

ORIGINAL

ARKANSAS RIVER COMPACT ADMINISTRATION

SPECIAL MEETING

Friday, May 10, 2002

10:15 A.M. (CST)

Garden City, Kansas

Approved 12/12/06
Paul Fennell

1 Acting Chairperson: David Pope

2

3 Appearing for Colorado:

4 Tom Pointon

5 James Rogers

6 Rod Kuharich

7 Wendy Weiss

8 Steve Miller

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11 Appearing for Kansas:

12 David Pope

13 Randy Hayzlett

14 David Brenn

15 Mark Rude

16 Lee Rolfs

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EXHIBITS

Exhibit 1 - "ARCA Special meeting May 10, 2002

Tentative Agenda", page 4

Exhibit 2 - Sign-In sheet of people attending, page 7

Exhibit 3 - "Joint Work product of JMR Accounting Issues", dated May 9,
2002 at 6:25 p.m., page 9-18,31.

Exhibit 4 - "Draft ARCA May 10, 2002 Resolution for an
Amendment to the 1980 Operating Plan Resolution for a Winter
Water Account in John Martin Reservoir", page 28, 29, 31-33.

Exhibit 5 - Proposed ARCA May 10, 2002 Resolution concerning the re-
regulation of Frying Pan-Arkansas Project Water for the Benefit of the City
of Lamar, Colorado" page 30-33.

1 DAVID POPE: I'd like to call the meeting to
2 order. My name is David Pope, I'm Vice-chairman of the
3 Arkansas River Compact Administration and I'll preside
4 over the meeting this morning in the absence of Chairman
5 Sisneros who is not able to be here today.

6 Welcome everybody to the Special Meeting of the
7 Compact Administration being held here in Garden City on
8 May 10th, 2002. We are happy to be able to host this
9 meeting in Garden City and appreciate our colleagues from
10 the State of Colorado coming to Kansas for the Special
11 Meeting. We have an agenda for the Special Meeting, a
12 tentative agenda, and I believe we will get to that here
13 in just a minute. But maybe the first order of business
14 is introductions. I think it would be appropriate maybe
15 for me to, no bigger than the group is, to just go around
16 and have everyone introduce themselves briefly. As I
17 said, my name is David Pope. Why don't we go ahead to
18 the right here and then we'll come back to the head table
19 and then go on out to the audience.

20 JIM ROGERS: I'm Jim Rogers, Colorado ARCA
21 member.

22 DAVE BRENN: Dave Brenn, Kansas ARCA.

23 ROD KUCHARICH: Rod Kuharich, I'm the Director of
24 the Water Conservation Board and ARCA member.

25 TOM POINTON: Tom Pointon, Colorado ARCA member.

1 WENDY WEISS: Wendy Weiss, Colorado Attorney
2 General's office.

3 DAVID POPE: We'll go back this way. And I
4 probably didn't say, but I'm a member of the
5 Administration, I'm from Topeka with the Division of
6 Water Resources, Chief Engineer there.

7 RANDY HAYZLETT: Randy Hayzlett, Kansas member
8 of the administration.

9 LEE ROLFS: Lee Rolfs, Kansas Department of
10 Agriculture.

11 MARK RUDE: Mark Rude, Kansas Department of
12 Agriculture in Garden City and Assistant Operations
13 Secretary.

14 STEVE WITTE: I'm Steve Witte, Division Engineer
15 for the Arkansas River Basin in Colorado and I serve as
16 the Operations Secretary.

17 RANDY SEAHOLM: I'm Randy Seaholm with the
18 Colorado Water Conservation Board.

19 JIM GORDANIER: Jim Gordanier, I'm just a Kansas
20 resident.

21 DAVID POPE: Okay. Thank you.

22 GEORGE AUSTIN: George Austin with the Kansas
23 Department of Agriculture in Topeka.

24 STEVE SWAFFAR: I'm Steve Swaffar, representing
25 the Kansas Farm Bureau.

1 STEVEN HINES: Steven Hines, Frontier Ditch
2 Coolidge.

3 KEVIN SALTER: Kevin Salter, I work for the
4 Garden City Field Office for the Kansas Division of Water
5 Resources.

6 MALCOLM WILSON: Malcolm Wilson, of - I'm
7 with the Bureau of Reclamation in Loveland, Colorado.

8 DAVID ANDERSON: I'm David Anderson, Kansas
9 Department of Agriculture in Garden City.

10 HAL SCHEUERMAN: I'm Hal Scheuerman, I'm with
11 Kearny County Farmers Irrigation, Deerfield - Lakin area.

12 STEVE MILLER: Steve Miller, Colorado Water
13 Conservation Board, Denver. If you would like I could
14 start a sign-up sheet. Would that be useful?

15 DAVID POPE: I think that's appropriate, Steve.
16 Would you do so?

17 STEVE MILLER: I'll start back here.

18 BILL TYNER: I'm Bill Tyner, I'm with the
19 Colorado Division of Water Resources.

20 CHARLES DIDOMENICO: Charlie DiDomenico,
21 Division of Water Resources, Colorado.

22 ROXANA HEGEMAN: Roxana Hegeman, Associated
23 Press reporter.

24 DAVID POPE: Okay. I think that's everyone.
25 Appreciate that. And as Steve Miller has indicated, he

1 will start around a sign-up sheet, I think that would be
2 good for us to have.

3 The next item on the agenda is to review any
4 revisions to the agenda. Are there proposed revisions to
5 the tentative agenda from any members of the
6 Administration? Hearing none, we will proceed with the
7 agenda as printed.

8 Our first item of business is a report from the
9 Operations Committee by Jim Rogers, chairman of that
10 committee. I would just say parenthetically going in
11 that most of you here were here yesterday for a rather
12 long meeting of the Operations Committee, not necessarily
13 everybody, so Jim can report on the status of that.

14 JIM ROGERS: We did meet at length, believe me,
15 and we discussed and re-discussed and we come up with, I
16 think, some progress. We had a worksheet and we come out
17 with Operation Committee on that, which will be discussed
18 in the details under Item 5 down here, and I think it was
19 very beneficial. This meeting, it seemed like it took a
20 long time and a lot of hard work but I do think we have
21 made some gains onto it. So that there will pretty well
22 conclude my report and we'll pick it up again tonight at
23 five.

24 DAVID POPE: Okay. Thank you, Jim. Also might
25 just mention that the Kansas member of the Operations

1 Committee is David Brenn here, so it was David and Jim
2 that were members of the committee. But again, I think
3 we did have participation from many of the
4 representatives of the Administration and other staff
5 members from both the...Steve Witte's office and Mark
6 Rude's office representing the staffs of the two agencies
7 involved along with members of the Colorado Water
8 Conservation Board staff. And so we appreciate that time
9 and effort that everybody spent on that.

10 Let's move into, then, Item 5 of the agenda.
11 And on that the first item, A, is Recommendations from
12 the Operations Committee. As Jim Rogers has reported,
13 the committee worked off of the agenda for the Operations
14 Committee and also a document, sort of a table format
15 document that was produced for purposes of this meeting.
16 I think Kansas took the lead in getting the first draft
17 out but tried to accommodate comments representing
18 Colorado views in regard to the various issues. And then
19 the committee went through and tried to put a
20 recommendation in the...or a comment in the table as we
21 went through. So, Jim, I don't know whether you want to
22 lead us through that discussion, or how would be the best
23 to... It seems to me like probably what we would need to
24 do would be just to -- not necessarily relive all of the
25 discussion from yesterday but by any means...I see a head

1 shaking no -- but to talk about maybe just the status of
2 those as we work our way through the table. Would that
3 be appropriate?

4 JIM ROGERS: Okay. Let's start out with Item
5 4.1.A. on the worksheet, our final recommendation.

6 DAVID POPE: Excuse me, Jim. Kevin.

7 KEVIN SALTER: There are some extra copies here
8 for some people that don't have them in the audience.

9 DAVID POPE: Yes, there are extra copies here
10 for...this is a...

11 KEVIN SALTER: This is current as of last night.

12 DAVID POPE: This is Kevin Salter speaking, and
13 based on discussions yesterday, Kevin made the revisions
14 to add into the spreadsheet and printed off a new version
15 from this morning, so at least as of yesterday we would
16 have at least those things that the committee was able to
17 put into the column. Now I'm not suggesting that it
18 includes a full-blown description of everything
19 that...maybe there perhaps I should speak...I see Steve.
20 Do you have comments on that? Steve Witte.

21 STEVE WITTE: I just was...my name is Steve
22 Witte. I just wanted to ask for clarification, perhaps I
23 wasn't listening closely enough. Do you intend to make
24 this a part of the record of today's proceedings?

25 DAVID POPE: I think that's a point that can be

1 discussed here. My view I think, Steve, was this is
2 clearly simply a work in progress, it is not a final
3 document that either delegation is committing to in any
4 way. It would be, I think, useful to have this available
5 for some form because it is what we spent a lot of time
6 talking about. Perhaps as a...in that context I guess
7 part of the record. However, if...if, particularly some
8 of the things that, in all fairness to representatives
9 here from Colorado, if you believe there are comments
10 that you would like to see rephrased maybe we ought to
11 talk about a way to do that.

12 STEVE WITTE: Do you think, Mr. Pope, as long as
13 it's understood that it's a draft document, as it's
14 labeled, that it is a work in progress. I guess I don't
15 have any problem even having it serve as a part of the
16 record of what our discussions involved yesterday. But
17 would also like the record to reflect that this does not
18 necessarily accurately reflect Colorado's position at the
19 present time. It is a work in progress.

20 DAVID POPE: Okay. I think that's a good
21 clarification. And candidly, the same could probably be
22 said for Kansas as well because it wasn't something we
23 came into the meeting with, necessarily representing a
24 final official position of Kansas either. It was a work
25 product that the staff here, particularly in Garden City,

1 tried to develop as a form for discussion so I think
2 probably the same thing could be said there as well. You
3 have to have something to sort of guide discussions. And
4 now, if we...if you believe it would be useful, I
5 think...I think Kevin has made an electronic copy
6 available to Steve Miller, if you would like to have some
7 time to adjust some of the wording and provide that
8 later, there's a possibility of doing that too.

9 STEVE WITTE: Yes, I guess that's inherent in
10 characterizing it as a work in progress. I think it does
11 accurately reflect the consensus of the committee
12 regarding the Operation Committee's comments.

13 DAVID POPE: Well, perhaps maybe just as of the
14 discussion yesterday it reflects that in terms of at
15 least the comments from the Operations Committee. And
16 then where we go from here is another topic, and
17 presumably there will be other versions.

18 STEVE WITTE: Very good.

19 LEE ROLFS: This is Lee Rolfs. I would suggest
20 that a copy of this document be attached to the
21 transcript as an exhibit just to show what was being
22 discussed. Otherwise if you read the transcript without
23 this document you could have a great deal of difficulty
24 following the discussion and...but I think any caveats
25 you want to put on it as far as it's a work in progress

1 and draft and it's not final and all of that would be
2 entirely appropriate.

3 DAVID POPE: Are there other comments on that?
4 Rod, did you...

5 ROD KUCHARICH: Yeah. I think Dave is first
6 though.

7 DAVID POPE: Okay.

8 DAVID BRENN: Just kind of a reflection, I...it
9 was my feeling that this meeting for both States was
10 determined that official action on documents or issues or
11 resolutions wouldn't occur. But for the record, I think
12 it's important that although as frustrating as these
13 kinds of things can be when they deal with these kinds of
14 issues, that there has been significant effort to get to
15 this point. And I also believe both States should be
16 recognized for that effort. I believe that this is a
17 work in progress. I concur with Lee that we need to
18 attach this as an exhibit to the record of this meeting.
19 But I think we have to realize that there's still a lot
20 of work to do.

21 DAVID POPE: Okay, thank you. Rod.

22 ROD KUCHARICH: Rod Kuharich for the record. I
23 would say I agree with what's been said here, let's
24 attach this, this is kind of a box score of where we're
25 at on these issues and that it shows that we have made

1 progress. I know when the commission tasked, the
2 Operations Secretary and the Assistant Operations
3 Secretary to attempt to work through the issues -- I
4 didn't realize until you know, a couple of months ago
5 when we met with Steve on...on these issues just how much
6 work had been involved, how much work was yet to be done
7 to come to a realization, to a conclusion, so you know, I
8 commend both of them. And I think the meeting we had
9 yesterday was productive, more productive than
10 frustrating. Although late that night it got
11 frustrating.

12 DAVID POPE: I think we probably stayed a little
13 longer maybe than we should have and the frustration....

14 ROD KUCHARICH: (Interrupting.) Right. But I
15 do think we have made significant progress and I think
16 they should be thanked for the work they have done.

17 DAVID POPE: I appreciate that. And let me just
18 agree with that. I know that staffs of both States,
19 under the leadership of Mark Rude for Kansas and Steve
20 Witte for Colorado, met, I think, two or three times
21 leading up to this meeting, not to mention previous
22 meetings prior to this year. But there has been a lot of
23 time and effort and so we all appreciate that.

24 Kevin, I think you...

25 KEVIN SALTER: Yeah, back to the point that

1 Steve Miller...this is Kevin Salter. Steve Miller has
2 already approached me about changing and modifying this
3 document this morning. We have talked about exchange of
4 information to keep this as a work in progress as far as
5 this water issue matrix because that's something that may
6 not have been shared with everybody in the room at the
7 time, so this...we are working on trying to go ahead and
8 keep it as a work product. I know for staff it's been a
9 very beneficial document to have before us.

10 DAVID POPE: Steve, did you have a comment?

11 STEVE MILLER: Last night when Kevin and I
12 talked he gave me an electronic copy, it wasn't my
13 expectation it would be made a part of the record in it's
14 current form but it was a good summary of what we had
15 accomplished. I wonder if there would be some way to
16 maybe give Colorado a chance to at least...and the main
17 problem is the statements of Colorado's position, they
18 aren't as carefully worded as we would word them today.
19 I'm not saying that Kevin misquoted us, but those were
20 things we said in April, and maybe in December. If there
21 would be some way to defer completing the document for a
22 day or two so that we could reword some of Colorado's
23 positions. Or you could note that the language in there
24 is a...I don't know, I'm not sure how you want to word
25 it. But that would be the reservation I'd have about

1 putting the whole document in the record, is that there
2 are some things...the one that really jumps out to me is
3 the description of agreement "B" issues, the
4 description of our position probably isn't worded right.

5 DAVID POPE: If...the dilemma I think we have,
6 and I want to be from my own standpoint, sensitive to
7 that very issue, so that this is as good as it can be for
8 a work in progress at this stage. I think, as I think
9 Mr. Rolfs may have said, our dilemma is if we refer to
10 this as we go through and then don't have anything there
11 that has any reference to what we referred to, that
12 becomes an awkward situation. But perhaps what we could
13 do is, if it doesn't change the format or the numbering
14 system or any of those things, I don't really have a
15 problem with perhaps if Colorado would like a few days to
16 tweak the language in those particular boxes in terms of
17 stating their position. We have both documents you know,
18 that do exist, and if that's the one that would be
19 preferable to call the product of this meeting I don't
20 know as I have a problem with that.

21 ROD KUCHARICH: I don't either. And that may be
22 more appropriate since I think if we would have had an
23 opportunity to look at it earlier in depth we may have
24 made some of those changes before we got to the meeting,
25 so...and I think with what Lee says, it is a work in

1 progress and it's a snapshot of where we are in time
2 working to a conclusion of these issues. You know, if
3 you give us a couple of days we'll do some wordsmithing
4 on the Colorado positions in that one particular column
5 and I think we can then make it part of the record.

6 LEE ROLFS: I guess it just depends on what kind
7 of discussion occurs here today. If the discussion
8 revolves around Colorado saying well, it says in our box
9 here that our position is this and it's really that, and
10 then we attach a different document later, then that
11 would be confusing. I'm in no way saying that by
12 attaching this in its current form that that's committing
13 anybody, either State, to any position. I'm just saying
14 this is the document we are discussing on the record
15 today and it would probably be helpful to those who
16 follow after us if they are ever reading this transcript
17 and trying to figure out what we talked about today, that
18 those...both of those current documents and...

19 STEVE MILLER: I don't have a competing
20 document. I have some handwritten notes of things I
21 would like to reword in that. We did have a competing
22 document. In fact, ours was the Genesis for this. But
23 rather than have two versions out there...we don't want
24 two tables, let's not start here with...we do want to get
25 to an agreed upon set of statements. But I don't think I

1 would want that one in it's present format to represent
2 the thoughts of both States, either yesterday or today.
3 We could go through it and revise it on the record if you
4 want to do that, but I think that's kind of an exercise
5 in futility and keep us...

6 ROD KUCHARICH: Mr. Chairman, I would suggest we
7 just leave it as is with the note it doesn't necessarily
8 reflect either State's position finitely. The next
9 version at the next meeting may be more direct to what
10 our respective positions are. I mean it's a...what could
11 we call it, a work in progress, a living document, a
12 draft that's not committing either State to anything.

13 DAVID POPE: I think under those conditions it
14 would be cleaner just for purposes of having something
15 that we talk about here today to do it. And we fully
16 realize and would expect that the next version that
17 Colorado, it may very well be true for Kansas too, would
18 want to rephrase some of the things that better describe
19 their position.

20 ROD KUCHARICH: I agree.

21 DAVID POPE: And so under those circumstances I
22 think it's cleaner just to use this one for purposes of
23 this record.

24 ROD KUCHARICH: And I would thank Kevin and Steve
25 in addition for all of the work they put into these

1 things too.

2 DAVID POPE: And they have done that, we
3 appreciate that. Kevin.

4 KEVIN SALTER: For the record, the paper copy
5 that you have before you, if you look at the lower left
6 corner, this is May 9th, 2002 at 6:25 p.m., so that's the
7 document you have before you. This morning it's already
8 been modified and changed with what the Operations
9 Committee did. I tried to note those in the Operation
10 comments that those were done today. So even the
11 document you have before you has already been modified,
12 but it has...it is useful for the record.

13 STEVE MILLER: If it would help, I have a
14 printer out in the car and we could print it before we
15 leave what we currently have electronically.

16 DAVID POPE: Sounds like a good idea. Okay. I
17 think the whole point was we would just have the one
18 attached that was the latest one before us at the time of
19 the meeting. Okay. With that, thank you all for your
20 comments and we will proceed on that basis. Back to you,
21 I think, Jim.

22 JIM ROGERS: Okay. How much of this do we want
23 to discuss then? We pretty well hashed it over to the
24 extent...do we need to go through all of these again?

25 DAVID BRENN: As your cohort, I think not. Item

1 3 is...is one that probably needs just clarification to
2 the record.

3 DAVID POPE: Would it be appropriate just to...I
4 guess it's in the printed document, but if it's going to
5 be attached, I guess it really doesn't matter. But the
6 essence of it, I'm not suggesting that we talk about the
7 positions or the...all the discussions occurred, but you
8 know, if we just sort of flip ourselves through the table
9 we can see there are some items that the recommendation's
10 on and...but maybe that speaks for itself.

11 JIM ROGERS: What then do we pick out?

12 DAVID POPE: Why don't you do it this way. Jim,
13 let me just take a stab at saying that embodied within
14 the table and as a result of the meeting, again with all
15 of the caveats that we have just talked about, the
16 Committee has inserted under a column called Operation
17 Committee Comments that contains recommendations. Again,
18 we are not talking about action here today, so these are
19 just in the form of where the Committee got to and some
20 of those were that an issue was resolved, some of those
21 are they need to be continued to be worked on. There's
22 two or three of these that I think are worthy of at least
23 noting a little bit. And that's, for example some of the
24 ongoing work that Steve Witte's shop has to do some
25 analysis and maybe a brief summary of that work that

1 isn't captured totally in the table and attempts by the
2 States to try to deal with the issue of transit loss and
3 how water would be accounted for in terms of deliveries.
4 I think that's...that's not really totally captured in
5 the written document very well, so maybe if we...when we
6 get to that item that might be worth talking about just a
7 little. But I'm not, again, expecting a big discussion
8 about the merits of this, that and the other.

9 JIM ROGERS: Okay. Then Item 4.1.A., where we
10 kind of considered a recommendation to assign this to the
11 Engineering Committee to do some research on the
12 permanent pool. I think we were looking for some action
13 from the ARCA to do that or...

14 ROD KUCHARICH: I'd make that motion.

15 DAVID POPE: Do we have a second?

16 DAVE BRENN: I'll second.

17 DAVID POPE: We have a motion and a second
18 to...that ARCA assign the Engineering Committee
19 responsibility, again going off of the sheets here, I
20 presume what you mean is to...

21 ROD KUCHARICH: (Interrupting.) Yes.

22 DAVID POPE: ...consider the other potential
23 sources of permanent pool water, this being related to
24 the Item 4.A.1., and to consider other ways to resolve
25 that particular issue, is that a synopsis?

1 ROD KUCHARICH: I believe it is, yes.

2 DAVID POPE: Comments on the motion as this
3 particular assignment to the Engineering Committee?
4 Hearing none; how does Colorado vote?

5 ROD KUCHARICH: Aye.

6 DAVID POPE: And Kansas?

7 RANDY HAYZLETT: Aye.

8 DAVID POPE: Kansas will vote aye. Okay. We
9 have an action item there then.

10 Are there other specific ones as we flip through
11 here that need that kind of discussion, Jim?

12 JIM ROGERS: I'm thinking it pretty well speaks
13 for itself. If...let's just go down the list and if
14 anyone has some major information or they would like to
15 share or comments, what we worked off of yesterday was in
16 this agenda here.

17 DAVID POPE: I think without belaboring the
18 thing in any great depth, just acknowledge that in --
19 let's see, I guess it would be Item 4.C.1..

20 JIM ROGERS: 4.D..

21 DAVID POPE: This one is. . .

22 JIM ROGERS: Putting in our comments that that
23 one was resolved.

24 DAVID POPE: I was thinking more of that transit
25 loss delivery rundown issue. Which item is that?

1 STEVE WITTE: 4.C.1..

2 DAVID POPE: That was the one I was thinking of.

3 Jim, would it be appropriate just to ask Steve to make
4 some brief comments about the work they have on the way
5 and the goal out of this one is that the Operations
6 Secretary and the Assistant Operations Secretary should
7 continue to work on the issue. But could we hear briefly
8 on that one from Steve?

9 JIM ROGERS: Steve.

10 STEVE WITTE: Yes. My name is Steve Witte.
11 This Agenda Item 4.C.1. which is reference...in reference
12 to the agenda for the Operations Committee yesterday
13 deals with determination of transit losses, Section
14 II(E)(4) of the 1980 Operating Resolution clearly assigns
15 the responsibility to the Division Engineer of Colorado
16 and my counterpart, the Water Commissioner from Kansas,
17 to determine any transit losses that occur in the
18 delivery of Article II...or Section II, excuse me, water
19 from John Martin Reservoir to Kansas. And the way we
20 hope to approach that is to analyze the historic runs
21 that have occurred in the past. I believe there's been
22 some 35 runs that occurred from 1989 through 2001. We
23 have begun analyzing those in the hope of trying to learn
24 about the behavior of our attempts to deliver water to
25 Kansas using the Section...excuse me, using the Transit

1 Loss Account as a means to help ensure those deliveries
2 so that hopefully we can, by analyzing those runs,
3 determine the nature and characteristics of those runs
4 and how we might quantify when the satisfaction of those
5 deliveries occur according to some yet to be developed
6 set of criteria. So we are going to continue looking at
7 that. We also hope to be able to add additional data for
8 the period in the 1980s that we have not yet compiled to
9 add to the body of data to be analyzed. We hope to share
10 some of that information with the Garden City office
11 staff and hopefully we'll be in a better position to
12 report on it, at least some preliminary findings, when the
13 Commission...or the Administration rather, meets in
14 December.

15 DAVID POPE: Okay. Thank you. Rod.

16 ROD KUCHARICH: Mr. Chairman, is this
17 investigation with the goal of being able to accurately
18 reflect what happens with transit so that we know the
19 quantities and timing of deliveries with various river
20 stages?

21 STEVE WITTE: Yes.

22 ROD KUCHARICH: Just more efficient operation, I
23 think, is the general...is the general direction they are
24 moving, right?

25 DAVID POPE: I was...that would be, I think, the

1 goal that I would understand as well. I was hopeful that
2 out of this analysis and the discussions that could take
3 place between the two offices that at some point there
4 would be a way to come to an agreed upon operations so
5 that not only transit loss but travel times, rundown
6 times, how crediting would be done, those kinds of things
7 could be better defined, but it's not just transit loss
8 in the purest sense, so that there would be agreement
9 ultimately in terms of how those things would be done.
10 And with the historic review of what has occurred, what
11 worked, what didn't work, hopefully we would be in a
12 position to know what is a fair and accurate way to do
13 this. And I think that does imply that our relative
14 agency staff work together to try to do that. I
15 appreciate Steve's time and effort and his staff doing
16 that, we certainly would be glad to help commit some
17 resources to look at it with you as well and add anything
18 we can that would be relevant to it. So that's...seems
19 to me like that's a positive step forward.

20 ROD KUCHARICH: Sure, I agree.

21 DAVID POPE: Beyond that, it's a work in
22 progress kind of thing again, so I don't know that we
23 need to belabor it any further. There's no action to
24 take today, I think, on it.

25 STEVE WITTE: Okay. Very good.

1 JIM ROGERS: Okay. Going on down the list, is
2 there...go through the next items, is there one
3 particular one that you're...you think needs discussed?

4 DAVID POPE: I don't know that there is. I
5 don't want to certainly pick and choose. I thought that
6 one probably was...

7 ROD KUCHARICH: Is there a motion appropriate to
8 accept their recommendations of the Operations Committee
9 from yesterday as embodied in this draft document?

10 DAVID POPE: Well, that's a good question. I
11 wasn't sure we were quite at that stage in terms of
12 action. Maybe given the nature of this whole process we
13 talked about it might be more appropriate to receive that
14 -- I think maybe that's the word you used, I'm not sure
15 -- but received the recommendations, and I'm not sure we
16 are ready for ARCA action in terms of what we do with
17 them yet because there are pieces of the puzzle that are
18 still missing there. But it may be appropriate to do
19 that. I'm not sure what that... The Committee has made
20 some recommendations and put some time and effort into
21 it. I guess I would, again, think it might be
22 appropriate just to receive that because I'm not sure we
23 are really implementing any action that...

24 TOM POINTON: Do you want to postpone action on
25 this until December?

1 DAVID POPE: Is that your preference, or are you
2 more comfortable with that?

3 TOM POINTON: I don't know.

4 DAVID POPE: It may be that...as a practical
5 matter I'm not sure there's a difference.

6 ROD KUCHARICH: We need a resolution to continue
7 to work on the issues that the Operations Committee
8 decided to...

9 DAVID POPE: I think, I guess...are you
10 suggesting that we receive the report from the Operations
11 Committee and ask that work continue?

12 ROD KUCHARICH: Yeah. They are going to continue
13 to work on the outline.

14 DAVID POPE: Work continued as outlined in the
15 recommendations of the Committee?

16 ROD KUCHARICH: Sure, I would think so. We have
17 a few things, minor things resolved already so you know,
18 2.B., 3.B. was resolved, 4.D.1. was resolved. Basically
19 the exchange of data, some changes in how accounting
20 processes work. And then the rest of them were...several
21 of them were to...to have continued discussions. And
22 others were just identified as unresolved at this time,
23 and I would assume those would continue to be open for
24 discussion also.

25 DAVID POPE: Yes. Well, I think a motion of the

1 nature that we just talked about would be appropriate
2 then if some member wants to...

3 ROD KUCHARICH: Well, how should we phrase this?
4 Motion to receive the recommendations of the Operations
5 Committee and to urge them to continue to work on the
6 unresolved issues as they have identified; would that
7 work?

8 DAVID POPE: Do I hear a second to that motion?

9 RANDY HAYZLETT: I'll second.

10 DAVID POPE: We have a second from Randy
11 Hayzlett. Any comments on the motion? If not, is
12 Colorado ready to vote?

13 ROD KUCHARICH: Yes.

14 DAVID POPE: Okay. And Kansas votes aye for the
15 motion.

16 ROD KUCHARICH: Aye, Colorado votes aye.

17 DAVID POPE: Kansas votes aye, so the motion is
18 declared passed. Thank you.

19 I think we are now ready for item 5.B.. Rod, I
20 guess I would turn to you or Jim, how do you want to
21 handle this as far as...

22 ROD KUCHARICH: Well, we had...do you have some
23 comments, Steve? You look like you're ready to get up
24 there. The other Steve then.

25 STEVE MILLER: The first item, the permanent

1 pool there was, in fact, no resolution submitted...

2 REPORTER: Say it again.

3 STEVE MILLER: Start at the beginning?

4 REPORTER: Yes.

5 STEVE MILLER: The agenda items 5.B.1., I
6 believe, is the Permanent Pool Resolution and Colorado,
7 in fact, did not submit a draft resolution to the
8 Operations Committee and doesn't have one today. We
9 discovered fairly late this week that we would probably
10 offer a slightly revised proposal and that's what
11 went...has been referred to the Engineering Committee.
12 So just for the sake of accuracy don't look for a piece
13 of paper on the permanent pool yet.

14 ROD KUCHARICH: And then, Steve, on the other
15 Winter Water Account we don't have a resolution on that
16 either, do we? Or do we?

17 STEVE WITTE: We prepared a resolution that was
18 discussed at the Operations Committee meeting, under
19 their Agenda Item 4.B.2.. Colorado requested additional
20 feedback in response to that proposal. I have copies
21 here that could be made a part of the record of the
22 Administration meeting if that is the will of the
23 Colorado Delegation.

24 ROD KUCHARICH: What would we do, submit those as
25 what, proposed starting point for negotiation and then

1 see if there can be resolution by the December meeting?

2 DAVID POPE: Yeah, I suppose that would be...

3 ROD KUCHARICH: (Interrupting.) Just as another
4 working document.

5 DAVID POPE: It's a question of which way you
6 want to do it. It's something discussed at the
7 Operations Committee meeting and the result from that, as
8 I think we had in the -- well, I guess I'm going to refer
9 to it as Exhibit 1 from this table, was Colorado had
10 submitted the resolution. Kansas had expressed some
11 concerns. Colorado indicated...appreciated a response
12 from Kansas or other suggested alternatives or solutions.
13 That's sort of where we left it. For today, if you would
14 like it to be offered as an attachment to the record...

15 ROD KUCHARICH: (Interrupting.) I think I would,
16 yeah.

17 DAVID POPE: That would at least document what
18 was submitted and discussed yesterday. I don't think we
19 have an objection to that.

20 ROD KUCHARICH: Okay.

21 DAVID POPE: So...

22 ROD KUCHARICH: And then the last item was the
23 City of Lamar on the...the resolution was the...to create
24 a permanent account for re-regulating Lamar's water they
25 are using for augmentation. And I believe that...I don't

1 know which one that is, but that was unresolved by the
2 Operations Committee. There were no comments. I have
3 written down, says concerns were that a temporary use for
4 next year could be okay with Kansas and that a permanent
5 is still under discussion. And Kansas's concerns were
6 need for a storage...need for a storage charge and that
7 charge could be a charge of water rather than a charge of
8 money. And that's all I have written as a note. Kevin,
9 did you put anything down there for that?

10 KEVIN SALTER: Yes. Kevin Salter. The
11 Operations Committee, the way I had captured that was, is
12 that the permanent re-regulating account was still being
13 worked on and that Kansas will not object to the
14 temporary account for 2002, is the comments that were in
15 that document.

16 ROD KUCHARICH: I think that's fine. Steve.

17 STEVE WITTE: Prior to the meeting yesterday we
18 had distributed a draft resolution on behalf of the City
19 of Lamar. We began discussions on May 9th and when the
20 Operations Committee adjourned and then resumed this
21 morning there was continued discussions on that when
22 these comments that Mr. Kuharich mentioned were made.
23 I'm also prepared to submit, for purposes of attachment
24 to the record, a copy of that resolution if it pleases
25 the Administration.

1 ROD KUCHARICH: I think if we treated this the
2 same way we treated Winter Water Resolution, just made it
3 part of the record, that this is one side of the story.

4 DAVID POPE: Okay. Why don't we do this -- and
5 just for purposes of organization, let me do something
6 that I should have done as acting Chair of the meeting,
7 can we go back and say that -- and this will be a
8 correction from what I think I mentioned just a minute
9 ago, that let's make Exhibit 1 for this meeting the
10 agenda. And unless there's an objection, let's make
11 Exhibit 2 the attendance list that has been passed
12 around. Exhibit 3 could then become the table that's
13 been referred to as the Joint Work Product of JMR
14 Accounting Issues that will be...the version being used
15 today will be printed out and used as that. Let's see,
16 what did I say? That's 3. And then Exhibit 4 would be
17 the draft resolution submitted by Colorado related to
18 other Winter Water Account. And what am I up to, 5.
19 Exhibit 5 would then be the draft resolution related to
20 City of Lamar Permanent Re-regulation Account for John
21 Martin Reservoir, and that would be agenda
22 item...referring to the item agenda 5.B.3.. So if we are
23 straight in terms of attachments to the record then I
24 think that would be helpful for the court reporter and
25 for us in future times. Hearing no objection. That will

1 be consensus then.

2 Okay. I guess in regard to the final item there
3 it probably would be appropriate just very briefly to
4 recap that, as I think Kevin Salter read, as of our
5 discussion yesterday and I think consistent with where we
6 left things last December at the Annual Meeting, Kansas
7 will not object to the use of the account by the City of
8 Lamar for this coming year. That was the question, I
9 think, that Steve had posed in his notice to us this
10 year.

11 ROD KUCHARICH: That would be Item 7 of the
12 agenda.

13 DAVID POPE: Oh, did I jump ahead?

14 ROD KUCHARICH: Well, I think in item 5.B.1, 2
15 and 3 all we really have are just discussion items and
16 there's really no action to be taken on those.

17 DAVID POPE: Okay. Yeah. Let me...let me
18 just...there is no action on those, and we've...let's
19 just leave those where they were in terms of the drafts
20 and then we'll come back to the Lamar thing on Item 7
21 then. Is that...

22 STEVE WITTE: Yes. Mr. Vice-chairman, the
23 reason I'm still standing up here is that I wanted to
24 identify these two draft resolutions as being Draft ARCA
25 May 10, 2002 Resolution for an Amendment to the 1980

1 Operating Plan Resolution For a Winter Water Account in
2 John Martin Reservoir. The second is entitled Proposed
3 ARCA May 10th, 2002 Resolution Concerning an Account For
4 the Re-regulation of Fryingpan - Arkansas Project Water
5 For the Benefit of the City of Lamar, Colorado. And I
6 submit to you that the only changes to these from those
7 that you had previously available to you for
8 consideration yesterday and earlier this morning are some
9 typographical changes.

10 STEVE MILLER: The only one that might be
11 considered more than a typographical is the City of Lamar's
12 request from a Storage Account to a Regulating Account.
13 It's near the beginning of the resolution. I was just
14 looking for my red line but I can't find it, but I
15 thought it was fairly early on. Yeah, it's in the: Now
16 therefore be it resolved clause, jointly approve a
17 Regulating Account rather than a Storage Account.

18 STEVE WITTE: How can we expect that that's
19 going to change the outcome?

20 STEVE MILLER: I didn't want you to think that
21 we slipped that in there. We had discussed that
22 ourselves yesterday before the meeting but didn't have an
23 opportunity to put it into the document those that had been
24 copied back in Denver and passed out.

25 ROD KUCHARICH: Those are Exhibits 4 and 5

1 respectively so...

2 DAVID POPE: I think that's the clarity that we
3 just need to bring. I don't believe we have any
4 objection to you submitting the version that you've just
5 described with the changes you've described in terms of
6 typographical and the last change in terms of the term
7 storage versus regulation. So...

8 ROD KUCHARICH: Steve, do you have copies for the
9 reporter?

10 STEVE WITTE: I do. These two resolutions are
11 stapled together there.

12 DAVID POPE: So the one related to Winter Water
13 would be Exhibit 4 and the one relating to Lamar would be
14 Exhibit 5. I guess the...again, I think we have
15 indicated where those stand. I would, I think, just
16 defer any further comment on those until Item 7 on the
17 agenda if that's appropriate. I think that would be
18 good, at least we would know where we are on those terms.

19 Okay. Item 5-C, it's entitled Draft Resolutions
20 for Kansas. Kansas did not present an actual draft
21 resolution for consideration. There were some items in
22 the table, I think it's Exhibit 3, that relate to
23 consideration of the item that was in question, but we
24 didn't have a formal resolution, so just for clarity of
25 the record. The...are we ready for item 5-D, Items which

1 no recommendation was developed. And I think to some
2 extent that has been dealt with I guess in regard to the
3 motion that was taken just a few minutes ago...

4 ROD KUCHARICH: I agree.

5 DAVID POPE: ...it's asked that the -- to the
6 extent they can, that the Committee continue to work on
7 those.

8 ROD KUCHARICH: I believe those are identified
9 as...in Exhibit 3.

10 DAVID POPE: Yes, that's correct. So, I think,
11 essentially we are just asking them to continue as laid
12 out in Exhibit 3.

13 Okay. That moves us to Item 6 on the agenda,
14 which is Procedures to resolve disputed JMR accounting
15 issues on which Operations Committee did not make a
16 recommendation. That's sort of a variation of what we
17 just talked about I guess, where we had some unresolved
18 issues. Does Colorado have comments in terms of how you
19 think we should proceed beyond that on Item 6?

20 ROD KUCHARICH: I think the only comment I would
21 have is that you know, I think we both expect the
22 Operations Secretary and the Assistant Operations
23 Secretary to continue to work on the unresolved items and
24 work towards a December meeting in hopes of other
25 resolved items. If that...if there are, and I fully

1 anticipate there probably will be some unresolved items
2 at that point. I guess my comment is we should probably
3 consider a mid-year meeting again for next year because I
4 think it proved very valuable to, I think, both Colorado
5 and Kansas to identify and discuss the issues and we
6 would move forward on many of them now, I hate to lose
7 the momentum, I guess is my comment.

8 DAVID POPE: Mr. Brenn, did you have a comment?

9 DAVID BRENN: Yes. I think also in our
10 discussion...and I think if we were going to look towards
11 the December meeting that the Operations Secretary and
12 the Assistant should dedicate some of this time and
13 energy in developing a structure or process of
14 communication. And as I mentioned at the Operations
15 meeting, it has to be flexible enough that the Operations
16 Secretary can react to extraordinary events. But I think
17 a more comprehensive structure to communication therefore
18 allowing both of you to report to the full Compact would
19 be reasonable. And I think at some point it can be done
20 if there's an understanding or a dedication and a
21 discipline to some type of structure some of these issues
22 will not be issues. And I think that ought to be part of
23 what we look towards the December meeting.

24 DAVID POPE: Okay. I appreciate that. And I
25 guess what I hear David saying is, if while there are

1 some of these items that relate to exchange of
2 information have been explicitly spelled out in the
3 Exhibit 3, your suggestion is that if Steve and Mark can
4 develop a structure for more effective communication and
5 be talking to each other when issues come up so that they
6 don't set there and fester and wait until the end of the
7 year that that would be a way to try to avoid some of the
8 concerns. Recognizing there has to be flexibility in
9 terms of day-to-day operation, but concerns that exist
10 should be pointed out to either side and attempts made to
11 try to effectively communicate with those. Is that what
12 you're saying, David?

13 DAVE BRENN: Yes.

14 DAVID POPE: I think as far as I'm concerned
15 it's just... Does Colorado have comments on that. Is
16 that a reasonable expectation, Steve and Mark?

17 TOM POINTON: I would just like to make a
18 comment that I think we ought to work toward that. But I
19 think we also ought to think about if no progress is made
20 between now and December we need, as a board, to consider
21 some alternatives to make progress in correcting
22 reservoir accounting procedures. Those methods we need
23 to discuss at some time may include hiring outside
24 professional...a professional in reservoir accounting to
25 make some recommendations that can be agreeable to both

1 States. Just something that we ought to think about,
2 that you know, we didn't get here in one giant step and
3 we are not going to reach our goal in one giant step. We
4 are going to have to do it a piece at a time. But we
5 need...we may at some time need some reference from some
6 expert, per se, to recommend the best accounting
7 procedure that provides the most equitable result for both
8 States.

9 ROD KUCHARICH: I would second that. I think
10 that...I don't know that it necessarily has to be binding
11 arbitration, but I do think that we can get some
12 recommendation from an impartial third party if there are
13 issues we are just simply at an impasse on.

14 DAVID POPE: Okay. I think that's a comment, of
15 course, I would be open to comments here from my fellow
16 members from Kansas. But it seems to me that we have to
17 move this to the next step somewhere along the line. I
18 will tell you that, just from a practical standpoint,
19 what I would expect is that the Operations Secretary and
20 the Assistant Operations Secretary and the associated
21 staff people that work with them do their very best to
22 resolve the ones that have been specifically identified
23 here for continued work. And I think a number of those
24 are ones where progress can be made. I think we need to
25 recognize that some of the unresolved issues are ones

1 that each State has some fairly strong views in some
2 cases. Some of those, I think, fall into the category
3 that we can benefit from some outside help, maybe all.
4 But some of them are the accounting type things that I
5 think Tom has alluded to where I think there may very
6 well be some merit in getting someone that has the
7 engineering and technical background perhaps, to help us
8 with those. That's a good idea, it needs some
9 consideration that we can talk about here at some point
10 in the future. There may be other issues that you know,
11 some sort of third party help. As you indicated, I don't
12 think it necessarily has to be binding arbitration, those
13 are options that can be considered. And somehow we have
14 got to get beyond those. And I'm not sure that we will
15 by December on some of those at least. I think...as I
16 indicated, I think there's some items that I think have
17 been laid out that I would hope progress can be made on.
18 The others, given the fact that this is going to be an
19 extremely busy, demanding year for many of us. Obviously
20 we are aware that there's proceedings going to be
21 starting up again this summer, and the litigation takes
22 time, means people that would assist us on both sides are
23 probably not available to assist us as much as they were
24 otherwise able to. Perhaps getting some of those things
25 out of the way would be helpful as well. So my...I guess

1 my...just as a practical matter, my expectation is that
2 by the time we get through the end of the year I would
3 hope that we could come up with a process at that time.
4 Rod mentioned maybe another mid-year meeting next year
5 and we ought to commit ourselves to working hard to come
6 up with a process that can take the next steps forward.
7 And I think with some give and take on each State, I
8 believe after yesterday we aired a lot of these things,
9 we know where we are and we just have to move forward at
10 that time. I'm not saying it will be easy or either side
11 is going to have to concede everything, but...so I think
12 with that my expectation is we make some progress by
13 December then we're going to have to figure out where we
14 go from there.

15 ROD KUCHARICH: We're on the same page.

16 DAVID POPE: That's good, and that's helpful.
17 So with that, are there any further comments on Item 6?
18 Seems to me like that's a good discussion on that.

19 That leads us to Item 7, which is back to the
20 City of Lamar Re-regulation Account at John Martin. I
21 guess, I think, what has already been stated is Kansas is
22 willing to allow that operation to continue for another
23 year, year 2002. We could spend time talking about that
24 but I don't believe that's necessary or productive here
25 this morning. We did some of that last evening.

1 ROD KUCHARICH: Is there a motion that's needed
2 for this or...

3 DAVID POPE: No, I don't believe there is.
4 Steve, correct me if I'm wrong, I think there was simply
5 a default position that if Kansas...or either State did
6 not object by a certain time period, which I think maybe
7 may have been today...

8 STEVE WITTE: Yes.

9 DAVID POPE: ...then it just moves forward as it
10 has done in the past. And that's essentially all we're
11 saying here today, is we're not objecting for this year
12 with some of the caveats that we have talked about, that
13 we do have, still, continued concerns about this. And I
14 guess I would say, following up again where we started
15 this discussion last December, we really want to move
16 beyond this year-to-year, temporary method in some form
17 whether it's temporary or permanent, so called permanent,
18 we would like better understanding and definition about
19 how this can operate in some different way. I think the
20 real essence of this is let's go forward one more year
21 here on the current basis. And then, I believe, commit
22 ourselves to trying to resolve something for the longer
23 term at the Annual Meeting. What I would suggest is that
24 you know, we have the resolution that Colorado has
25 provided to us yesterday. We have raised some concerns

1 about that during the Operations Committee discussion, I
2 think you're aware of those, you know we had the issues.
3 I think, Rod, you alluded to -- we're not asking for
4 money out of this. I think it is appropriate though, to
5 consider, given if there are benefits derived from use of
6 storage, I think it's a fair question to say how should
7 that be dealt with. Whether that be some form of
8 storage, amount of water, whatever you want to call it.
9 We recognize that depending on the sources of water that
10 may or may not be possible. We recognize this is not a
11 huge item in terms of volumes of water. We want to work,
12 again, with the City. But we think it's time for us to
13 look at all of the alternatives. I guess what we would
14 just simply ask is if Colorado would look at those
15 alternatives, both in terms of the analytical aspect of
16 this and what might be possible in terms of sources of
17 water then we would be prepared to talk about it in
18 December. Beyond that I'm not sure where we go. I mean
19 obviously, there's possibilities of year-to-year, but how
20 long does temporary year-to-year go, that's the other
21 issue.

22 ROD KUCHARICH: I think one of the things I would
23 suggest is we get the City of Lamar into a room with Steve and
24 Mark and just see what they can come up with in terms of how
25 they can be meet the expectations that you've got.

1 DAVID POPE: That may be a good suggestion.
2 And part of that is, I think, just understanding the
3 operation and what the options are and things like that.

4 ROD KUCHARICH: Sure.

5 DAVID POPE: I think that's reasonable. Would
6 that be possible, Steve, from your standpoint, and
7 Mark's?

8 STEVE WITTE: I think that's probably a good
9 suggestion. I'm certainly not the City of Lamar's agent, and
10 I think we need to get them involved in reacting to what is
11 acceptable to them. I don't think anyone from Lamar is
12 here to speak for the City. But in recognition of your
13 desire to bring to this some sort of closure I'm hopeful
14 that perhaps the two positions can be brought closer
15 together by December rather than perhaps make another
16 blind pitch in December not knowing whether it's going to
17 be favorably received or not. So if Mark could serve as
18 that conduit to react to the City of Lamar's proposals
19 and a conduit for Kansas's position I think that might be
20 real helpful.

21 DAVID POPE: Yeah, I...that's fine with me. And
22 I...again, I think if you look at it in the context...and
23 I agree that neither State should be put in a position of
24 trying to negotiate something for a party that's not
25 here. We are not trying to do that, we are trying to get

1 some feedback. I think it's the City that really needs
2 to come up with a proposal and if that can be facilitated
3 by the two of you sitting down with them seems like that
4 makes sense. Again, how this would operate? How it has,
5 how it could operate in the future, sources, how the
6 water is used, where it's used, what's the effect of
7 that? How do we deal with this? You know, sort of the
8 technical questions of how the water is moved. And then
9 secondly, brainstorm about ways to come up with something
10 that would be fair and acceptable on terms of use of the
11 storage space. Those are the kind of the list of items.
12 I don't think we need to make this a huge thing, but I
13 think some background work would be helpful so that we
14 don't just end up in a deadlock.

15 ROD KUCHARICH: That's fine with me, certainly.

16 DAVID POPE: Okay, thanks. Item 8 is entitled
17 Status of Minutes from Prior Meetings. Steve Miller,
18 you've been kind of the lead on this, would you like to
19 come forward?

20 STEVE MILLER: No.

21 DAVID POPE: Even if you would not like to come
22 forward, would you?

23 STEVE MILLER: Lee and I are jointly the people
24 that get Bev's work out and approved and neither one of
25 us have really followed through on that. There's a few

1 pieces of the...I anticipated doing a status memo, but
2 Lee and I just never compared notes so I'm doing this
3 from the top of my head.

4 There is one set of minutes from '93 where we
5 have a deceased court reporter that we are trying to
6 correct his errors. We had a special meeting where we
7 did the transcription ourselves and that's been drafted
8 and needs to be...I think it's ready for signature in
9 fact, but we need to get that confirmed.

10 And then we have, I believe Bev's work from '99
11 and 2000 that we have not jointly edited and submitted to
12 you for approval. And then we just got the 2001 Annual
13 Meeting draft from Bev and someone up here ought to hold
14 our feet to the fire and tell us we better have all of
15 that stuff in front of you well before the December
16 meeting and clean this up.

17 And we have an Administrative and Legal
18 Committee, which is Rod and Randy. I'm not sure who is
19 the chairman of that, but we could maybe use them as a
20 drill sergeant, if you will. Maybe you should tell us
21 right now that we need to correspond with that committee
22 in a month, or with some time period, of how we are going
23 to get it done. What needs to be done and how we're
24 going to get it done.

25 ROD KUCHARICH: I think it is important that we

1 clean up this backlog. I think that...I mean it's not
2 something that impacts the operation of the Commission,
3 but I do think it's expected of us to run a tight ship
4 and to have...and have this stuff done. I mean
5 that's...that's important I mean. And so much of this
6 was before I was even on the Commission, I'm sure Randy's
7 in the same spot.

8 STEVE MILLER: Unlike the other stuff there's
9 nothing contested in this, we've always been able to
10 reach agreement. It's more of an English and grammar
11 lesson and the spelling thing, that the proper nouns,
12 proper names of things that we use. So there's not a
13 good reason other than it's time consuming and not very
14 much fun.

15 LEE ROLFS: As Mr. Vice-chairman I will have to
16 accept the primary responsibility for this. I have those
17 transcripts, those three, sitting on my desk. Steve has
18 forwarded me the Special Meeting transcripts that his
19 office transcribed with the tapes and said listen to them
20 and make sure I've got it right, so I've got those
21 sitting there. And it's just been a matter of
22 priorities, too many priorities and not enough time.

23 ROD KUCHARICH: Of course you realize if we
24 continue with these mid-year meetings we have actually
25 doubled the amount of...amount of minutes that that we've

1 got waiting for you.

2 STEVE MILLER: If we adjourn by noon we could
3 ...(unintelligible; laughter)...and the editing time
4 though.

5 DAVID POPE: I think we are getting close. I
6 understand, and I think we have a dilemma, we need to get
7 this caught up and then we could stay current would be a
8 lot better than...the more recent ones where we have
9 transcripts shouldn't be that difficult because that's
10 why we have a transcript, is not have to do a lot of time
11 in editing. Obviously they need to be read and things
12 like that, but I...you know, it's a workload issue I'm
13 sure. You...how do we want to proceed? We obviously
14 need to get this done.

15 ROD KUCHARICH: I would expect that we would have
16 minutes of this meeting available for December for
17 approval. And I would hope that we could do a couple of
18 years at a time with each meeting here. So if we can get
19 three years out of the way in December and we can work
20 towards maybe another two or three years at a mid-term or
21 the next Annual Meeting.

22 STEVE MILLER: It's not that bad, Rod. There's
23 '93, which I have some work to do, it's...there's a draft
24 transcript of that meeting but it's...was not done by an
25 official court reporter because he died, he didn't make

1 the fix. Then the Special Meetings are from what, maybe
2 '98 or '99. We don't have the backlog like the Annual
3 Reports.

4 LEE ROLFS: I think there are three Annual
5 Meeting transcripts, plus...

6 STEVE MILLER: We should be able to do the whole
7 thing in December. But if you want milestones then...

8 ROD KUCHARICH: I'll accept that then. I mean if
9 that's what you guys are offering that's...the co-chairs
10 of the Committee are nodding yes.

11 LEE ROLFS: I think you may have misinterpreted
12 the offers.

13 DAVID POPE: I will say this, Mr. Rolfs reminded
14 me just the other day that between two Supreme Court
15 cases that we are involved in, his calendar doesn't have
16 any days left between now and the end of the year.

17 TOM POINTON: Considered nights?

18 DAVID POPE: Get him a new calendar.

19 ROD KUCHARICH: Get him a second calendar.

20 DAVID POPE: Yeah, he needs a second calendar,
21 every day has 24 hours. We will do our very best, and
22 I'm sure that these two gentlemen will and hopefully we
23 can get at least most of this done by this year. But
24 we've just got to get this caught up. So that's kind of
25 the bottom line, is whether we can get it all by this

1 fall is...we will ask them to work as hard at it as they
2 can.

3 STEVE MILLER: One question might be maybe you
4 should tell us to prioritize getting the 2001 done this
5 year. Get the current, most current one, work backwards
6 in other words. That might be...

7 ROD KUCHARICH: Sure, that's fine. And I would
8 expect this one, from this meeting here.

9 DAVID POPE: Okay. Good.

10 ROD KUCHARICH: Whatever we can do to solve this.

11 DAVID POPE: Okay. Yeah, seems like the last
12 couple are really relevant to what we have been working
13 on, so that helps there. Okay, thank you all.

14 Next item is Status of Annual Reports of the
15 Administration. And again, I don't know how much new
16 needs to be added here compared to what we talked about
17 both in December and this morning, it may be just
18 redundant, so I'm not sure whether we want to dwell on
19 that. We do have a backlog clearly, we've got to figure
20 this out. It seems like it's linked into the accounting
21 issues.

22 STEVE MILLER: If we had made more progress
23 yesterday or if we hadn't had the discussion we had this
24 morning already, I have the table of contents from the
25 most recently completed report and I thought we could go

1 through that and identify which data sets were not
2 controversial. But I'm not sure, I think based on this
3 morning that effort is not really worthwhile now. I
4 think we ought to wait and see where we are at in
5 December, if I heard things right.

6 DAVID POPE: I think that's probably the way to
7 do it. Depending on where we are, and if we're not able
8 to make some significant progress in this next year, or
9 whatever it is, then I would say we need to come up with
10 a Plan B at that point. And I guess I'm not ready to
11 figure out what that is today. But if...I think there is
12 some possibility. And I don't have any objection if
13 you've got a Plan B already ready to show us in December
14 or something, you know that would have all of the
15 non-contested stuff and just see whether that would be a
16 meaningful Annual Report. But at this point in time I'm
17 not sure we're ready to commit to that. Is that a
18 fair...

19 STEVE MILLER: Did you get that down, Randy?

20 DAVID POPE: But I do think we need to get on
21 with these so we can have some form of Annual Report
22 before too much longer.

23 ROD KUCHARICH: I agree.

24 DAVID POPE: Okay. We're down to Item 10, which
25 is just Other, other Items, and probably one we have been

1 waiting for because it's right next to adjournment. Are
2 there seriously other items that we have left unresolved
3 that we intended to talk about today?

4 ROD KUCHARICH: Not from Colorado

5 DAVE BRENN: One point that I think we did
6 discuss in the Committee meeting and I think we ought to
7 attend to is that at the December meeting of the Compact
8 I think it would be timely for those entities involved in
9 Colorado to address the Compact in regards to the process
10 of expanded storage and that issue, just to be
11 informational because it is significant to a lot of these
12 issues. And I think the Compact needs to be fully aware
13 of the status and the process that's going on. I fully
14 realize that there are entities within the State of
15 Colorado that have concerns about expanded storage and
16 its impact, but I think that if it's at all possible to
17 facilitate a report at the Annual Meeting, update, that
18 would be good.

19 STEVE MILLER: I worked with the Southeast some on the
20 earlier efforts, the beginning efforts of this, and now
21 that it's got a momentum of its own we are not
22 shepherding quite the way we did at the beginning. But I
23 know for a fact that Steve Arveschoug, the Manager of the
24 District, would be more than happy to come to the ARCA
25 meeting. He did have a schedule conflict last year. But

1 in addition to that he would be more than happy to sit
2 down with you at any place, any time much sooner than
3 that, you don't have to wait until December. If you've
4 got questions now we could arrange something much sooner,
5 whether it be in his area so that you could get a tour,
6 get a chance to look at some of the facilities or if he
7 came down here. I'm fairly safe in saying that he would
8 be here as soon as he was invited.

9 DAVID POPE: Well, Steve, appreciate those
10 comments. And I concur with Dave Brenn that this is an
11 issue that is certainly of major interest to the State of
12 Kansas I know, I'm sure a major interest in various
13 entities in Colorado as well. The...while we have had
14 some awareness and certainly some documentation has been
15 sent to Kansas from time to time I think it probably is
16 fair to say that we haven't felt like we have had a
17 meaningful opportunity to sit down and talk about those
18 issues and what the effect would really be, if any. We
19 understand you know, there is proposed legislation where
20 that involved in some extent in that, so perhaps there is
21 some merit in talking about the issues. That is one
22 thing that we have thus far felt that when we raised
23 concerns or mentioned concerns that it was, thanks for
24 your comments, see you; and that's not very helpful for
25 dealing with these things. So our concern is simply that

1 we believe any Federal project should give consideration,
2 clearly, to what the impacts are and...

3 TOM POINTON: Most of those questions will be
4 answered if the legislation's passed. What the
5 legislation specifically said was a feasibility study,
6 and all of those questions should be answered in a
7 feasibility study.

8 DAVID POPE: Yeah. I think certain parts of
9 those, Tom, presumably would be in regard to the
10 feasibility study. I think there's some questions about
11 the nature and scope of feasibility study that would make
12 some difference in regard to what all got looked at in
13 the answer. But in regard to the expanded storage,
14 presumably that would be correct in regard to the study.
15 The other pieces of the legislation, of course, is
16 re-operation, which would not be subject to study and
17 I think that's something that could also potentially have
18 impacts in our views. So there's a number of things
19 there that also, I think, are important. So at this
20 point in time I guess we just need to figure out where to
21 go with this in regard to the offer that Steve has
22 mentioned.

23 ROD KUCHARICH: I would offer two things; one
24 would certainly have this as an agenda item and we would
25 attempt to do whatever we could to have the players there

1 that...that are involved in this, this study and
2 re-operation as well as the legislation. Then I would, I
3 think -- I'm sure Steve would come down here and meet
4 with you guys. I mean we would certainly attempt to
5 facilitate that if you thought that it would...it would
6 help in any way. I know he has you know, taken his dog
7 and pony show on the road on this bill. I mean it's
8 something that, as you know, has been going on for a
9 couple of years now. And you know, what harm can there
10 be to bring other people into the thing. I think if I
11 were Steve, with adequate explanation I would be seeking
12 your support.

13 DAVID POPE: It seems to me like that you know,
14 while we have some pretty strong views in terms of
15 whether there's, candidly, additional water available for
16 storage in terms of native flows at least, the...I'm of
17 the view also that dialogue is almost always useful, at
18 least have better understanding of things. The...so to
19 the extent that can be facilitated there may be some
20 helpful things there if in fact there is going to be
21 legislation. I don't know where that will move, whether
22 it will move, but I know there is interest in it in
23 Congress. Then the real issue is trying to find ways in
24 which that could occur that...that make all of us as
25 comfortable as we can be. I certainly know there was

1 attempts to try to resolve issues within Colorado, at
2 some level at least, between the East Slope, West Slope,
3 all of those things. But not any effort in there, from
4 our perspective at least, to protect Kansas's interests
5 in a counterpart way. We're down to where not very much
6 water crosses over into Kansas, and there may be
7 different views in terms of that relative number,
8 but...so it's an important issue to us so... I appreciate
9 the comments. At this point I'm not sure how much
10 further we can go with this today, but...and we
11 recognize....I guess the only other comment, I would say
12 is we recognize that all of these issues that...David
13 Brenn mentioned water banking earlier, things of that
14 nature so...

15 ROD KUCHARICH: The agenda items for the December
16 meeting.

17 DAVID POPE: Yeah, I think that's another good
18 one.

19 ROD KUCHARICH: Water banking. The State
20 Engineer just finished a hearing on the rules, rules and
21 regs for Water Banking, I believe what, Wednesday.

22 STEVE WITTE: Wednesday.

23 ROD KUCHARICH: So there will be final rules
24 promulgated. They'll be on the Web, your web site, the
25 State Engineer's Web site?

1 STEVE WITTE: Before July 1.

2 DAVID POPE: So really, Steve, what remains to
3 be done now is just the State Engineer's decision
4 subsequent to the hearing, is that what you're or...

5 STEVE WITTE: That's correct. Subsequent to the
6 hearing he will take into consideration all of the
7 testimony offered and issue a final set of rules. There
8 will be an opportunity to...there will be some
9 publication of those rules, those final rules, made
10 allowing for protest. And, certainly, in the event of a
11 protest there will be review by the Colorado Division 2
12 Water Court. There seems to be some discussion and I'm
13 not sure how the issue was resolved or if it is resolved
14 yet, whether there has to be a Division 2 Water Court
15 review and approval absent the protest.

16 DAVID POPE: Okay. Appreciate the update. Any
17 other items that need to come before the body at this
18 time?

19 ROD KUCHARICH: Is a motion in order?

20 DAVID POPE: A motion is in order.

21 ROD KUCHARICH: So moved.

22 DAVID POPE: Do I hear a second?

23 DAVE BRENN: Second.

24 DAVID POPE: We have a motion for adjournment.

25 All of those in favor?

1 ROD KUCHARICH: Aye.

2 ARCA MEMBERS: Aye.

3 DAVID POPE: I guess the other alternative to
4 that is to leave. Putting that aside, we are adjourned.
5 I do want to say thanks again to our colleagues from
6 Colorado for coming to Kansas, I hope it's been an
7 enjoyable stay for you. Thank you. We are adjourned.

8 (Proceedings conclude.)

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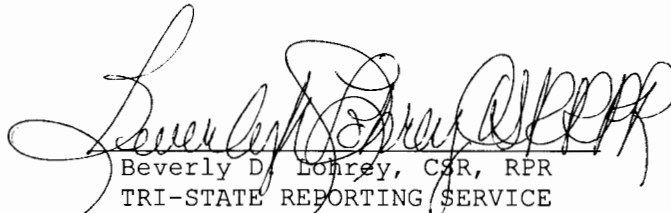
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C E R T I F I C A T E

STATE OF KANSAS)
) ss:
COUNTY OF FINNEY)

I, Beverly D. Lohrey, a Certified Shorthand
Reporter within and for the State of Kansas, certify that the
foregoing is a full and correct transcript of all the oral
evidence and oral proceedings had in this matter at the
aforementioned time and place.

IN WITNESS WHEREOF, I have hereunto set my
hand and official seal at Dodge City, Ford County, Kansas,
this 9th day of November, 2006.


Beverly D. Lohrey, CSR, RPR
TRI-STATE REPORTING SERVICE
PO Box 1056
Dodge City, Kansas 67801
(620) 227.3474

May 10, 2002 ATTACHMENTS

Transcript page no.	Exhibit no.	Item
4	1	ARCA Notice & Agenda Special meeting May 10, 2002 "Draft"
7	2	Attendance Sheet
9-18, 31	3	"Joint Work product of JMR Accounting Issues" dated May 9, 2002 at 6:25 p.m.
28, 29, 31-33	4	"Draft ARCA Resolution for an Amendment to the 1980 Operating Plan Resolution for a Winter Water Account in John Martin Reservoir
30-33	5	"Proposed ARCA Resolution Concerning an Account for the Re-regulation of Frying Pan-Arkansas Project Water for the Benefit of the City of Lamar, Colorado"

ARCA SPECIAL MEETING MAY 10, 2002
TENTATIVE AGENDA
(subject to change)

1. **Call to order and review of meeting procedures:** Vice-chairman David Pope
2. **Introductions of representatives and visitors**
3. **Review and revision of agenda**
4. **Report of Operations Committee:** Chairman Jim Rogers
5. **Detailed discussion of items from Operations Committee**
 - A. Recommendations from Operations Committee
 - B. Draft resolutions from Colorado. Note the following resolutions may be offered by Colorado for further discussion consistent with recommendations from the Operations Committee, they will not be presented for final adoption at this meeting.
 1. Permanent Pool Evaporation and Inflows from Flood Releases
 2. Other Winter Water Account
 3. City of Lamar, Permanent Re-Regulation Account for C.Y. 2003 and Future
 - C. Draft Resolutions from Kansas. Note the following resolutions may be offered by Kansas for further discussion consistent with recommendations from the Operations Committee, they will not be presented for final adoption at this meeting.
 - D. Items on which no recommendation was developed.
6. **Procedures to resolve disputed JMR accounting issues on which Operations Committee did not make a recommendation.**
7. **City of Lamar Re-Regulation Account at John Martin Res., Interim for 2002**
(per letter dated April 19, 2002)
8. **Status of Minutes from Prior Meetings**
9. **Status of Annual Reports of the Administration**
 - A. Summary of backlog
 - B. Plan for eliminating backlog
 - C. Procedures for future years beginning CY 2002
10. **Other Items**
11. **Adjournment**

ARCA Special Meeting Garden City, KS.

May 10, 2002

<u>Name</u>	<u>Representing</u>	<u>Location</u>
Steve Miller	Colo. Water Conserv. Bd	Denver CO
BILL TYNER	COLORADO DIVISION OF WATER RESOURCES	PUEBLO, CO
Charles DiDomenico	Colo. Div. Water Res.	Pueblo, CO
Roxana Hegeman	Associated Press	Wichita, KS
Malcolm Wilson	U.S. Bureau of Reclamation	Loveland, CO
David Anderson	KS Dept. of Ag	Garden City, KS
Hal Scheuerman	Kearney Co. Farmers Trng Assoc	Deerfield KS.
Steven Hines	Frontier Ditch	Coolidge KS
Steve Swaffar	Kansas Farm Bureau	Manhattan, KS
JIM GORDANER	KANSAS RESIDENT	SYRACUSE, KS
Randy Seaholm	Colorado Water Conservation Bd	Denver, Colo.
Steve Wille	Colo Div Water Resources	Pueblo, CO
MARK RUDE	KS DIV OF WATER RES.	GARDEN CITY, KS.
KEVIN L. SALTER	" " "	" "
GEORGE AUSTIN	" " "	TOPEKA, KS
Wendy Weiss	Colo AGO	Denver, CO
Tom Poynton	member Compact	Las Animas, CO
Rod Kuharich	State of Colorado	Denver, CO
Rae Ann	KS ARCA	Garden City, KS
Jim Proffers	CO ARCA	Lamar CO
David L. Pope	KS ARCA	Topeka, KS
Randy Hayslett	KS ARCA	Lincoln, KS
Leiland E. Rolfs	KS Dept. of Agric	Topeka, KS

Joint Work Product of JMR Accounting Issues

Item

Issue

KS Staff Position

CO Staff Position

KS Staff Comment

CO Staff Comment

Operations Committee Comments

4.A.1	<p>Permanent Pool evaporation charges calculated by pro rata volume vs. incremental area</p> <p><i>See Supplement A – Language of the 1980 Operating Plan and the 1976 Resolution establishing the Permanent Pool</i></p>	Evaporation should be pro rata by volume on all accounts. The permanent pool is recognized as an account in the 1980 Operating Plan.	Agreed that pro rata by volume is fairest and simplest method, but need to clear up inconsistent provisions between 1980 Plan and 1976 resolution authorizing permanent pool	The Permanent Pool is a recognized account in the 1980 Operating Plan. As such, the 1980 Operating Plan does include the permanent pool in the pro rata by volume evaporation method. In review of documents related to the development of the 1980 Operating Plan, it would seem that the Permanent Pool was to be charged evaporation on a volume basis. The reference to the 1976 Resolution was to show that charging the Permanent Pool evaporation was nothing new.	Propose to resolve inconsistency by modify the last sentence of Section IV of the 1980 Operating Plan “stand its pro rata share on the same basis as with all other accounts.”	<p>Recommend continued use of pro rata by volume for CY2002.</p> <p>Recommend that ARCA assign the Engineering Committee to consider other sources of Permanent Pool water and other ways to resolve the issue. The Engineering Committee should make a recommendation to ARCA in December.</p>
4.A.2	Transfer of Account water to Permanent Pool during flood control operations in JMR				Colorado proposes to top off the permanent pool to the maximum authorized invasion (10,000 AF) just before water is spilled from JMR.	Discussed with 4.A.1
4.B.1	Winter Water Account of convenience					Discussed with 4.B.2

Joint Work Product of JMR Accounting Issues

Item	Issue	KS Staff Position	CO Staff Position	KS Staff Comment	CO Staff Comment	Operations Committee Comments
4.B.2	Timely distribution of Section III storage charge during Pueblo Winter Water Storage Program (PWWSP)	All Section III water delivered to JMR must be assessed the 35% charge at the time of delivery. There is no authority to store PWWSP water in JMR except in one of the three Section III accounts. There is no provision to spill unauthorized accounts.	Understands Kansas concerns with delay of 35% of PWWSP inflows to the transit loss account, but account is necessary to perform accounting and reconciliation of PWWSP inflows on March 15 th prior to allocating water to individual accounts. Section II (E) 1 & 5 with KS calls	Restore any 35% charge water incorrectly reported as spilled in prior years, and operate accounts as required. Any amendments necessary to assist participants in the operation of the PWWSP can be considered when properly presented to the administration.	Amend 1980 Operating Plan to allow continued existence of Winter Water Account subject to provisions that: 1) In the event of a spill, distribution into Section III shall be made pursuant to terms of Section III (D). 2) Kansas may call for distribution in order to call for a release of water from Kansas Section II account if prior to such distribution of the content of Kansas Section II Account is less than 5,000 acre feet. Colorado has drafted language for a separate resolution.	Colorado has proposed a resolution and Kansas has expressed concerns over language. Colorado would appreciate a response from Kansas or other suggested solution.
4.B.3a	Criteria for determining Section III storage under the Pueblo Winter Water Storage Program (PWWSP)	The criteria used by Colorado fails to adhere to what was established under the 1980 Operating Plan in that <i>other water</i> under Section III.		ARCA should establish the criteria for determining the water available for Section III storage in JMR to protect inflows to conservation storage. Water delivered to JMR under the PWWSP should meet that criteria.		The Operation Secretary and the Assistant Operation Secretary should continue to work on this issue.
4.B.3b	Reporting of Winter Water vs. Winter Compact storage split calculation		Although it is not called for by the 1980 Operating Plan, the request is reasonable.		The Operation Secretary has committed to provide to ARCA the split ratios, how those were determined, and the basis for any adjustments to the split through the season.	Resolved: The Operation Secretary has agreed to provide the method and the data used to determine the split between winter water storage and conservation storage.

Item	Issue	KS Staff Position	CO Staff Position	KS Staff Comment	CO Staff Comment	Operations Committee Comments
4.C.1	Determination of transit loss under Section II(E)(4)	Criteria for determining transit loss for Kansas Section II deliveries is needed, and should include timeliness of delivery.		Some base criteria is needed to address the timing of the measurements of Kansas Section II account releases.		The Operation Secretary and the Assistant Operation Secretary should continue to work on this issue.
4.C.2	Sections II (E)(4) and III (D) are unclear as to where transfers to make up deficits should be made	Deficits of Kansas Section II deliveries due transit loss shortage should be replenished to the Kansas Section II account.		Deficit to be restored to Kansas Section II account as soon as additional water becomes available in transit loss account. Kansas to propose clarifying resolution	Deficit to be restored to Kansas Section II account as soon as additional water becomes available in transit loss account. Kansas to propose clarifying resolution	Kansas to work on this issue.
4.D.1	Exchange of daily reservoir status accounting <i>Resolved</i>	Daily determinations of the difference between accounts and physical measurements at the reservoir are an integral part of the daily accounting.	Daily determinations of the difference between accounts and physical measurements at the reservoir are an integral part of the daily accounting.	The Operations and Assistant Operations Secretaries should continue to exchange data.	The Operations and Assistant Operations Secretaries should continue to exchange data.	Resolved
4.D.2	Non-reporting of Section II(C)(1) determinations	Need daily accounting of non account water for compliance with this Section of the 1980 Operating Plan.		All data and data interpretations related to JMR operations should be reported in annual reports.		Kansas will work on analyzing the accuracy of the amount of water passing through the reservoir under this section.
4.E.1	Summer season interruption of transfers from conservation storage to accounts	Summer conservation storage releases should not be interrupted once those releases begin. The 1980 Operating Plan does not provide for an interruption of conservation storage releases. Section II accounts have a standing call for releases from summer conservation storage.	Interruption is an extension of the 1980 Operating Plan provision that releases into accounts shall be delayed until 1 st call for Section II or 48 hours after commencement of storage event.	The 1980 Operating Plan implements Article V of the Compact. Continue all releases of summer conservation storage to accounts uninterrupted.	Continue the present practice.	Unresolved

Item	Issue	KS Staff Position	CO Staff Position	KS Staff Comment	CO Staff Comment	Operations Committee Comments
4.E.2	Winter storage period interruption of transfers from summer conservation storage to accounts	Summer conservation storage releases should not be discontinued on November 1 st . The 1980 Operating Plan does not provide for an interruption of conservation storage releases. Section II accounts have a standing call for releases from summer conservation storage.	To keep consistency with Article V A, of the Compact, all water entering JMR during the winter season must be stored and no releases made from conservation pool.	The 1980 Operating Plan implements Article V of the Compact. Continue all releases of summer conservation storage to accounts uninterrupted.	Continue the present practice. Discontinue releases from conservation storage on November 1 st as operationally equivalent to the Compact requirement for discontinuing conservation pool releases.	Unresolved
4.F.?	Commencement of a spill event	The language places the event on the physical operation of the projects control structure and not on the elevation of the water surface or some other trigger. Colorado's timing of spill accounting is not suggested in the governing language.	Contrary to express language of 1980 Operating Plan, water does not "spill physically over the project's spillway" during flood operations. Flood releases are normally made through the outlet works.	Rely on the physical operations of the project control structure to govern the loss of account water. No change to the language is required, unless clarifying language is desired.		Unresolved
4.F.1	Spilling accounts	The accounting practices should not change during a spill event. Accounts are adjusted as dictated by the physical operation of the dam. A <i>flood pool</i> account in the flood control space is not authorized by the 1980 Operating Plan and creates evaporation charge conflicts.	Accounting based on JMR inflows is used at all other times and has been demonstrated to produce identical results as outflow based accounting.	Use the normal accounting methods during spills that occurs at all other times. This also eliminates the issue of how to handle evaporation during a spill event. Tracking the extent that water invades the flood control storage space prior to release by the Army Corps of Engineers is useful.	Use inflow based accounting at all times	Unresolved

Item	Issue	KS Staff Position	CO Staff Position	KS Staff Comment	CO Staff Comment	Operations Committee Comments
4.F.2a	Upstream storage during JMR spill events	Upstream storage is not in priority until Section II accounts is completely spilled.		Discontinue the practice until authorized by resolution of ARCA.		Unresolved
4.F.2b	Adjusted JMR inflows during times of spill	The 1980 Operating Plan does not provide for these adjustments.		Discontinue the practice until authorized by resolution of ARCA.		Unresolved
4.F.?	Section II spill volume during summer storage season <i>See Illustration</i>	The condition of Summer conservation storage releasing into accounts during a summer spill event has occurred, but is not specifically addressed by the 1980 Operating Plan. The issue concerns the ratio of spill from Section II accounts. This needs clarifying language.	<i>"The amount of spill from the accounts should be amongst them according to the amounts in them at the beginning of spill."</i> Colorado believes this language of Section II (G) properly addresses this issue.	Language to clarify the accounting under this condition of spill should occur. Steve Witte suggests that language would limit Section II spill to the volume in the Section II accounts at the beginning of spill.		Not discussed during May 9 th Meeting of Operations Committee
4.F.3	Seasonal variations					Not discussed during May 9 th Meeting of Operations Committee
4.G.	Section II(C)(2) compliance (Agreement B)	District 67 priority calls under pre-JMR conditions are to occur when conservation storage is exhausted into accounts. Colorado does not comply with this requirement of the 1980 Operating Plan.	Agreement B changed priority calls under a Colorado supplemental accounting for JMR. Agreement B is necessary to maintain agreement by water rights upstream of JMR to accounts in JMR.	Operate according to the 1980 Operating Plan as written or propose changes to the plan for consideration by the administration.		No further progress can be made at this time.

Joint Work Product of JMR Accounting Issues

Item	Issue	KS Staff Position	CO Staff Position	KS Staff Comment	CO Staff Comment	Operations Committee Comments
4.H.	Retroactive adjustments of accounting for prior years if accounting methods are revised	To the degree that the issues can be resolved, they should be. Some weight should be given to the deep spill that occurred in 1997, which would have made any water equities mute.	If new procedures are adopted they should be only applied to future years, there should be no corrected accounting for prior years, certainly not prior to 1999!	The 1980 Operating Plan has a method to provide restitution that should be followed, and applied retroactively. (See Section V)		Not ripe for consideration at this time.
5.A.	City of Lamar regulating account	The City of Lamar has requested a temporary re-regulation account and ARCA has granted such an account on a fairly regular basis. This is starting to appear as a regular account, to the degree that JMAS has an account built into the software for the City of Lamar.		The City of Lamar should propose an account in JMR to allow for the re-regulation of flows from other releases. Consideration should be given to conditions contained in the original resolution of ARCA.		
5.B.	OS Report status for 1994 through 2001	There are a number of significant accounting issues that are preventing the Operations Secretary's reports mentioned from being adopted.		Since the 1994 and 1996 OS reports were presented, additional accounting issues have been discovered. These would include 1994 and 1996, as well as the other years mentioned. Until these issues are resolved it is difficult to act on the submitted reports.	For 1994 and 1996, the Operations Committee should find that ARCA's requirement for footnotes on tables regarding Stateline deliveries have been met and therefore these reports have been approved by ARCA.	

Item	Issue	KS Staff Position	CO Staff Position	KS Staff Comment	CO Staff Comment	Operations Committee Comments
	Assistant Operations Secretary Reports: purpose and timeliness (A bylaw issue)	Assistant Operations Secretary's reports have served to highlight certain operations and accounting issues for the compact year. Some issues may not be evident until a draft or final Operations Secretary report is circulated.	Colorado recognizes that the Assistant Operation Secretary should have a forum for dissent, but doesn't like receiving the report at the 11 th hour. Each of the reports submitted to date should be reviewed by ARCA and acted on.	No need to require an AOS report.	Colorado would like the Assistant Operations Secretary to provide report on the same time schedule as the Operations Secretary. Colorado further suggests that ARCA may want to either consider moving the Annual Meeting to later in the Winter, or deferring action on the OS Report until a subsequent meeting.	

Agenda

Joint Work Product of JMR Accounting Issues

Item	Issue	KS Staff Position	CO Staff Position	KS Staff Comment	CO Staff Comment	Operations Committee Comments
Supplemental A: Language of the 1980 Operating Plan and 1976 Permanent Pool Resolution						

Illustration A: Illustrate the 199? Spill, Need a concise way to illustrate the problem

Resolutions:

Colorado should have a draft resolution on the Winter Water Program account.

Kansas will have a draft resolution on making up deficit transit loss to Kansas Section II Account.

City of Lamar is expected to submit at the May ARCA meeting a resolution for a regulating account in JMR.

DRAFT

Joint Work Product of JMR Accounting Issues

Agenda

Item	Issue	KS Staff Position	CO Staff Position	KS Staff Comment	CO Staff Comment	Operations Committee Comments
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Supplemental A: Language of the 1980 Operating Plan and 1976 Permanent Pool Resolution						
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Illustration A: Illustrate the 199? Spill, Need a concise way to illustrate the problem

Resolutions:

- Colorado should have a draft resolution on the Winter Water Program account.
- Kansas will have a draft resolution on making up deficit transit loss to Kansas Section II Account.
- City of Lamar is expected to submit at the May ARCA meeting a resolution for a regulating account in JMR.

4

Draft [ARCA May 10, 2002]
Resolution for an Amendment to the 1980 Operating Plan Resolution
For a Winter Water Account in John Martin Reservoir

WHEREAS, Article IV. C. (3) of the Arkansas River Compact provides as follows:

The conservation pool will be operated for the benefit of water users in Colorado and Kansas, both upstream and downstream from John Martin Dam, as provided in this Compact; and

WHEREAS, Article IV. D. of the Arkansas River Compact provides as follows:

This Compact is not intended to impede or prevent future beneficial development of the Arkansas River basin in Colorado and Kansas by Federal or State agencies, by private enterprise, or by combinations thereof, which may involve construction of dams, reservoirs and other works for the purposes of water utilization and control, as well as the improved or prolonged functioning of existing works: Provided that the waters of the Arkansas River as defined in Article III, shall not be materially depleted in usable quantity or availability for use to the water users in Colorado and Kansas under this Compact by such future development or construction; and

WHEREAS, the Colorado Division Engineer has used a Winter Water Account in John Martin Reservoir as an accounting tool to facilitate the Pueblo Winter Water Storage Program's ability to store "Other Water" in John Martin Reservoir, as provided in Section I. E. of the 1980 Operating Plan Resolution, but the Winter Water Account has never been approved by the Chief of Engineers of the Corp of Engineers or the Arkansas River Compact Administration; and

WHEREAS, the State of Colorado desires to continue to use the Winter Water Account in John Martin Reservoir for the purpose of properly operating the Pueblo Winter Water Storage Program (including the ability to exchange water out of the Winter Water Account to upstream storage entities participating in the Pueblo Winter Water Storage Program by transferring water out of the Winter Water Account into conservation storage at John Martin Reservoir); and

WHEREAS, Article IX.A. of the Compact provides in relevant part as follows:

(T)he Chief of Engineers is hereby authorized to operate the conservation features of the John Martin Reservoir Project in a manner conforming to such Compact with such exceptions as he and the Administration created pursuant to the Compact may jointly approve (;

NOW THEREFORE, BE IT RESOLVED that, pursuant to Article IX.A. of the Compact, the Arkansas River Compact Administration and the Chief of Engineers of the Corps of Engineers or his duly authorized representative, jointly approve a Winter Water Account in John Martin Reservoir to be established and operated as follows:

- 1) The Pueblo Winter Water Storage Program may deliver "Other Water" into the Winter Water Account in John Martin Reservoir, pursuant to the same limitations set forth in Section III-A, B and C of the 1980 Operating Plan Resolution.
- 2) Transfers out of the Winter Water Account will be distributed on March 15 of each Compact Year according to Section III-D of the 1980 Operating Plan Resolution, except as provided for below.
- 3) Transfers out of the Winter Water Account will be distributed at Kansas' demand when all of the following conditions are met:
 - a) Kansas calls for a release from its Section II Account between 0000 hrs on November 15 and 2400 hrs on March 14, and

- b) Kansas' Transit Loss Account contains less than 500 acre-feet of water, and
- c) Kansas' Section II Account contains less than 5000 acre-feet of water.
- 4) Transfers out of the Winter Water Account will cease when the release from Kansas' Section II Account is discontinued.
- 5) In the event of a spill, the transfer of the 35 percent storage charge will occur the instant before the Winter Water Account begins to spill.
- 6) The Colorado Division Engineer may exchange water out of the Winter Water Account to upstream storage entities participating in the Pueblo Winter Water Storage Program, if so needed, by transferring water out of the Winter Water Account into conservation storage at John Martin Reservoir.
- 7) The effective date of this Resolution shall be the date on which the Chief of Engineers of the Corps of Engineers, or his duly authorized representative, gives his/her approval by signing and dating below the space provided. This Resolution shall be in full force and effect as long as the Resolution Concerning an Operating Plan for John Martin Reservoir adopted April 24, 1980 continues to be in effect.

JOINTLY APPROVED:

Aurelio Sisneros, Chairman
Arkansas River Compact Administration

Recording Secretary
Arkansas River Compact Administration

Lt. Col. Raymond G. Midkiff, District Engineer,
U.S. Army Corps of Engineers Albuquerque District,
Duly Authorized Representative of the Chief of Engineers
U.S. Army Corps of Engineers

Date

Proposed [ARCA MAY 10, 2002]
 Resolution Concerning an Account
 For the Regulation of Fryingpan-Arkansas Project Water
 For the Benefit of the City of Lamar, Colorado

WHEREAS, Article IV-D of the Arkansas River Compact provides as follows:

This Compact is not intended to impede or prevent future beneficial development of the Arkansas River basin in Colorado and Kansas by Federal or State agencies, by private enterprise, or by combinations thereof, which may involve construction of dams, reservoirs and other works for the purposes of water utilization and control, as well as the improved or prolonged functioning of existing works: Provided that the waters of the Arkansas River as defined in Article III, shall not be materially depleted in usable quantity or availability for use to the water users in Colorado and Kansas under this Compact by such future development or construction; and

WHEREAS, the United States Bureau of Reclamation, pursuant to contract with the Southeastern Colorado Water Conservancy District (the District), has with the authorization of Congress constructed the Fryingpan-Arkansas Project (Project) for the purpose of providing both waters of the Arkansas River and waters imported from the Colorado River basin which are not defined as waters of the Arkansas River in Article III of the Arkansas River Compact, to water users within the District; and

WHEREAS, the City of Lamar (the City), Colorado is entitled to receive Project water, subject to allocation of said water, by the District; and

WHEREAS, in order for the City to take delivery of said Project water, such water must pass through John Martin Reservoir; and

WHEREAS, the City has on numerous occasions since at least 1989 petitioned and received the consent of the Arkansas River Compact Administration (the Administration), to utilize John Martin Reservoir for limited periods of time for the purpose of regulating the delivery of Project water allocated to the City by the District in an efficient manner which permits increased utilization and greater beneficial use for the benefit of its citizens; and

WHEREAS, the Administration finds that nothing herein is contradictory to the Compact, or the Rules and Regulations or the Bylaws adopted by the Administration; and

WHEREAS, Section 2 of the Act of Congress approving the Compact provides in relevant part as follows:

(T)he Chief of Engineers is hereby authorized to operate the conservation features of the John Martin Reservoir Project in a manner conforming to such Compact with such exceptions as he and the Administration created pursuant to the Compact may jointly approve (;) and

WHEREAS, the City wishes to continue the practice of utilizing otherwise unoccupied capacity within the conservation pool of John Martin Reservoir under terms that are mutually acceptable to both the City and the Administration;

NOW THEREFORE, BE IT RESOLVED that, pursuant to Section 2 of the Act of Congress approving the Compact, the Administration and the Chief of Engineers of the Corps of Engineers or his duly authorized representative, jointly approve a regulating account in the Reservoir to be established and operated as follows:

- 1) The City of Lamar may deliver Project water which has been allocated to the City into an account within the capacity of the John Martin Reservoir conservation pool at any rate, at any time, for the purpose of regulating subsequent delivery of said waters to the City's facilities in an efficient manner, subject to the limitation that the total quantity in the account at any time cannot exceed 3000 acre-feet.
- 2) Any such deliveries shall be released to the City within the same Compact year.
- 3) This account is to be known as the City of Lamar Regulating Account. This account shall be considered a separate account and deliveries made to it are not subject to the transfers provided in subsection III D of that Resolution Concerning An Operating Plan for John Martin Reservoir, dated April 24, 1980, as amended (the 1980 Operating Plan). Neither shall use of said account be contingent upon any annual storage charge.
- 4) The City of Lamar Regulating Account shall stand a pro rata share of evaporation from the reservoir, pursuant to Section II .F. of the 1980 Operating Plan Resolution.
- 5) The City of Lamar may demand the release of water contained in its Regulating Account at any time, at any rate it desires, however, any such release may not cause the flow of the Arkansas River to exceed the safe channel capacity as determined by the Corps of Engineers.
- 6) All such releases from John Martin Reservoir are subject to transit losses between John Martin Dam and the point of diversion from the Arkansas River, as determined by the Colorado Division Engineer, and the transit losses shall be borne by such releases.
- 7) In the event that runoff conditions occur in the Arkansas River basin upstream from the Reservoir that cause water to spill from the Reservoir, then water stored in the City of Lamar Regulating Account shall spill before water stored in the Winter Water account, which shall spill before water stored in the Permanent Pool in excess of 10,000 acre-feet, which shall spill before water stored in the accounts granted in Subsections III A, B, and C of the 1980 Operating Plan, which shall spill before the water stored in the Offset Account, which shall spill before the accounts granted in Section II of the 1980 Operating Plan, which shall spill before the Kansas Transit Loss Account, all of which shall spill before conservation storage. It is the City's responsibility to take delivery of Project water so as to avoid any spills of Project water originating in the Colorado River Basin and to minimize any spills of Project water originating in the Arkansas River Basin.

8) The Operations Secretary shall notify the Assistant Operation Secretary in advance of any delivery into the City of Lamar Regulating Account, describing the anticipated rate of delivery, the transit loss to be assessed, the anticipated date releases are planned to begin and the rate of release. The Operations Secretary shall provide the Operations Committee of the Administration, an accounting of operations of this account for each Compact year.

9) The effective date of this Resolution shall be the date on which the Chief of Engineers of the Corps of Engineers, or his duly authorized representative, gives approval by signing and dating below. This Resolution shall not be affected by the termination of the 1980 Operating Plan, except that operations contemplated in the Resolution which rely on the existence of the 1980 Operating Plan shall no longer occur if the 1980 Operating Plan is terminated. This Resolution shall be in full force and effect until March 31, 2003, and year-to-year thereafter subject to the following provisions:

A. Either Colorado or Kansas, through its Compact delegation, may terminate this Resolution effective March 31 by giving written notice to the Administration by February 1 of the same Compact year.

B. In the event that this Resolution is terminated, water in the City of Lamar Regulating Account at that time may remain in storage in the Account and be released or transferred as provided above until no water remains in the Account, at which time the Account shall be terminated.

JOINTLY APPROVED:

Aurelio Sisneros. Chairman
Arkansas River Compact Administration

Recording Secretary
Arkansas River Compact Administration

Lt. Col. Raymond G. Midkiff, District Engineer
Albuquerque District, U.S. Army Corps of Engineers
Duly Authorized Representative of the
Chief of Engineers, U.S. Army Corps of Engineers

Date