non-irrigation season, the District shall release water controlled by the Colorado Division of Parks and Outdoor Recreation as designated by the Colorado Division of Parks and Outdoor Recreation for winter return flows.
- (d) During the non-irrigation season, the District will exercise the direct flow water rights and the District storage right only at such times and to the degree as necessary to assure:
  - (1) That the maximum possible storage of reservoir inflow is accrued.
  - (2) The stock water allowance is distributed in a manner determined equitable by the District.

3. District Operation - Irrigation Season

- (a) During the irrigation season, except at such times as provided for in IV.D.3.(c) below, the District shall exercise the direct flow water rights and the District storage right only at such times and to the degree necessary to assure:
  - (1) That stream gains to the river below Trinidad Dam which are divertible to the District irrigable area, less those lands removed from irrigation, and such reservoir inflow which is available to the District for irrigation and M&I use, and to replace evaporation and seepage from the permanent fishery pool if rights to water stored in the irrigation capacity are acquired by the State of Colorado, Department of Natural Resources, Division of Parks and Outdoor Recreation, for such purpose, will be equitably allocated to the District irrigable area, less those lands removed from irrigation, as part of the District water supply.
  - (2) That the District storage right can be fully exercised to store reservoir inflow in excess of that bypass to the river as may be required under D.1.(a) and D.3.(a) (1) above.
- (b) During the irrigation season, water stored in the irrigation capacity will be released as needed to fulfill or partially fulfill the irrigation requirements of

the District irrigable area, less those lands removed from irrigation, or as designated by the City of Trinidad, made available for M&I purposes or the permanent fishery pool as provided in paragraph IV B.3.(a) above, or as designated by the Colorado Division of Parks and Outdoor Recreation, used for replacement of evaporation and seepage from the permanent fishery pool as provided in paragraph IV B.3.(b) above.

- (c) During the irrigation season, when the irrigation capacity is empty as determined by the District, the District will relinquish its exercise of the direct flow water rights provided that if the reservoir inflow and stream gains below Trinidad Dam which are divertible to the District irrigable area, less those lands removed from irrigation, exceed the irrigation requirement and such excess is storable under the District storage right, the District will resume the exercise of the direct flow rights and exercise of the District storage right as in D.3. (a) (2) above.

#### 4. Evaporation and Seepage Losses

In the accounting for water in storage, evaporation and seepage losses due to water stored in the irrigation capacity shall be determined using the most recent data available by the Colorado State Engineer and the District with the cooperation of the operating agency.

### **Article V - FISHERY AND RECREATION**

The permanent fishery pool shall be operated in accordance with the following principles:

1. Water for the initial filling and for replacing evaporation and seepage losses will be acquired by the State of Colorado without interference to the District water supply or without interference to usable Stateline flows, or without additional cost to the District or the United States for the Trinidad Project as envisioned in House Document No. 325. In the specific case of the 11,467 acre-feet allocated to the permanent fishery pool pursuant to the Final Environmental Assessment for Revision of the Water Control Manual to Allocate Excess Storage in Trinidad Lake, Las Animas County, Colorado, U.S. Army Corps of Engineers, dated September 1994, the initial filling shall only be made using waters imported into the Arkansas River basin from other river basins, either by direct importation or by exchange pursuant to the laws of Colorado. The initial filling and the replacement of evaporation and seepage shall be made according to the following procedures:
  - (a) All water rights on the Purgatoire River downstream of Trinidad Reservoir will be satisfied during the period of any exchange;

- (b) Prior to any exchange, the specific source of imported or native water, as limited by the Operating Principles for Trinidad Dam and Reservoir Project, as amended, will be verified by the Colorado State Engineer;
- (c) For each acre-foot of native water stored in Trinidad Reservoir by exchange, the Colorado Division of Parks will deliver an acre-foot of identifiable imported water, or native water whose consumptive use has been determined by final decree of the Colorado Water Court, to the Arkansas River at the Las Animas gaging station;
- (d) Transit losses between the source of supply for an exchange and the Las Animas gage will be determined and assessed by the Colorado State Engineer, using the "Livingston Method" or other suitable means, to assure that a "one for one" exchange is accomplished.

The Colorado State Engineer will report and account contemporaneously and annually to the Arkansas River Compact Administration on the initial filling and replacement of evaporation and seepage in the permanent fishery pool.

- 2. The State of Colorado, Department of Natural Resources, Colorado Division of Parks and Outdoor Recreation, may acquire the rights to and use water stored in the irrigation capacity for the purpose of permanent fishery pool so long as the requirements of paragraph IV.B.3.(b) above are followed.
- 3. In the accounting for water in storage, evaporation and seepage losses due to the permanent fishery pool shall be determined using the most recent data available by the Colorado State Engineer and the District with the cooperation of the operating agency.
- 4. There shall never be any release or transfer of water from the permanent fishery pool excepting by necessity of dam safety or flood emergency operations as determined by the Corps of Engineers, District Engineer.

#### **Article VI - REVIEW AND AMENDMENT**

These Operating Principles may be subject to review and amendment not more than once a year at the request of any of the parties' signatory; provided, that at least one review shall be accomplished within the first 10 years following completion of the Trinidad Dam and at least one review shall be accomplished every 10 years thereafter. The primary object of such reviews will be obtaining optimum beneficial use of water as conditions change, operating experience is gained, and more technical data become available.



## **FIVE CONDITIONS**

### State of Kansas

1. All inflows over established Colorado water rights (1,156.05 c.f.s.) be designated flood flows and released as promptly as downstream conditions permit. The only time water so designated may be stored in the conservation pool will be when John Martin Reservoir does not have the capacity to store additional water.
2. Any subsequent amendment of the Operating Principles should be subject to review and approval of the same interests as provided for in the original procedure.
3. Assurances that there will be no significant increase in water use which would result in a depletion of water yield to other Colorado and Kansas water users.
4. That 5 years after beginning operation of the Trinidad Reservoir for irrigation purposes, the Operating Principles be reviewed to determine the effect, if any, the operation has had on other Colorado and Kansas water users and the principles amended as necessary. Each 10 years thereafter, reviews should be provided with amendments as needed.
5. All operating records be open for inspection by any qualified representative of the Arkansas River Compact Administration.

The Bureau of Reclamation concurs fully with the "Operating Principles" as set forth above, and further agrees with the five conditions noted and suggested by the State of Kansas, also stated above.

# **Exhibit 7**

# **Exhibit 8**

# ARKANSAS RIVER COMPACT ADMINISTRATION

112 West Elm Street, Lamar, Colorado 81052  
719-336-2732

For Colorado  
Rod Kuharich, Denver  
James G. Rogers, Lamar  
Thomas R. Pointon, Las Animas

Chairman and Federal Representative  
Robin Jennison  
Healy, Kansas

For Kansas  
David L. Pope, Topeka  
David A. Brenn, Garden City  
Randy Hayzlett, Lakin

## REVISED FY 2003 - 2004 BUDGET

(July 1, 2003 - June 30, 2004)

### I. EXPENDITURES

<b>A. PROFESSIONAL SERVICE CONTRACTS</b>	
1. Treasurer	\$2,000
2. Recording Secretary	\$2,000
3. Operations Secretary	\$6,100
4. Auditor Fee	\$500
5. Court Reporter Fee	\$1,500
	<b>subtotal services</b>
	<b>\$12,100</b>
<b>B. GAGING STATIONS &amp; STUDIES</b>	
1. U.S.G.S. Colorado District Joint Funding [calendar year 2003]	\$31,700
2. U.S.G.S. Kansas District Joint Funding [calendar year 2003]	\$8,200
3. State of Colorado Satellite System	\$10,500
	<b>subtotal gaging</b>
	<b>\$50,400</b>
<b>C. OPERATING EXPENSES</b>	
1. Treasurer Bond	\$100
2. Annual Report Printing	\$8,000
3. Telephone	\$1,200
4. Miscellaneous Office Expense	\$300
5. Postage/Copying/Supplies	\$400
6. Meetings	\$500
7. Travel	\$0
8. Rent	\$1,200
	<b>subtotal operating</b>
	<b>\$11,700</b>
<b>D. OTHER</b>	
1. Equipment	\$0
2. Contingency	\$2,000
3. Litigation	\$0
	<b>subtotal other</b>
	<b>\$2,000</b>
	<b>TOTAL ALL EXPENDITURES</b>
	<b>\$76,200</b>

### II. INCOME

<b>A. ASSESSMENTS</b>	
1. Colorado (60%)	\$40,800
2. Kansas (40%)	\$27,200
	<b>subtotal assessments</b>
	<b>\$68,000</b>
<b>B. OTHER</b>	
1. Interest Earnings	\$2,000
2. Miscellaneous	\$0
	<b>subtotal other</b>
	<b>\$2,000</b>
	<b>TOTAL ALL INCOME</b>
	<b>\$70,000</b>

### III. CASH SURPLUS ACCOUNT

A. ESTIMATED BALANCE JULY 1, 2003	\$98,200
B. EXPENDITURES FROM SURPLUS	\$6,200
C. ADDITION TO SURPLUS	\$0
D. PROJECTED BALANCE JUNE 30, 2004	\$92,000

Adopted by the Arkansas River Compact Administration at its December 11, 2001 Annual Meeting, and revised at its May 23, 2003 reconvened 2002 Annual Meeting.

James Rogers, Treasurer

Date

# **Exhibit 9**