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ORIGINAL

2000 ANNUAL MEETING

ARKANSAS RIVER COMPACT ADMINISTRATION

Tuesday, December 12, 2000

8:30 A.M. (MST)

Cow Palace Inn, Lamar, Colorado

Approved 12/12/00
Bob Jensen

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APPEARANCES

CHAIRPERSON: Aurelio Sisneros

APPEARING FOR COLORADO:

- Mr. Tom Pointon
- Mr. James Rogers
- Mr. Randy Seaholm
- Mr. Steve Miller
- Ms. Wendy Weiss
- Mr. Dennis Montgomery
- Mr. Ken Knox

APPEARING FOR KANSAS:

- Mr. David L. Pope
- Mr. John Draper
- Mr. Dale Book
- Mr. Leland Rolfs
- Mr. Randy Hayzlett
- Mr. David Brenn
- Mr. Mark Rude
- Mr. David Barfield

1 CHAIRMAN SISNEROS: Ladies and gentlemen, let's
2 go ahead and get this meeting started here, call it to
3 order. It is nine o'clock, nine a.m.. Like to welcome
4 everybody here, I think most everybody knows everybody
5 but we are going to...we are going to go ahead and have
6 some introductions here, we will start with our folks
7 from Kansas, if you would begin.

8 MR. DAVID POPE: Thank you, Mr. Chairman. My
9 name is David Pope, Chief Engineer in Kansas and member
10 of the Administration. Like to introduce our other two
11 Compact members, David Brenn from Garden City and Randy
12 Hayzlett from the Lakin area. To my left is John Draper,
13 special legal counsel for the State of Kansas; Dale Book,
14 engineering consultant for Kansas; from our agency in
15 Kansas, Lee Rolfs, legal counsel. Like to introduce a
16 few of the other officials here from Kansas: Mark Rude,
17 Water Commissioner from our Garden City field office; and
18 Kevin Salter is also here, the Assistant Water
19 Commissioner in Garden City. We have John Cassidy from
20 the office of Attorney General, Carla Stovall. John is
21 new this year. We appreciate him being here and being
22 introduced to these issues. We have from, also from
23 Garden City, Eric Hargis and Terry Eck, both with
24 our...excuse me, Eric from Topeka and Terry in Garden
25 City, getting ahead of myself here. And then also from

1 Topeka, Dave Barfield and George Austin.

2 And, Dave, would you like to introduce others
3 here in terms of the local...

4 MR. DAVID BRENN: I would like to take the
5 opportunity to introduce Al Sharman with the Amazon Canal
6 and Steve Hines with the Frontier, and we also have Steve
7 Frost at GMD Number 3 in Kansas, we appreciate them
8 coming.

9 MR. DAVID POPE: Thanks.

10 CHAIRMAN SISNEROS: Thank you. Colorado, would
11 you please?

12 MR. RANDY SEAHOLM: I would be happy to. I am
13 Randy Seaholm from the Colorado Water Conservation Board,
14 I'm the chief of what we call our Water Supply Protection
15 Section there, and I'm sitting in today for our new
16 director, Rod Kuharich.

17 And I distributed a letter to the Compact
18 members from Rod asking me to sit in his stead today.
19 Rod is a new director to the Water Conservation Board.
20 He comes to us from the City of Colorado Springs where he
21 worked there 20 plus years, and when he left he was in
22 charge of the, what they call their governmental affairs,
23 so I think you will find Rod a lot of fun to work with.
24 And he wanted me to express, certainly, his regrets for
25 being unable to attend this first meeting but he too,

1 like Hal Simpson, was asked to remain in Denver and help
2 deal with budgetary issues up there. I know Rod is
3 looking forward to meeting and working with the
4 Administration. And he did want me to specifically
5 mention that he is committed to resolving the litigation
6 matters with our neighbors in Kansas and to continue
7 improving the relationships with them that we have been
8 working on for several years now.

9 With me today I have Jim Rogers. Jim is the
10 Colorado representative and water right owner from our
11 District 67 below John Martin. He has been a member of
12 the Administration for as long as I can remember, and he
13 tells me that's about 16 years or so. He's also a water
14 right holder on the Hyde Ditch and is former president of
15 the LAWMA. To my right is Tom Pointon. Tom is
16 Colorado's representative for Water Districts 14 and 17
17 above John Martin. He has been on the Administration
18 three years now and he is an owner on the Fort Lyon Ditch
19 and also a member of the Southeastern Colorado Water
20 Conservancy District Board of Directors.

21 On my staff I have with me Steve Miller here
22 today. Most of you probably know Steve. He is the one
23 that does the hard work for me getting everything ready
24 for these meetings.

25 Also we have with us Wendy Weiss from the

1 Colorado Attorney General's office and Dennis Miller from
2 Hill and Robbins, who is a special assistant...Dennis
3 Montgomery, pardon me, I have great restitution to pay
4 for that one, but he's a special assistant for the
5 Attorney General working on the Kansas litigation.

6 MR. DENNIS MONTGOMERY: He's been watching
7 Monday night football.

8 MR. RANDY SEAHOLM: We don't want an instant
9 replay on this one. Also in the audience with me we have
10 Ken Knox. Ken is an Assistant State Engineer, and he's
11 sitting in for Hal Simpson today. I would like to also
12 introduce Steve Witte who is a Division 2 Engineer in
13 Pueblo and the Operations Secretary, and he's done this
14 for many years and I think most of you know him. And
15 before I ask Steve to introduce the rest of his staff
16 that's here, I would like to acknowledge Bill Howland. I
17 think he came in. Where's Bill? Hello, Bill.

18 MR. BILL HOWLAND: Thank you very much.

19 MR. RANDY SEAHOLM: As you know, Bill is
20 recently retired from the Division of Water Resources, he
21 was in charge of operating John Martin Reservoir and
22 doing the accounting for the Administration here for many
23 years, certainly since...I think you go back to the '80
24 Operating Plan, don't you, Bill?

25 MR. BILL HOWLAND: Yes.

1 MR. RANDY SEAHOLM: Okay. And he has also been
2 in charge of the gages above and below John Martin. And
3 I think he brought his wife, Elsie, along with him today.
4 And we would certainly like to honor Bill at lunch.
5 Unfortunately, it will have to be a Dutch treat lunch,
6 but we hope during the lunch that we can all get together
7 and meet with Bill. And I guess before I go any farther,
8 probably like to have a show of hands to see how many
9 people would join us for that buffet lunch down here in
10 the courtyard so we can make sure the cooks have enough
11 food and stuff for everybody.

12 (People in the audience raise their
13 hands.)

14 MR. RANDY SEAHOLM: Steve, would you like to
15 introduce members of your staff that are here, sir?

16 MR. STEVE WITTE: Yes, I would. I have quite a
17 number of people here today. I guess I'll start off with
18 a gentleman who's really no longer on my staff, he's
19 recently moved to the Denver office, but many of you have
20 come to know Dale Straw and formerly of my staff.
21 Although you met him a moment ago, Don Taylor is the
22 Water Commissioner for Water District 17, which is the
23 middle part of the Arkansas River Valley. Tom Ley is
24 here this morning, Tom is my chief hydrographer. Wendy
25 Bogard, is the glue that keeps my whole office together,

1 she is our office administrator. Vivian Beal is
2 here today, Vivian is a programmer. Mr. Bill Tyner, Bill
3 recently took the position vacated by Dale upon his move
4 to Denver and so he's my lead surface water engineer.
5 And Charlie Didemenico, that does most of the
6 day-to-day river operations accounting. And to his left
7 is Danny Marques who is the Water Commissioner for the
8 Purgatoire River area. I think all are accounted for.

9 MR. RANDY SEAHOLM: Great, thank you very much,
10 Steve.

11 I don't know all of the water users down here so
12 I thought I would call on my fellow Compact members to
13 introduce members from their respective districts if they
14 would do that. Jim, would you like to start?

15 MR. JAMES ROGERS: Yes. We have Bill Grasmick
16 and Don Higbe from LAWMA. We have Don Steerman, the
17 attorney for Amity. Ken Smart and Junior Hamilton from
18 Amity Board. Did Mary Louise Clay make it? She was
19 supposed to be here this morning, I didn't see her come
20 in if she did. And I think that's all that's from down
21 here right now.

22 MR. RANDY SEAHOLM: Okay.

23 MR. TOM POINTON: I think everybody up in my
24 country is froze down but me.

25 MR. JAMES ROGERS: Mark came in back there, he's

1 with the Corps of Engineers.

2 MR. RANDY SEAHOLM: Julie, could we have you
3 introduce the members of the Purgatoire District that are
4 here for us please.

5 JULIANNE WOOLDRIDGE: Sure. I'm Julianne
6 Wooldridge, I'm a lawyer and I represent the Purgatoire
7 River Water Conservancy District. And I'll just have
8 them introduce themselves.

9 Reporter's note: The following people
10 introduced themselves as follows: I'm Don Anderson with
11 the Purgatoire River Water Conservancy District. I'm
12 Abel Benevitez with the Purgatoire River Water
13 Conservancy District.

14 (Reporter note: There were other people
15 that stood and introduced themselves; couldn't hear
16 them.)

17 MR. RANDY SEAHOLM: Okay. Thank you. Hopefully
18 I haven't missed anybody but I think that concludes our
19 introductions. Thank you, Mr. Chairman.

20 CHAIRMAN SISNEROS: There being no more
21 introductions we will continue to Item Number 3, "Review
22 and Revision of Agenda." My understanding is that there
23 was some...a request to amend or revise the agenda in
24 terms of item...which item was it, Jim? Item Number 6.
25 On Item Number 6 there was some question as to whether we

1 should just table this item, and I think that we should
2 not table this item. I think that these people came from
3 the Trinidad area to represent themselves and their
4 issues and I think that...I think we need to let them
5 represent themselves. There was also a question as to
6 whether we should set up a meeting just particularly
7 specifically to address this issue sometime in the very
8 near future and I think that probably needs to be
9 discussed also. So we will continue with Item Number 6
10 when we get to it.

11 Review and revisions of the agenda, are there
12 any?

13 MR. RANDY SEAHOLM: Steve, do you have any
14 comment?

15 MR. STEVE MILLER: Item 8, Resolutions Honoring
16 Bill Howland, could we do those at 11:30 or so regardless
17 of where we are on the agenda?

18 CHAIRMAN SISNEROS: Which one?

19 MR. STEVE MILLER: Item 8, Resolution Honoring
20 Bill Howland. If we can do that about 11:30 then we can
21 get done before...(reporter cannot hear speaker)

22 CHAIRMAN SISNEROS: Is there any objection to
23 that?

24 MR. STEVE MILLER: ...done all of our
25 substantive business before that and people can go home

1 after lunch if they didn't want to go through our
2 business affairs, which are the items below 8.

3 CHAIRMAN SISNEROS: Are there any objections to
4 that?

5 MR. DAVID POPE: That's fine.

6 MR. RANDY SEAHOLM: Mr. Chairman, I think too,
7 we were going to try to have Jan Anderson, who was with
8 the Southeastern Colorado Development Foundation, come in
9 and give a short presentation on how she might serve as
10 Recording Secretary, and maybe if we could do that just
11 before we do the Resolution to Bill that would be
12 appropriate.

13 CHAIRMAN SISNEROS: That will be fine I believe.
14 Are there any objections to that?

15 MR. DAVID POPE: No.

16 CHAIRMAN SISNEROS: There being none we will do
17 that. Are there any other revisions to the agenda?
18 Hearing none, we'll move onto Item Number 4, "Reports of
19 Officers and Committees for the Compact Year." Being
20 first on the agenda here I'm going to reserve my comments
21 for the very last, see how we come out this year.

22 We will move on to Item Number B, which is the
23 Engineering Committee. Mr. Pope.

24 MR. DAVID POPE: Thank you, Mr. Chairman. There
25 were no specific assignments given to the Engineering

1 Committee last year. We, therefore, essentially called
2 our meeting last night and essentially announced that
3 after, so after discussion with Mr. Pointon and I we had
4 a...very brief information provided to us by the U.S.
5 Geological Survey, and I suspect that will be included in
6 their report today so we really have no report beyond
7 that. Tom, is that a fair assessment then? Tom, is that
8 a fair assessment?

9 MR. TOM POINTON: Yes, fair assessment.

10 MR. DAVID POPE: Okay. Thank you.

11 CHAIRMAN SISNEROS: Thank you, Mr. Pope. Mr.
12 Rogers.

13 MR. JAMES ROGERS: For the Operations Committee.
14 We did meet last night and have an Operations Committee
15 meeting. Steve Witte presented his report. It had been
16 mailed out to everyone. There was some lengthy
17 discussion onto it. There was no action taken on it at
18 this time. I think we will ask Steve to present your
19 report at this time if you want to?

20 MR. STEVE WITTE: Thank you, Mr. Chairman and
21 members of the Administration. I believe you have all
22 received the Operations Committee Report by mail, it was
23 mailed out by the deadline, actually in advance of the
24 deadline prescribed by the 1980 Operating Plan, and
25 hopefully you've had a chance to review it. I thought it

1 only appropriate to begin my report by acknowledging the
2 years of service of Mr. Howland, his exemplary service
3 during that time period has been an inspiration to me and
4 I think of great service to both states and I think it's
5 very appropriate that you will take the action that you
6 have scheduled to take earlier today in approving a
7 resolution acknowledging that service.

8 The Compact year began November 1. At that
9 point in time there was water that was in conservation
10 storage that prior to that time had been being
11 transferred into accounts, and as Mr. Rude pointed out
12 last evening, there was indeed an interruption of that
13 process that began on November 1. The Committee and the
14 Administration was advised of this issue at some length
15 in my report for 1999 and having received no action or
16 decision from either the Committee or the Administration
17 I continued past practices.

18 The period of winter storage ensued beginning on
19 November 1 where all inflow into the reservoir accrued to
20 conservation storage and water was stored pursuant to
21 Section III of the 1980 Operating Plan with the intention
22 of being distributed pursuant to provisions of Section III
23 in relation to the Pueblo Winter Storage Program and the
24 rights of the Amity.

25 However, on January 27 the anticipated spill of

1 water did occur, specifically that began at 17:46 hours
2 on January 27, and the spill of accounts proceeded
3 according to the order as prescribed in 1980, via 1980
4 Operating Plan and as revised by the Resolution
5 Concerning an Offset Account, as amended March 30 of 1998.

6 That order of spill called for the...first the
7 spill of water from...that had been captured pursuant to
8 Section III of the Winter Water Account, next from the
9 Offset Account and then that was followed by a spill of a
10 quantity of water from the Section III Accounts.

11 As in years past there were diversions of stream
12 flow to storage upstream of John Martin Reservoir under
13 post Compact water rights that occurred beginning on
14 February 25, and the details of that are described at
15 some length in my report.

16 The spill ended on March 11 of 2000. On March
17 31 there was water placed in the...in John Martin
18 Reservoir to fulfill the prerequisite requirement for use
19 of the Offset Account, and coincidentally the period of
20 winter storage ended on March 31.

21 And that initiated the process or the
22 reassumption of the process of transferring water from
23 conservation storage into accounts. The exhaustion
24 of...the first exhaustion of conservation storage
25 occurred on May 30 of 2000.

1 Later in the year additional quantities of water
2 were delivered to the Offset Account, there is some
3 treatment of that in my report, it is discussed more
4 thoroughly in the Offset Account Report that will be
5 presented later.

6 Mr. Rude described the three runs of Section 2
7 water from...demanded by Kansas and the delivery
8 performance on those runs.

9 As far as operations are concerned, that's the
10 highlights of the year.

11 There was a special meeting of the Operations
12 Committee occurred during two days in February here in
13 Lamar which attempted to discuss a number of issues that
14 had been previously raised either by reports of the
15 Assistant Operations Secretary or in subsequent
16 discussions that occurred during 1998. Insofar as I
17 know, no further action resulted from that two-day
18 meeting in Lamar. And perhaps the Operations Committee
19 would report on that meeting and what happened
20 subsequently as a part of this report yet today, or this
21 morning.

22 I think those of you who participated in the
23 Committee meeting last night are fully aware that there
24 needs to be some further discussion between Mr. Rude and
25 myself regarding whether or not transit losses did in

1 fact occur during the operational runs of Kansas' Section
2 water last year, and if so what the quantity of those
3 transit losses might have been pursuant to Section
4 2(e)(4) of the 1980 Operating Plan.

5 Also in my report I mentioned that an accounting
6 system or a revised accounting system has been developed.
7 We refer to it as the John Martin Accounting System,
8 giving it the acronym JMAS.

9 This system has been in place a couple of years,
10 however we have only used it to replicate historical data
11 input into the accounting system. And by doing that we
12 have been able to produce the same results, I believe
13 identical results, to those which have been produced
14 using the old GW basic program that was developed many
15 years ago, and Mr. Howland suffered with for a number of
16 years. We believe this program is...it's much more
17 user-friendly, if you will, I think it's compatible to
18 both the Colorado systems, computer systems, as well as
19 Kansas' system. And so beginning with Compact Year 2001
20 we began using this JMAS system as our primary source of
21 data capture, processing and reporting. We are still
22 inputting the daily input values into the old GW basic
23 system to do some tandem testing, parallel testing if you
24 will, to ensure that the same results are generated
25 regardless of the methodology used, but I did want to

1 bring that to your attention. And so having said that, I
2 don't believe that it's...it would be necessary to deal
3 with this issue when we reach 4(c)(5) on the agenda, Mr.
4 Chairman. And if you wish I could dispose of Item
5 4(c)(4) on the agenda while I'm at the microphone.

6 CHAIRMAN SISNEROS: Please.

7 MR. STEVE WITTE: Well, the status of the prior
8 year's Operations Secretary's Report is more completely
9 and exhaustively detailed in my 1999 report. So far as I
10 know, no action has been taken since last year's meeting
11 in Garden City and no action was taken on the 1999 report
12 submitted last year either. Nevertheless, I submit my
13 2000 report to you, and as I submitted it to the
14 Operations Committee last evening, and would request its
15 acceptance and adoption. Are there any questions?

16 CHAIRMAN SISNEROS: No questions. Thank you,
17 Mr. Witte, Steve Witte.

18 MR. JAMES ROGERS: At this time then, the
19 Assistant Operating Secretary, do you want to give us a
20 run down on yours?

21 MR. MARK RUDE: Brief.

22 MR. JAMES ROGERS: Brief, okay.

23 MR. MARK RUDE: Thank you, Jim. My name is Mark
24 Rude and I wanted to offer just a couple of brief
25 comments on...regarding the Operations Secretary's Report

1 that was submitted for this last year and maybe five or
2 six comments here.

3 First of all, the points brought up yesterday,
4 basically an overhead presentation to help with the
5 discussion of the issues. I brought up the concern over
6 the interruption of transfers from conservation storage,
7 as Steve has mentioned as well. I believe that shouldn't
8 occur.

9 Second item would be timely distributions of
10 Section III. And the fact that not providing a timely
11 distribution of Section III waters to John Martin this last
12 year made a significant difference in waters in the
13 accounts.

14 Another item would be...well, specifically
15 distribution of 35 percent charge, just elaborate on that
16 a little bit. Transit Loss Account, that didn't occur so
17 we didn't get a funding of the Transit Loss Account this
18 last year and this resulted in a total loss of the
19 transit loss water as a result of the spill, in the way
20 that was operated.

21 Okay. Third item I want to mention is the split
22 at Las Animas gage under the Winter Water Storage
23 Program, I brought that up to the Operations Committee as
24 a point of concern. Concerned about the split that is
25 done by Colorado at Las Animas, ARCA needs to review

1 this. Currently, as I understand it, the current split
2 at the Las Animas gage today is 25 percent Compact and 75
3 percent non-Compact water, so this determination of the
4 split affects Compact water storable in John Martin
5 Reservoir as a matter of concern to ARCA. At the very
6 least, ARCA should have prior notification and regular
7 reports on operations that affect John Martin Reservoir.

8 Our fourth item, John Martin Spill Accounting
9 this year, it's not done according to the '80 Operating
10 Plan.

11 Fifth item, failure to receive timely Section 2
12 deliveries at the state line, that was another concern.
13 I think we highlighted run Number 3 for Kansas this last
14 year. Kansas' account should not be charged for
15 underdeliveries.

16 Fifth item, failure to receive full Offset
17 Account deliveries at the state line was a concern as
18 well. And that concludes my comments.

19 MR. JAMES ROGERS: Thank you.

20 CHAIRMAN SISNEROS: Are there any questions from
21 Mark?

22 MR. MARK RUDE: Thank you.

23 MR. JAMES ROGERS: A report on the February
24 meeting, we did meet for two days here in Lamar, we
25 covered several items that were concern to both sides.

1 We had some items that we thought we could...we made a
2 recommendation that we would take a longer look at them
3 and due to the lawsuit nothing ever materialized out of
4 that. I guess it overlaid more items is the reason why
5 no further action was taken off of that, the February
6 meeting.

7 Do you have anything else, David, on that
8 February meeting?

9 MR. DAVID BRENN: Well, you know, I think the
10 original feeling and direction at the December 7 meeting
11 was that it would be important for both states to, under
12 less formal setting, try to reach better understanding of
13 the issues and the positions that the states have taken
14 on those issues. And I think we did achieve that.
15 Success is often times hard to relate to agreeing to
16 disagree, but there was significant discussion that I
17 felt personally, Jim, was informational for me. These
18 issues are...have been long run running and they are not
19 going to be, I think, solved overnight. But I believe,
20 for what it's worth, that it was a step in the right
21 direction, at least, in trying to understand many of
22 these issues.

23 MR. JAMES ROGERS: Does anyone else from Kansas
24 have any thoughts on that?

25 MR. DAVID POPE: No, I think Dave was there and

1 provided comments in that regard.

2 MR. JAMES ROGERS: Do you want to say anything,
3 Tom?

4 MR. TOM POINTON: No.

5 MR. RANDY SEAHOLM: I guess, Mr. Chairman, if I
6 may, I was wondering, David, if there's value in trying
7 to continue the discussions on these shortly after the
8 first of the year and see if we can try to come to
9 resolution at least on those that in my mind seem to be
10 somewhat minor issues and see if we can get some of the
11 points of contention off the table?

12 MR. DAVID POPE: Well, seems to me like we have
13 to, at some point, resolve these things you know, we are
14 in a situation where...where we don't have agreement.
15 You know, clearly that puts our operation in some level
16 of question in regard to each of us being able to accept
17 the figures and move on from there. So I would concur
18 that we do need a process of some sort like that to
19 continue the dialogue and come to grips with as many
20 things as we can and resolve the others in whatever way
21 is appropriate. So I don't know that I had thought
22 through a particular schedule in terms of when that could
23 occur, but sometime after the first of the year, may take
24 a little while to make sure that we are both ready and
25 have the time and put that together in everybody's

1 schedule, but seems to me like that would make sense.

2 MR. RANDY SEAHOLM: Okay.

3 CHAIRMAN SISNEROS: Steve.

4 MR. STEVE WITTE: What, in your estimation, is
5 the appropriate forum to resolve these issues?

6 MR. DAVID POPE: That's probably going to depend
7 upon what we are able to resolve and what we aren't able
8 to resolve.

9 MR. STEVE WITTE: At what level?

10 MR. DAVID POPE: Ultimately, I think, as many of
11 those as can, have to come back to this body because of
12 the nature of the '80 Resolution being a resolution of
13 this body. If that's not the case, then I think we
14 probably have to be, you know, talking to the rest of the
15 folks that advise us and see what the other remedies are.

16 MR. STEVE WITTE: So in your reading of the
17 bylaws you believe that the Operations Committee lacks
18 authority to make any decisions regarding the resolution
19 of these matters and that would have to be acted upon by
20 the full Administration?

21 MR. DAVID POPE: We need to take a look at
22 those, but I'm not aware that this body has delegated to
23 the committee to make interpretive decisions of the '80
24 Resolution if that's what you're asking. Obviously,
25 there's a role of monitoring operations and trying to

1 understand what has occurred and those routine day-to-day
2 operational things, but...

3 MR. STEVE WITTE: David, I guess I'm a little
4 frustrated. Mark and I spent a year talking with each
5 other at our staff level trying to resolve most of these
6 issues, that was in 1999. Last year's meeting it was
7 agreed that the committee would meet, and apparently the
8 only thing that was accomplished by that meeting was an
9 increase in understanding of what the issues were. My
10 question is, how do we resolve these? If we can't do it
11 at the staff level and the committee lacks authority to
12 resolve these issues, personally, I guess just my
13 reading, but seems like some of these issues probably
14 could be resolved by the committee.

15 MR. DAVID POPE: Steve, I think they probably,
16 some of them can be at all of those levels that you've
17 described, but they haven't been to date. I mean I don't
18 know which ones, and it may be beyond the scope of your
19 question to say that at this point, but...but those that
20 there are potential solutions that...that may be
21 acceptable through some process should be considered. We
22 need to identify the ones that we are...that you and Mark
23 are not in agreement on. We have heard quite a bit about
24 some of those already, even last night. There may be
25 some that the committee can look at. But seems to me

1 like the committee is not in a position, I think even in
2 the ground rules that were set forth for the meeting last
3 February, in position to make final decisions on those
4 issues. If in fact through that forum they believe they
5 have a solution that could then be, I think...I think
6 brought back to the Administration. We didn't...that
7 hasn't occurred yet. But presumably some of those would
8 have the potential for that. And beyond that, maybe some
9 of those are legal questions that are going to have to be
10 resolved in some other forum.

11 MR. RANDY SEAHOLM: Mr. Chairman, David, maybe
12 along those lines, could we ask Steve and Mark to look
13 down the list of issues that we have before us and
14 identify those which we believe are solvable at the...at
15 the Committee level, or at least solvable such that they
16 could make a recommendation to the Compact that we could
17 consider? And I guess I would propose even trying to do
18 a special meeting, if we can do this, so that we can
19 resolve as many of these as we can as quickly as we can?

20 MR. DAVID POPE: I think there's some potential
21 there. I'm having difficulty knowing you know, the scope
22 of which items that might be. There's an
23 interrelationship, I mean we can maybe say on one hand
24 that a certain item could be resolved in isolation, but
25 do we redo the accounting just for that one item or not.

1 That may have, may end up with multiple generations of
2 versions and I'm not necessarily sure that's useful. And
3 so, yes, I think we need to make...identify what the real
4 issues are and carve those out. We may not be able to
5 implement those or not, I don't know, but then we could
6 focus our energies on the ones that we can't resolve. I
7 mean that's one possibility.

8 MR. RANDY SEAHOLM: I guess I would like, if
9 it's at all possible, for them to give us a list of
10 issues that we think we could resolve. I think anything
11 that we can resolve and put behind us is certainly a step
12 in the right direction. And I realize that there's big
13 picture issues that we are going to have to look at
14 settlement in another arena for, but at least for the
15 ones that could allow them to do a better job of the
16 record keeping and agree on those, I would certainly like
17 to see accomplished.

18 CHAIRMAN SISNEROS: Mark, did you want to speak,
19 I thought you had your hand up?

20 MR. MARK RUDE: Well, fundamental to, for the
21 most part, all of the issues that are raised here with
22 the Operations Committee is a result of trying to find
23 out what the rules are for operation and if we are
24 operating under the '80 Plan. Being a relatively new
25 position as Assistant Operations Secretary on the

1 Compact, go back to the '80 Plan, what does it say, how
2 should things be operated? And they are being operated
3 differently. And for Steve and I to resolve that, it
4 almost seems like there needs to be...we have talked
5 about it a lot, Steve and I and our staffs have spent a
6 lot of time on these issues, and I'm not sure that
7 there's very many new issues, so we've spent a lot of
8 time on the set of issues and haven't resolved a one of
9 them. And so I guess I'm kind of echoing some of Steve's
10 comments, and it seems like direction as to how we
11 proceed in the operation under the '80 Plan if we
12 disregard specifics of the plan for convenience or for
13 whatever reason, and that's okay? Seems to me the
14 Compact needs to say that or it needs to reaffirm, more,
15 specifically, this is what's in our resolution and that's
16 the way things need to be operated. I mean, there needs
17 to be some kind of feedback to the staff.

18 MR. RANDY SEAHOLM: Well, you know, I agree.
19 And I think what we at the Compact feel, I guess a need
20 for is kind of a desegregation of the issues, if you
21 will, and to those that look like they are easily
22 solvable that you could agree to solve in a certain
23 manner versus those that I think are more than likely
24 higher level issues that we will have to resolve in
25 another manner. But I would like to...you know, I think

1 we have got a list of 15 or 20 you know, issues before us
2 right now, but at least half a dozen of those seem like
3 they could be resolved with a minimal amount of effort
4 and you know, and I certainly think living within the
5 spirit of the 1980 Operating Plan. And I think those are
6 the ones that I would kind of like to have you guys tell
7 me you know, I think we could agree on this or we could
8 agree on that and not have to wait and hold everything to
9 do as a package.

10 I guess along these lines, Mark, you gave us a
11 very nice Power Point presentation last night with
12 respect to the issues that you just outlined for us. Is
13 that something that you could provide to us on the
14 diskette or in a hard copy, one way or another? The
15 reason being is that you know, we have an Operations
16 Secretary Report and we now have the position of an
17 Assistant Operations Secretary and I think these issues
18 that you raised, I would just like to have a record of
19 what those are so again, we can kind of look at those and
20 make sure we fully understand those.

21 MR. MARK RUDE: I think at some point something
22 can be provided along those lines very clearly. I put it
23 that way as a response to your question in that some of
24 the Kansas Delegation, in fact, saw it for the first time
25 on that presentation. And so I think after they have

1 reviewed it and had their input, then I think very
2 certainly something needs to be provided and distributed.

3 MR. TOM POINTON: If I might say, could...would
4 it be reasonable to ask, you know, every document that's
5 written, and of course the Operating Plan was written in
6 1980 and they didn't envision that there would be that
7 many spills that close together. Some other things have
8 happened since 1980 and every document that's written, as
9 all of the lawyers are aware, is there's a lot of gray
10 area. Would the Operation Secretary and the Assistant
11 Operations Secretary be willing to write an extra
12 document on the issues that have been brought out to fine
13 tune a proposal. To fine tune, not change the Operating
14 Plan, but do an...an amendment to the Operating Plan or
15 in addition to whatever, how they think it should be
16 operated in all cases that might, they think might come
17 up, and then meet at some point in the future and review
18 those two things and see if we can't reach some kind of
19 agreement?

20 MR. MARK RUDE: In other words, Tom, if I
21 understand your question, propose amendments?

22 MR. TOM POINTON: Well, propose...if you have a
23 resolution that's usually broad. Could you write
24 something that would take every case scenario involved.
25 I mean if...could you propose a document that would have

1 every feasible part of that that's not gray and put it in
2 black and white, could you do that?

3 MR. STEVE WITTE: I can't. No, Tom, I don't
4 think anyone can anticipate every eventuality. But I do
5 think that we can perhaps, not jointly but individually,
6 at this point I think it would have to be jointly,
7 present our own view of amendments that might cure the
8 problems that we have identified thus far, or that have
9 been raised thus far. In fact, I attempted to do that in
10 my 1999 report providing some specific suggested language
11 with respect to some of the issues that have been raised
12 for consideration. I don't see any reason why we
13 couldn't attempt to address at least some of those issues
14 in that manner. Speaking only for myself at this point,
15 of course.

16 MR. DAVID POPE: I think the process that was
17 begun last year had the potential to come up with
18 potential solutions. I don't know, maybe there needs to
19 be some fine tuning of the process. But I think what was
20 intended there was for representatives you know, Steve
21 and Mark and the representatives of the committee and
22 their advisors to sit down and hash over the issues.
23 First, understand them, and I think they apparently made
24 a lot of progress in regard to that. What you...they
25 were not able to get accomplished last year, as I

1 understand it at least, was to really define solutions to
2 some of the categories at least, and at least identify
3 then the ones that they didn't have a solution for and do
4 such...do that in such a way that neither state was
5 creating a problem for itself in documents outside of
6 that form, I think there was some apprehension about
7 that. And I don't have a problem with that process
8 continuing and trying to address those issues in
9 some...as many as possible, jointly and carving out the
10 ones that can't be and then just see what we end up with,
11 you know. I don't know any other way to do it either at
12 this point in time. We have to somehow make progress on
13 this and we are certainly willing to cooperate in that
14 regard. I just can't sit here and make conceptual
15 commitments to something that I don't know what the
16 answer is.

17 MR. MARK RUDE: Just one other comment I would
18 like to make is that what's, to me, challenging in this
19 process of discussion, in looking at the '80 Plan really
20 any time you're trying to resolve a difference, it's
21 helpful to start from a common point of understanding.
22 And I guess the common point of understanding I was
23 attempting to start from is the agreement that's there
24 before us. And there are aspects of that agreement that
25 we are disregarding, I mean the definitions of that

1 agreement in the way things are operated now. And unless
2 we can resolve even one of those we haven't even come to
3 a common beginning in the discussion. That's just my
4 comment.

5 CHAIRMAN SISNEROS: Let me make a couple of
6 comments here. You know, being relatively new as a
7 chairman of the Administration here and last year being
8 the very first meeting that I did attend and try to bring
9 myself up to speed on some of the issues here. You know,
10 what I encountered was a high level of frustration last
11 year in terms of that, you know, there was a lot of
12 discussion but there was no agreements, there was no
13 understandings of whatever. I'm seeing the same thing
14 today here where there's a high level of frustration
15 amongst everybody, and I see a...I see a lot of resources
16 coming together here, a lot of taxpayer resources that
17 are being wasted, if you will. There's a lot of effort
18 and money and taxpayer resources went into providing all
19 of these documents and having all of you people here and
20 we are just not getting anything done. Now I attended
21 that February meeting and I thought that it was very,
22 very productive.

23 And in regard to your common point of
24 understanding, Mark, I think that that was a very good
25 beginning, as a common point of understanding. There was

1 a lot of historical data as to why a lot of things that
2 were agreed upon as to the operations of this basin and
3 you know, I felt like Kansas understood a lot of the
4 reasons why, after it was explained by some of the
5 old-timers that were on the board here that had been here
6 for a long time. My understanding was that this was
7 going to go further and based on some of the information
8 that was received from that February meeting that
9 something could be done in the future, well, it hasn't
10 happened. And I think that we need to resolve this in
11 some way. And you know, there's a lot of ideas being
12 thrown around but there's no concrete meetings being set
13 up, there's you know, no real solid points of
14 disagreement for discussion are being brought up and how
15 we are going to do it. I think we need to stop and
16 proceed with this thing here.

17 Steve, I think you had something to say.

18 MR. STEVE WITTE: Well, Mr. Sisneros I agree
19 with you, I had the same understanding following the
20 February meeting, that there would be some follow-on
21 discussion. And I think we are sort of casting about
22 here this morning about how to proceed, whether it's
23 through separate proposals addressing the points or
24 additional meetings, et cetera. But, as I recall,
25 following the February meeting there was a consensus that

1 the ongoing discussion needed to involve a level playing
2 field, a sense of fair play introduced into the system.
3 I think the forum of the meeting that we had in February
4 was helpful in promoting that. But if there's going to
5 be a presentation of proposals, it seems like those ought
6 to be done concurrently so that one party can't merely
7 respond and sharpshoot to the other's proposal. So I
8 would encourage you to take that into consideration if
9 you're going to direct or fashion some forum for
10 continued efforts to resolve the disputes.

11 CHAIRMAN SISNEROS: Thank you, Steve.

12 Are there any other comments in regard to...
13 well, I think you're up now, I'm not...you're up.

14 MR. JAMES ROGERS: I guess we're to the point to
15 where Steve give us his report, Operations Report, and
16 Mark give us his. How do we continue from here, does
17 Kansas have any suggestions on that, David?

18 MR. DAVID POPE: I think the key is defining an
19 assignment to the Operations Committee, or whoever, to
20 try to take the next step on this. I've you know, just
21 been trying to wrestle also with how best to do that.

22 MR. JAMES ROGERS: Well, then what are we saying,
23 are we saying that we are going to...we're not going to
24 approve his Operations Report at this stage? What needs
25 to happen to make that work?

1 MR. DAVID POPE: Well, I don't think we're in
2 the position to do that while we have all of these
3 unresolved issues about the accounting and...but I think
4 we do need to focus efforts on how to try to resolve
5 those items. And seems to me like that maybe we just
6 need to lay out a plan here in terms of how to address as
7 many of those things as we can. And perhaps that is some
8 form of continuation of the meetings that occurred last
9 February. And the committee maybe can caucus at some
10 point here and look at schedules and time frames that are
11 needed. I'm not sure we can do that here on the fly.
12 But our assignment would be to come up with a schedule
13 and then perhaps if each state could provide...I don't
14 know whether a proposal or what terminology we want to
15 use, or some definition at least, specifically, of
16 concerns and issues there, and then the committee can
17 meet and look at those and see what they can come up
18 with. And then ultimately, I guess I see that, probably
19 reporting back to this body. I don't know any way to get
20 around that at this point in time.

21 MR. JAMES ROGERS: Okay. I don't have no
22 problem with the meeting. And are...the committee's
23 hands were tied last time when we met that we couldn't
24 make any decisions. We were instructed not to even agree
25 to anything. I think the...you know, if you want this

1 committee to function as a part of, we, at least, need to
2 have the opportunity to make recommendations with reasons
3 behind, from the committee that you know, if we spend our
4 time to go and try and hash all of this out and gather
5 the data, coming back to the Compact we have no problem
6 with, but we do need, at least the authority to make
7 recommendations.

8 MR. DAVID POPE: I think that's...I think that's
9 workable. I think our concern was, I don't believe the
10 committee can take action and bind the Administration,
11 but in terms of looking at the issues, trying to find
12 solutions and to make recommendations, I think that seems
13 to be appropriate.

14 CHAIRMAN SISNEROS: Can I make a suggestion
15 here? You know, there's a lot...I think Randy alluded to
16 the fact that there was 15 or 20 issues that...that were
17 in question here, I think that's...you know, that's a
18 whole lot of issues to try to address. And they are
19 complicated issues, I think that we could maybe break
20 those out into...you're finding important issues. And
21 maybe Kansas is finding issues that, really, they think
22 are maybe the most important at this time and should be
23 addressed first maybe because of the other issues, and
24 identify those and maybe present how you think that those
25 five issues should be addressed and Colorado do the same

1 thing. And I think that in...that February meeting was a
2 good start even though you know, the ground rules were as
3 they were. But my anticipation of that whole meeting was
4 at some time in the future we were going to be able to
5 maybe address some of these issues and come to a
6 conclusion on it so we could move on.

7 Would our Operations Chairman, would you
8 coordinate that or would you like...you folks like me to
9 coordinate that and coordinate with Kansas and Colorado
10 in terms of identifying maybe the five issues, if that's
11 something that you folks could work with?

12 MR. DAVID BRENN: Mr. Chairman, I also believe
13 part of that definition of issues is the relationship,
14 either structured or non, between the AOS and the OS.
15 And, if you recall, at that meeting some of the positive
16 discussion that I felt occurred was the importance of
17 timely reporting and communication. The 1980 Plan is
18 there and it's an old instrument but it's one that's been
19 there and that we have tried to operate with. And
20 sometimes it's just an interpretation of that plan that
21 occurs without communication between the states. And so
22 I think...and it's just...Jim, I want you to respond to
23 this too. But I think we need to look at, and perhaps be
24 a little more helpful as an entity in directing the OS
25 and AOS in process of timely communication and reporting.

1 MR. JAMES ROGERS: I think what come out of this
2 meeting, and this is very important, I think we had some
3 breakdowns along those lines, therefore, up come red
4 flags and blockers stopped the whole momentum.

5 MR. DAVID POPE: Well, it seems to me like
6 if...that if each member did identify the...I guess I
7 envision this, the members of the Operations Committee
8 consultation with the OS and AOS, and like I say,
9 whatever advisors, identify the issues that they think
10 are important to them, and those may not be necessarily
11 the same issues for each side, but they...I don't think
12 we need to predetermine those issues. But I think each
13 side needs to have a chance to do that and then agree to
14 a concurrent exchange of those in advance of meeting, if
15 that's fair, so that there isn't an issue that creates a
16 concern that Steve raised. And then set down and see
17 what can be...what recommendations the...what further
18 discussion needs to occur and what recommendations that
19 the group can come up with. Seems to me like that has
20 the potential of making some progress.

21 MR. JAMES ROGERS: I agree with that. I think,
22 whenever we meet, I think each of us needs to bring
23 our...written down so we don't go to picking on one
24 another over certain items.

25 MR. DAVID POPE: That's what I'm saying, Jim,

1 and I appreciate that. If deadlines are set and each
2 party, at least before forwarding that, there's
3 concurrence by both that we are going to send those on
4 day X.

5 MR. JAMES ROGERS: That's right.

6 MR. DAVID POPE: That way each...that's not an
7 uncommon process. So that each party has an equal
8 exchange on that. And then do that in advance of the
9 meeting far enough so that people have an adequate
10 opportunity to review those, to study them out, get
11 prepared for the meeting and then make it a meaningful
12 discussion at that point in time.

13 CHAIRMAN SISNEROS: Who would you suggest...this
14 is going to take some coordination. Who would you
15 suggest coordinate this whole thing?

16 MR. DAVID POPE: You know, I'm open. I think
17 if, Mr. Chairman, if you want to do that and help
18 coordinate the schedule and the time frames, I think that
19 would be acceptable to us. I think we, each state, needs
20 to be able to have strong input into that so that we
21 aren't caught into a period where we can't do it. But I
22 think we just set a schedule so that we can work towards
23 this during the coming year, it's not something that has
24 to be resolved overnight.

25 CHAIRMAN SISNEROS: It's not going to be

1 resolved overnight.

2 MR. DAVID POPE: If we push it too tight it's
3 not going to be resolved.

4 CHAIRMAN SISNEROS: That's right.

5 MR. DAVID POPE: But if we give ourselves a
6 matter of months and it may very well be maybe this time
7 next year before we have a product that can really be
8 recommended to this body. But you know, maybe they can
9 start meeting in February or March or sometime like that
10 again and have a course of even perhaps several months
11 after that to follow-up.

12 MR. RANDY SEAHOLM: Mr. Chairman, I think that
13 makes sense from our perspective. And I think you know,
14 once we have the important issues identified, hopefully
15 that at least some of what I call the lesser issues that
16 may be able to be resolved fairly easily and we can move
17 towards getting, at least, some of those off the table.

18 CHAIRMAN SISNEROS: Okay. Do we need this in
19 the form of a motion or...or just put it in the record
20 maybe?

21 MR. DAVID POPE: Seems to me like this latter
22 part of our discussion is clear guidance to the
23 committee.

24 CHAIRMAN SISNEROS: Let this go on the record.
25 I, as Chairman, will coordinate with Kansas and Colorado

1 five issues each that will be determined by each state to
2 be addressed by the other state. I will set up a meeting
3 to present these issues. I will also set up deadlines
4 for these issues to be presented from one state to the
5 other so that they will have plenty of time to
6 acknowledge and address those issues.

7 MR. DAVID POPE: Is there a reason why we want
8 to limit that to...depends on how we define the issues,
9 but what's the basis of the five?

10 CHAIRMAN SISNEROS: Well, I think...

11 MR. DAVID POPE: Don't we want to try to resolve
12 all of them that we can?

13 CHAIRMAN SISNEROS: Well, up to this point I
14 don't know that we have resolved anything.

15 MR. DAVID POPE: Maybe that is right. You're
16 saying try to resolve five that can be potentially
17 resolved?

18 CHAIRMAN SISNEROS: Right. And I think a lot of
19 them are tied to each other, obviously.

20 MR. DAVID POPE: Yes, they are. And we could
21 probably...depending on how you define the issues they
22 can all be within five and have subparts or they can be
23 15.

24 CHAIRMAN SISNEROS: Right. That's exactly
25 right. And I think we probably just need to play it by

1 ear here as you're progressing with, as an example, issue
2 number one, it may take it through several issues and so
3 forth, so...but I think if we maybe try to identify five
4 minimum, okay, let's say a minimum, five minimum, and see
5 where that takes us.

6 MR. DAVID POPE: Okay.

7 CHAIRMAN SISNEROS: Yes.

8 MR. MARK RUDE: Just a point of clarification
9 for me. Is this five most important or the five most
10 likely to be resolved?

11 CHAIRMAN SISNEROS: Whatever your wish is.

12 MR. MARK RUDE: Okay.

13 CHAIRMAN SISNEROS: I think that that's up to
14 Kansas and up to Colorado.

15 MR. RANDY SEAHOLM: I was going to say, I would
16 be happy right now taking on the five most likely to be
17 resolved.

18 CHAIRMAN SISNEROS: Kansas?

19 MR. DAVID POPE: I think that can probably be
20 workable for us.

21 CHAIRMAN SISNEROS: Let's proceed with...in that
22 fashion then. Thank you, Mark.

23 Mr. Rogers, the floor is yours.

24 MR. JAMES ROGERS: Okay. I take it then we have
25 covered the Operations Committee's...we need to do Number

1 3?

2 MR. STEVE MILLER: I have a question (Reporter
3 cannot hear speaker)...-- Steve Miller -- (Reporter
4 cannot hear speaker)...it's important to try...in trying
5 to do those reports, to have at least an accurate record
6 of what occurred with respect to Operations Secretary
7 information, that's where I go to start my report. I'm a
8 little confused now whether there's been a formal
9 Assistant Operations Secretary Report both in 1999 and
10 again this year. Steve, maybe you can help me out. I
11 thought last year there was an oral report from the
12 Assistant Operations Secretary and agreement or
13 commitment to provide a written report at a later date
14 and I'm not sure that ever occurred. And more
15 importantly...or more able to address is the 2000 report
16 from Mark last night. I guess what I heard you say today
17 was that was an unofficial report from the Assistant
18 Operations Secretary and an official report may be
19 forthcoming or not. I mean should I, when I write this
20 up, do we believe we had an Assistant Operations
21 Secretary written report, or I mean a report or not, and
22 could we maybe set a time for that to be resolved so I'll
23 know that if nothing comes out by February 28, for
24 instance, that there was no alternative report. I don't
25 know, we are getting...we are not getting the annual

1 reports done, doesn't help the situation, but we get the
2 year further along without remembering and documenting
3 what we did the year before. It's going to make it real
4 hard to recapture some of this.

5 MR. MARK RUDE: It is the expectation, it sounds
6 to me like, that there will always be a written Assistant
7 Operations Secretary Report.

8 STEVE MILLER: My expectation or yours?

9 MR. MARK RUDE: I'm throwing that out to
10 collective discussion. You asked a question and so I'm
11 sort of asking another question I guess, Steve.

12 MR. STEVE MILLER: Well, I guess we could just
13 quickly decide was there an Assistant Operations
14 Secretary Report in '98, was there one in '99 and is
15 there one in 2000, or will there be for any of those
16 years would be helpful. I just don't know. We've got a
17 written summary of where we are at on the Operations
18 Secretary Report and last year's report and now we can
19 add the formal action you took or didn't take, but it's
20 on the record that you didn't approve the 2000. I just
21 don't know where we are at on the Assistant Operations
22 Secretary Reports.

23 MR. DAVID POPE: Steve, if I'm correct, or just
24 looking through some documents I have with me, I think
25 there was a written and signed Assistant Operation

1 Secretary Report for both 1998 and 1999, and I thought
2 those had been furnished.

3 MR. STEVE WITTE: '98 but...

4 MR. DAVID POPE: '98, but '99 was not, is that
5 correct?

6 MR. STEVE WITTE: I won't say.

7 MR. DAVID POPE: Let's check that out. Maybe
8 that has not been furnished. I thought it had been.
9 Mark, you don't recall?

10 MR. MARK RUDE: As far as the distribution of it
11 in light of even today's comments where I said you know,
12 there's been a request for the written, in print, what
13 was presented to the Operation Secretary yesterday, seems
14 like there was some similar discussion about that last
15 year. But I believe there was a commitment to get a
16 written report and I just can't recall whether that was
17 distributed or not.

18 MR. DAVID POPE: That may be where it is then
19 and we may have inadvertently not gotten that done. But
20 let's do this, we...I think it was our intention to
21 provide, if it wasn't available last year, and if it
22 wasn't to provide a written version of that subsequent to
23 the meeting and we can do that still. And then finally I
24 think, as Mark indicated, we can also do that for this
25 year in some form. It may not be a formal text-type

1 report, but some you know, a...we just need a little bit
2 of time to look at his presentation last night. And it
3 was intended really to just guide a verbal report, it was
4 not really designed this year for a formal written
5 report. But we have had requests for copies of that or
6 something, and we would be willing to, after we have had
7 a chance to look at it, to fine tune that or whatever
8 needs to be done so we think it represents what was
9 trying to be conveyed and can provide that. So it may be
10 in the form of copies of slides for example, but...and
11 perhaps that can be made available before, in advance of
12 whatever sessions are established under this other
13 assignment. Now I think we are in a position that
14 neither of these reports have been acted upon by the
15 body, to my knowledge, but as far as OS or AOS, but at
16 least we would have the reports out there for people to
17 study and look at.

18 CHAIRMAN SISNEROS: There's been a request for a
19 short break, why don't we take about ten minutes here.

20 (Whereupon, a short break was taken,
21 after which the following proceedings
22 were had:)

23 CHAIRMAN SISNEROS: If we are ready our
24 recording secretary here has indicated she has an
25 attendance sheet that not everyone has signed onto.

1 STEVE MILLER: There's actually five sheets.

2 CHAIRMAN SISNEROS: Is there five sheets? I
3 only have one here.

4 MR. STEVE MILLER: I've got two, this is number
5 three, if I can get the five, I will make a copy and give
6 the reporter a copy.

7 CHAIRMAN SISNEROS: If you haven't signed it,
8 please sign it, it would be very useful to her.

9 MR. STEVE MILLER: This is...there's two out
10 there somewhere.

11 CHAIRMAN SISNEROS: Before we...I turn this back
12 over to Mr. Rogers here, I would like to back up a little
13 bit. I've had a couple of comments in regard to a report
14 and presentation, it was done by our Assistant Operations
15 Secretary and it's not being made available to the
16 committee. And in terms of everything that is going on
17 at this meeting is being recorded, for obvious reasons,
18 it's felt that any report that is presented to this
19 committee be turned into the committee as reported.
20 If...Mark, if you would do that?

21 MR. MARK RUDE: Sure.

22 CHAIRMAN SISNEROS: Mr. Rogers.

23 MR. JAMES ROGERS: Okay. We'll go down to 4(c),
24 Item Number 3 on there, the Offset Account, and Ken.

25 MR. KEN KNOX: Thank you, Mr. Rogers. Thank

1 you, Mr. Chairman. My name is Ken Knox. I'm the
2 Assistant State Engineer for the State of Colorado and I
3 would like to briefly discuss four things.

4 (Whereupon, someone from the audience
5 requested that the microphone be turned
6 on, there as an off-the-record discussion
7 regarding the microphone, after which the
8 following proceedings were had:)

9 MR. KEN KNOX: we've heard quickly some
10 accolades for Mr. Howland, I think it would be reticent
11 of me not to recognize the integral part of that team,
12 that being Ms. Elsie Howland...sorry, I have a cold so
13 I'll try to speak up. But we have recognized Mr.
14 Howland. For the record, I would like to recognize the
15 integral part of that team who's answered many phone
16 calls and suffered through long nights, and that's Ms.
17 Elsie Howland. (Audience clapping.) Thank you.

18 Mr. Chairman, last night we went through some of
19 the sequential or chronological order of the amounts and
20 the dates that were the highlights of the Offset Account
21 operations that were tendered, and I can go into some of
22 the details but I would, for the lack of being redundant
23 or...I would just request it's acceptance and adoption by
24 the Administration.

25 CHAIRMAN SISNEROS: Is there any objection to

1 that?

2 MR. DAVID POPE: Mr. Chairman, I'm not sure we
3 are in a position to take action on the report. I don't
4 know that we need to dwell further in terms of questions.
5 I think we do have some issues we would like to look at
6 in regard to the issues regarding what's been delivered
7 as far as the Offset Account. I think we can hopefully
8 respond to that and in timely fashion, but I'm not sure
9 we are ready for action at this point in time.

10 CHAIRMAN SISNEROS: Okay. We'll table that for
11 the moment then.

12 MR. KEN KNOX: Very good, sir. Second item is
13 the Compliance Activities, a report for the Compact Year
14 of 1999 to 2000. Again, I'm going to just speak to the
15 highlights. There were 16 replacement plans approved
16 this year under Rule 14 and that were operated. They
17 represent 1,948 wells, of which 188,355.6 acre feet were
18 estimated for pumping. 160,642.5 of that is the actual
19 pumping for 85 percent of the estimate. The 16 plans
20 also represent out of priority depletions, estimate was
21 40,687.7 acre feet, the actual replacements were 42,765.8
22 acre feet, or a net difference or excess replacements of
23 2,078.1 for this Compact Year.

24 The third and final point, I would like to see
25 some clarification. Last night and at length this

1 morning we heard debate about the Assistant Operations
2 Secretary's Report. Last night Mr. Rude, and again this
3 morning confirmed, and also through Mr. Pope, that he
4 would provide that. And my simple question is, when
5 might Mr. Witte and his staff expect that report?

6 CHAIRMAN SISNEROS: Mr. Rude.

7 MR. MARK RUDE: Very soon. I would think a
8 couple of weeks maximum.

9 CHAIRMAN SISNEROS: Two weeks?

10 MR. KEN KNOX: The day after Christmas. Thank
11 you.

12 CHAIRMAN SISNEROS: Will that suffice?

13 MR. MARK RUDE: Two weeks?

14 MR. KEN KNOX: Yes. And that concludes the
15 report tendered by the Colorado State Engineer.

16 MR. JAMES ROGERS: Is there any questions?
17 Seeing none. Is there anything else to be brought up on
18 the Operations Committee's Report?

19 MR. DAVID POPE: Mr. Chairman, and Jim, I would
20 like to clarify one thing that was raised before the
21 break in regard to Mark Rude's report from last year. We
22 checked the transcript and have located copies of the
23 signed AOS report from last year that was provided at the
24 meeting and that is confirmed in the transcript, it was
25 distributed. And so I don't think there's any doubt the

1 fact that that is available. If someone needs another
2 copy we would be happy to make that available. And so I
3 just didn't want to leave that uncertainty in the record
4 in regard to the fact that that was possibly not provided
5 because we believe that it was.

6 CHAIRMAN SISNEROS: Mr. Miller, do you need a
7 copy of that?

8 MR. STEVE MILLER: Yeah. I'm sure I can...I can
9 get one.

10 MR. JAMES ROGERS: Is there anything else? That
11 will conclude the Operations Committee Report. Oh,
12 Dennis Montgomery.

13 MR. DENNIS MONTGOMERY: Mr. Rogers, I just want
14 to make comment about the report by Mr. Knox. Paragraph
15 11 of the Offset Account Resolution requires the Colorado
16 State Engineer to make an accounting of operations under
17 the resolution available to the Operations Committee and
18 to the Administration and interested parties, that's the
19 basis for the report that Mr. Knox made. In addition,
20 the Offset Account Resolution requires a monthly
21 reporting to the Administration and the Kansas Chief
22 Engineer. I've always recognized there may be issues
23 about specific accounting that's provided in the report
24 by the Colorado State Engineer but we believe at this
25 point we are in compliance with the requirements of the

1 Offset Account Resolution in providing the reports. And
2 likewise, if Kansas does have any issues about specific
3 accounting that's in the Offset Account Resolution, I
4 think it was the intent of the Offset Account Resolution
5 that those issues would be raised in a timely fashion so
6 that the states could try and resolve those. So I heard
7 Mr. Pope's reservation about the report on the Offset
8 Account, I understand that, but we are assuming you will
9 review that in due course and provide us any comments if
10 you have them.

11 MR. DAVID POPE: I think...I don't have the
12 agreement in front of me, but my recollection is, Dennis,
13 that you're correct, it does have reporting requirements.
14 And certainly my comments were not intended to infer that
15 there had not been the reporting that the resolution
16 calls for, in other words we have received reports. I
17 don't necessarily know that there's a requirement that
18 this body actually approve those or not, I hadn't looked
19 at the language in there. But I do think that in terms
20 of pointing out concerns or raising concerns that that's
21 fair, that we should do that in a timely fashion. Much
22 of what we are talking about here today is in part a
23 timing issue in the sense that the reports, and I know
24 there's a lot of hard work goes into the preparation of
25 those, but there's very little time between the receipt

1 of those and this meeting to really do a thorough review
2 and make judgments that might be viewed as you know,
3 having consequences that we have not had an adequate
4 opportunity to consider.

5 MR. DENNIS MONTGOMERY: I wasn't suggesting that
6 you were raising a question about the reporting, I was
7 just trying to point out that this reporting is required
8 by the Offset Account Resolution.

9 MR. DAVID POPE: Yes.

10 MR. DENNIS MONTGOMERY: I agree that there's a
11 very short time period between the time the report's
12 submitted and the annual meeting. I was just trying to
13 point out that if there were comments after you've had an
14 opportunity to review it and if you could share those
15 with Colorado, that was my understanding of what the
16 intent was of trying to resolve those in a timely
17 fashion.

18 MR. DAVID POPE: Appreciate that.

19 MR. JAMES ROGERS: Okay. If there's nothing
20 else that will conclude my report.

21 CHAIRMAN SISNEROS: Moving on, under 4(d) is
22 deferred, E, deferred. Item Number F, "Administrative
23 and Legal Committee." Who is doing that?

24 MR. RANDY SEAHOLM: I guess I'm informed that
25 Peter Evans was the chair of this last time round, I

1 think there's only a couple of items that the
2 Administrative and Legal Committee would have discussion
3 on and both of those are on the agenda for discussion at
4 a later time, those being the budget and the Recording
5 Secretary's position. And so I guess I would defer
6 further report on those until they come up on the agenda.

7 CHAIRMAN SISNEROS: Thank you, Randy. Item
8 Number 5, Reports of...

9 MR. RANDY SEAHOLM: Mr. Chairman.

10 CHAIRMAN SISNEROS: Yes.

11 MR. RANDY SEAHOLM: Given that we have a number
12 of people here from the Purgatoire District, would it be
13 appropriate perhaps to try to get to them before...before
14 lunch?

15 CHAIRMAN SISNEROS: Yes, I think it would be.

16 MR. DAVID POPE: Mr. Chairman, could I...

17 CHAIRMAN SISNEROS: Yes.

18 MR. DAVID POPE: One further comment. I realize
19 we just finished the Operations Committee Report, but one
20 thing that I failed to mention in the exchange that
21 Dennis and I had just a minute ago regarding the Offset
22 Account operations, we have actually provided comments by
23 letter to the Colorado State Engineer. I think that's to
24 the letter we sent to...and I didn't state that here, but
25 we have actually provided some information regarding some

1 concerns we have about Compact compliance issues. And
2 were you expecting something, do you need something
3 beyond that?

4 MR. DENNIS MONTGOMERY: No, we received that
5 letter. And it's my understanding, and I've been talking
6 to Mr. Simpson and Mr. Straw, that there should be a
7 response from Colorado coming within a matter of days.

8 MR. DAVID POPE: Okay. I guess that was going
9 to be the next issue I was going to ask about, if you had
10 a response to that.

11 MR. DENNIS MONTGOMERY: We did receive your
12 letter on the Stateline Return Flow Issue, it has been
13 analyzed, and I believe the Colorado State Engineer will
14 be providing a response with a proposal.

15 MR. DAVID POPE: Okay. Thank you.

16 CHAIRMAN SISNEROS: Was there any problem with
17 Kansas or Colorado to move from 5 to Number 6 because of
18 the timing, which would been the Purgatoire River
19 Conservancy District Status Report?

20 MR. DAVID POPE: I think that's fine.

21 CHAIRMAN SISNEROS: Could we have that now?

22 MR. JERIS DANIELSON: Thank you, Mr. Chairman.
23 I appreciate the opportunity to speak to the
24 Administration on behalf of the Purgatoire River Water
25 Conservancy District. As you saw, we have had four

1 members travel from Trinidad this morning. Three of our
2 staff is here as well as counsel and I certainly
3 appreciate your exercising your plenary powers. It's
4 inconceivable to me that anyone would want to deny the
5 opportunity for the Purgatoire District to give a report
6 to this Administration, particularly when the issues that
7 we continue to bring before the Administration remain
8 unresolved. I was going to welcome Mr. Person from the
9 Bureau, who is the new area manager, I assumed his report
10 would come before this. But, Brian, we welcome you.

11 MR. BRIAN PEARSON: Thank you.

12 MR. JERIS DANIELSON: We look forward to some
13 new leadership coming out of the Eastern Area Management
14 Office there and look forward to working with Brian and
15 his staff on some issues that are still outstanding for
16 the District.

17 Can you all hear me? I'll speak louder.

18 If anyone doubts the value of the construction
19 of a dam I would invite you to look at the history of
20 what happened to the irrigation operations this year
21 under the Trinidad Project. We were very fortunate a
22 year ago to fill the irrigation capacity of Trinidad
23 Reservoir, absent having that water in storage we were
24 looking at an irrigation season of approximately 10 days
25 for the entire summer. Which would have amounted to

1 about a 20 percent water supply for the entire district.
2 Because of the ability to store excess run-off in the
3 previous year, we had a full supply for all of the
4 irrigated acres in the district. So when people argue
5 against dam construction, at least in the case of
6 Trinidad, it was extremely beneficial to the people who
7 depend upon that facility. Because of receiving that
8 full water supply, we will be paying back to the United
9 States government over \$250,000 in repayment. So there
10 are some benefits to dam construction.

11 The District embarked this past year on two
12 major projects. We executed a contract with the Bureau
13 of Reclamation, a three year contract which will result
14 in an expenditure of Bureau and District funds in excess
15 of, I believe, 175,000 to \$200,000 to investigate canal
16 losses within the participating ditches in the project.

17 We signed a contract with the USGS, they
18 conducted seepage losses on all of the ditches in the
19 project this year. There's a draft report that is...will
20 be forthcoming from the Pueblo sub-district office, and
21 we look forward to collecting more information in the
22 next two years to determine just what canal losses are in
23 the project area. It's extremely important that we have
24 knowledge of those canal losses simply because the
25 Operating Principles require that canal losses and system

1 efficiencies be taken into account when allocation of
2 water is being made to each of the participating ditches.
3 Those losses or the conduct of those measurements went
4 well. I think the GS only came close to having one
5 hydrographer shot when he forgot to tell a landowner that
6 no, he was going to go on his land and measure a reach of
7 the canal. And I think there was only one rattlesnake
8 incident, he was about a six-and-a-half footer, but
9 fortunately no one was bitten.

10 We also have signed a contract with Advanced
11 Computer Mapping and Engineering, a firm from Denver, to
12 develop an acreage verification system. That contract is
13 for approximately \$30,000. It will be state of the art
14 in terms of utilization of satellite imagery coupled with
15 field verification that District staff will provide. And
16 we are very hopeful...we are about 80 percent done on
17 that contract, we are hopeful that in the next month or
18 two we will be able to give verification of irrigated
19 acreage that occurred during the past irrigation season.

20 The District has proposed two amendments to the
21 Operating Principles for your consideration this year.
22 The first one that I would address is stockwater. The
23 draft that you have before you, at least it was conveyed
24 to all of you, I don't know whether you have it or not,
25 is simply that language that was approved in 1997 as a

1 temporary operating measure by this Administration
2 eliminating the last four paragraphs which dealt with the
3 issue of it being only a temporary approval and those
4 kinds of things. But the heart, the guts, of what we are
5 asking you to approve this year is verbatim from what you
6 adopted in 1997. We would urge you to make that a
7 permanent amendment to the Operating Principles.

8 Let me give just a little background, and most
9 of you have heard this before at least once or twice
10 or...Mr. Chairman, I sensed your frustration having only
11 been involved two years, we have been at it ten.
12 Stockwater is very important to many of our operators
13 within the district. In the 1964 Operating Study the
14 Bureau, because of having to make a decision about how to
15 work a spreadsheet model, assumed a five cfs, or
16 stockwater allocation. In other words, water could be
17 run only at the rate of 5 cfs. That grew out of the term
18 in the Operating Principles that said the district is
19 allowed fifteen hundred acre feet of water for stockwater
20 and no more during the non-irrigation season. Well, in
21 order to do their Operation Study they had to make some
22 assumption about daily diversions. And if you take
23 fifteen hundred acre feet over the period that is a
24 non-irrigation season, it works out to 5 cfs per day.
25 Unfortunately, 5 cfs of water diverted into at least

1 three of the major ditches in the project furnishes no
2 stockwater at all to those ditches. And I won't berate
3 the issue, we have presented those facts to this
4 Administration many, many times. But as a result of the
5 refusal of Kansas last year to approve a continuation of
6 the 1997 Operating Amendment, we had three ditches, three
7 of the major ditches, who received no stockwater. The
8 Southside for example, which is a very large canal, if
9 you run 5 cfs into the headgate of the Southside Ditch it
10 gets about a mile down below the headgate and disappears.
11 Operating under that mode the 5 cfs stockwater diversion
12 is an incredible waste of valuable water. And I would
13 urge that you adopt the amendment that we offer.

14 There were two other amendments that we...or
15 combined. One dealing with an administrative issue that
16 occurs in the Operating Principles. Originally, when
17 they were drafted, they did not accurately reflect the
18 water rights that are under the Administration of the
19 District while there is water in the irrigation capacity.
20 Amounts listed in the Operating Principles are incorrect.
21 There are ditches listed there that are not a part of the
22 District, there are ditches who are part of the District
23 that are not listed, and we had hoped to correct those
24 basically clerical errors.

25 Additionally, the table that reflects the

1 estimated acreages under the respective ditches is not
2 accurate. Again, just a housekeeping matter; but,
3 unfortunately, through some misunderstanding between
4 myself and our counsel, I think you received conflicting
5 tables. I tried to correct that with a fax on December
6 7. I understand there's still some confusion and
7 reluctance to deal with that issue and we have no
8 problem, we would withdraw the consideration of the
9 amendments relating to the housekeeping items on acreage
10 and water rights for consideration at a subsequent time.

11 Mr. Chairman, that's all that I have. If there
12 are questions I would be happy to try and answer them.

13 CHAIRMAN SISNEROS: Randy.

14 MR. RANDY SEAHOLM: Jeris, a question for you.
15 I have before me a resolution that was offered on this
16 matter last year to the Administration, and it looked to
17 me like there was substantial agreement, if you will, at
18 least with Reclamation and others, but the language that
19 I have before me now is the amended '97 language and that
20 appears to differ with what was worked out last year.
21 And I was wondering if you could help clarify why the
22 differences there.

23 MR. JERIS DANIELSON: Well, as you point out,
24 the language that was offered last year was worked out
25 without any District participation, I might add, between

1 Mr. Evans and Mr. Pope. And presented, basically, to the
2 District as "fait accompli", as basically, here,
3 take it or leave it. On the 22nd of November of last
4 year I sent a letter to Mr. Evans saying that; one, I
5 wanted to know if there really was accord between Mr.
6 Pope and Mr. Evans on the language that you see that was
7 offered last year, and that I felt that I could convince
8 our Board of Directors to agree to that language.
9 Obviously there was not agreement as Kansas voted no when
10 the amendment was offered. It seemed to me that in order
11 to make some progress, Kansas and the Bureau had agreed
12 to the language in the amended 1997 proposal that was
13 allowed to operate for one year. It seemed to me if we
14 had Kansas concurrence, Bureau concurrence and Colorado
15 concurrence on that language, perhaps our chances of
16 being successful this year in a permanent amendment might
17 be better. So that's why I offer what simply was
18 approved in 1997.

19 MR. RANDY SEAHOLM: Okay. And has the Bureau of
20 Reclamation agreed to the amended '97 language as a
21 permanent fix to the Operating Principles, if you will?

22 MR. JERIS DANIELSON: They agreed to the
23 temporary fix in '97. I had a discussion with Mr.
24 Person last night. It was my understanding that the
25 Bureau would support this amendment. Subsequent

1 discussion this morning, indicate that the Bureau will
2 not. For whatever reason, I don't know. And I'm sure he
3 can address that issue if he would like to.

4 MR. RANDY SEAHOLM: Okay.

5 MR. JERIS DANIELSON: Any other questions?

6 MR. DAVID POPE: I think, Mr. Chairman, I'll
7 maybe try to address the issues to some degree. First of
8 all, Jeris, I appreciate the comments you made in regard
9 to efforts that are under way to address some of the
10 issues in the District, some of the studies that you've
11 reported on, have underway, and certainly are interested
12 in those.

13 With regard to the proposed amendments, I, too,
14 was somewhat uncertain in regard to the difference in the
15 versions. So I appreciate the question and answer there
16 that Randy has provided. I guess we all have, maybe,
17 different perceptions as to perhaps what has occurred
18 over time. My recollection on the 1997 temporary
19 amendment was that we worked very hard with the District
20 and the officials from Colorado to put something together
21 at that point in time on a very quick time frame before
22 the meeting, to try to get a one-year amendment to deal
23 with the issues that I think had been expressed by the
24 District. As I recall, it was extremely dry and there
25 was a major need that particular year, and we did that.

1 It had in the paragraphs that you had made
2 reference to that provided, in our view and
3 understanding, that other issues, like the irrigated
4 acreage issue, needed to be addressed. And I don't have
5 all of those things in front of me, Jeris. But the point
6 in just mentioning that is, then just subsequent to that
7 the State of Kansas at least, and I think the other
8 parties here, spent a lot of time, particularly in 1999,
9 looking at the variety of issues that related to the
10 Trinidad Project and the Purgatoire District. I think
11 there was a special...not a special meeting of the
12 Administration, but a meeting with the Bureau and a
13 variety of parties including the District, I think. And
14 we did lay out and spend a fair amount of time with a
15 series of letters and correspondence and things that we
16 thought might move us toward agreement on these issues.
17 Now, to what extent what we developed last year on the
18 language for the stockwatering amendment was or was not
19 acceptable to the District, I...you know, I heard your
20 comments here this morning. But I think to go all the
21 way back to the amendments that were made in '97, the
22 discussions that we had in '98, '99, the correspondence,
23 we tried to make it very clear that we were willing to
24 cooperate and work with the District and with the State
25 of Colorado to resolve the issues. And we think the

1 stockwatering issue is resolvable. We understand the
2 concerns that you've expressed, that's why we tried to
3 work to address those earlier and through these past
4 years. But we did ask to address irrigated acreage
5 monitoring issue, we reported on studies and analyses
6 here today, and I just simply wanted to point out that
7 that was...you know, we would like to address that if we
8 are going to address the stockwatering. We think it is
9 possible to make amendments to deal with the
10 administrative things. We haven't had a chance to really
11 look at, specifically, in depth, of what you sent to us
12 late last week and...but I think I'm confident that those
13 kinds of issues listing the proper acreages and which
14 ditches and participants in the District and things like
15 that can be resolved. I guess what I'm really trying to
16 say, we are willing to work with you in the District, but
17 we would like those issues addressed and willing to do
18 that here in the future.

19 MR. JERIS DANIELSON: May I respond, Mr.

20 Chairman?

21 CHAIRMAN SISNEROS: Yes, please.

22 MR. JERIS DANIELSON: Mr. Pope, you may not have
23 it in front of you. But as I stated, the amendment that
24 we offer today is verbatim to that that was approved by
25 the State of Kansas on January 1, 1999, to operate for

1 one year, verbatim, it's the same language. I don't know
2 how much further study you need beyond what you did at
3 that time to approve that. The four paragraphs that I've
4 left off, dealt with the temporary nature of that '97
5 action. And I'll review those for you, they are very
6 short. It says, "This amendment is temporary in response
7 to emergency conditions and expires on April 1, 1999." I
8 eliminated that paragraph because we think we have
9 demonstrated beyond any reasonable doubt that the
10 operation of stockwater deliveries as performed under the
11 '97 Amendment is very, very beneficial to our users and
12 conserves water, and we are interested in conserving
13 water and interested in providing stockwater to all of
14 our taxpayers. So we are saying we tried it, it worked,
15 there were no problems raised by the State of Kansas with
16 the operation of that amendment. We are saying it's time
17 now to make it a permanent part of the Operating
18 Principles.

19 The second paragraph that I've eliminated says,
20 "The State of Colorado will closely monitor these
21 diversions and deliveries and report the results to
22 Kansas immediately." This is absolutely redundant. This
23 happens under the operation of Colorado Water Law for
24 every diversion on every stream in the state. The Water
25 Commissioner measures those diversions, the diversions

1 are all operated under a recording device, charts are
2 available, and it is public record. Those results are
3 available from the Division Engineer at any time.

4 The third paragraph that I removed says,
5 "Further, this action will not serve as a precedent for
6 any other amendments to the principles." We certainly
7 think that, you know, a precedent for what? All we are
8 trying to do is resolve the stockwater issue.

9 Now I know Kansas dearly loves to tie these all
10 together and that goes to the fourth paragraph.

11 "Colorado and Kansas pledge their cooperation in the
12 development and adoption of amendments to the Operating
13 Principles for the verification and reporting of
14 irrigated acreage for the Project." Has absolutely
15 nothing to do with stockwater. We don't irrigate cows,
16 we water them. Okay. Now I realize all of these items
17 had to be in there to secure your approval in '97. And
18 you expressed concern about whether the operation under
19 this amendment would in any way cause a material
20 depletion of the waters of the Arkansas to the detriment
21 of Kansas. We operated, it did not. And so what we are
22 saying is, we have demonstrated to you that operating
23 under this amendment works, it saves water. And I've
24 just reported to you where we are in terms of acreage
25 verification and canal loss. I think the District has

1 gone the extra mile in terms of trying to make some
2 progress on some of these issues. And again, I would
3 urge the Commission to adopt the proposed amendment.

4 MR. RANDY SEAHOLM: Mr. Chairman, could we hear
5 what the Bureau of Reclamation's comments are on the
6 stockwatering amendment?

7 MR. BRIAN PERSON: Mr. Chairman, if I may?

8 CHAIRMAN SISNEROS: Yes, please.

9 MR. BRIAN PERSON: Would you like me to
10 approach?

11 CHAIRMAN SISNEROS: Please approach.

12 MR. BRIAN PERSON: We're a little out of
13 sequence on how I prepared my remarks. But I'm Brian
14 Person, I'm the new Area Manager of the Bureau of
15 Reclamation's Eastern Colorado's Area Office in Loveland.
16 I did speak with Mr. Danielson last night regarding, in
17 part, the stockwater amendment issue. And, Mr. Chairman
18 and members of the Administration, and certainly Mr.
19 Danielson, I want to apologize if our discussion of the
20 various language versions led to any misunderstanding of
21 just where the Reclamation's support for the amendment
22 stood. What I had hoped to convey, and what I thought I
23 conveyed, Reclamation does support the concept of the
24 stockwater amendment. We recognize the importance that
25 it is to the District, and certainly the stocking within

1 the District, but that there were some differences in the
2 language. We have talked about, I think, three versions
3 here, or two-and-a-half versions, and we had hoped we
4 could come to resolution on the language and that the
5 parties could have agreed to the terminology in the
6 amendment and we would very much support it.

7 Further, if that couldn't happen, recognizing
8 again the importance of the stockwater amendment, we
9 would very much support a temporary amendment again so
10 that they can provide the water to their folks, so...but
11 again, I apologize for the confusion during the
12 conversation. So we do support, very much so, the
13 concept of the stockwater amendment. We would like to
14 see the parties come together on the terminology and the
15 language.

16 CHAIRMAN SISNEROS: Any other questions for him?

17 MR. RANDY SEAHOLM: No, I think that answers my
18 question there.

19 MR. DAVID POPE: The only final comment I guess
20 I would need to make, thank you, Brian.

21 CHAIRMAN SISNEROS: Thank you, Brian.

22 MR. DAVID POPE: Is, and I think it pretty well
23 came out in Jeris' review of the...of the extra
24 paragraphs on the '97 Amendment. We did view that as a
25 one-time amendment. Amendments to the Operating

1 Principles are something we don't like to go run and do
2 every year or every day. I personally took that
3 amendment to...first of all let me back up, because I
4 don't want this taken out of context. We are not trying
5 to be difficult about this. We worked that year to the
6 11th hour and came up with this version of the amendment,
7 and the reason those extra paragraphs was in there was
8 because we did do that on a very quick turn-around time.
9 The fact that we did agree to that particular language at
10 that particular time, I think, as said by...exactly by
11 the language in the resolution, was not a precedent that
12 we would approve that same language again necessarily.
13 Alternatively, we did work after that to try to come up
14 with some...what we thought was better language. We are
15 still open if there's some concerns about the later
16 language, that can be worked through. We thought we had
17 done that last year. But we...point of it is, is I don't
18 think it's fair to say that because we approved that then
19 that automatically we should just approve that same
20 language again. It may be okay, maybe there are ways
21 that we can work through that.

22 The second point was that not only did we work
23 at the meeting and late that night before the meeting,
24 then the terms of the Operating Principles require those
25 to be approved not only by the signatory parties, but I

1 personally took that to the governor, who has to sign off
2 on the Operating Principles in the next few days after
3 the meeting, and we got that approved. And as I recall
4 there was some concerns about timing as what occurred
5 that year, but we worked through that, and that was an
6 issue that came up. But nevertheless...and then finally
7 you know, we did understand, as the Resolution said, that
8 the states of Colorado and Kansas have pledged their
9 cooperation to work out an amendment related to irrigated
10 acreage. And that was part of the deal. And we tried to
11 do that. We spent a lot of time and effort in the summer
12 and on through the year of 1999 to do that. And that's
13 all we were asking for last annual meeting. And that was
14 not acceptable, apparently, to the District. My comments
15 today were just simply stated, to review where we were.
16 And we think this is resolvable. But we need to have the
17 cooperation of all of the parties, including the
18 District, to come up with language that's acceptable for
19 both stockwatering and for the amendment on the irrigated
20 acreage. You're apparently moving forward with a
21 mechanism that hopefully will be adequate to deal with
22 the monitoring of irrigated acreage. And I guess I'm a
23 little bit at loss as to why this issue can't be dealt
24 with and we will move on to other things in the future.

25 MR. JERIS DANIELSON: I'm certainly at a loss on

1 that issue, too. May I respond, Mr. Chairman?

2 CHAIRMAN SISNEROS: Yes, please.

3 MR. JERIS DANIELSON: I don't want to beat this
4 to death, just to summarize. The Operating Principles
5 require that they be reviewed at least every 10 years in
6 order to refine the operation of the project and ensure
7 that maximum beneficial use of the waters that are
8 delivered from the project are achieved. We are now in
9 the eighth year of a ten year review. The Bureau began
10 this process eight years ago. We have made absolutely no
11 progress at all, simply because Kansas continues to vote
12 no on every resolution that is brought here. All that we
13 are asking for today is for a permanent resolution of the
14 stockwater issue. We recognize that the method of
15 allocation of water pursuant to the Operating Principles
16 needs to be studied and refined, that's why we are
17 spending \$200,000 on canal loss studies. We recognize
18 that we have an obligation as a district to demonstrate
19 to God and the world, and even Kansas, how many acres
20 were irrigated. That's why we have contracted for a
21 state of the art system that will give us those
22 verifications. The facts that are before you are very
23 simple in this livestock water issue. Operating under an
24 erroneous assumption by the Bureau in 1964, that
25 stockwater would be delivered at 5 cfs is extremely

1 wasteful. For many, many, many years stockwater was
2 delivered with an upper acre foot limitation, was
3 delivered at a flow rate that was most efficient to get
4 water to the people that needed it. In 1997 we operated
5 under that mode again. Kansas raised no concerns about
6 the operation in that mode. Last year we were forced to
7 go back to a 5 cfs delivery rate and found it's extremely
8 inefficient and wasteful. The language before you has
9 been approved by the Bureau, it's been approved by
10 Kansas, it's been approved by Colorado. And I would urge
11 you to adopt it as a permanent resolution. Thank you.

12 CHAIRMAN SISNEROS: Thank you, Jerry. Yes,
13 Wendy.

14 MS. WENDY WEISS: I had a question for the
15 District, and maybe it's also a question for Kansas, to
16 refresh my recollection. But I'm looking at the proposed
17 amendment from last year, which is somewhat different
18 than the '97 language, and I'm not sure if my
19 recollection on this is correct because there have been
20 different incarnations of this proposed change. But I
21 thought that this...that this language did reflect some
22 negotiated language. And I guess my question for the
23 District first is, is the language that was proposed last
24 year in the resolution that didn't succeed, acceptable to
25 the District as well as the language put forward this

1 year?

2 MR. JERIS DANIELSON: I haven't reviewed that,
3 Wendy, this morning. I did look at it last night. I
4 believe, if you look at my letter that I've sent to Mr.
5 Evans -- let me find the date, November 22nd of 1999, and
6 I assume we are talking about the amendment that looks
7 like this, this is what's attached to the letter that I
8 transmitted to Mr. Evans.

9 MS. WENDY WEISS: I have a clean version
10 so...the one I had actually looks a little bit different.

11 MR. JERIS DANIELSON: Does it look more like
12 this?

13 MS. WENDY WEISS: Yes.

14 MR. JERIS DANIELSON: Which is different than
15 what I had attached and sent to Mr. Evans, I believe?

16 MS. WENDY WEISS: Yes.

17 MR. JERIS DANIELSON: So, are you asking me is the
18 District comfortable with the language that Evans had
19 presented to me and I responded to on, or is the District
20 comfortable with the language that Kansas voted no on
21 last year?

22 MS. WENDY WEISS: I was asking you about the
23 second one, the one that Kansas voted no on last year.

24 MR. JERIS DANIELSON: May I take a second to
25 look at it or do you want to move to...

1 CHAIRMAN SISNEROS: No, go ahead, take a look at
2 it. Let me just make a comment here. As I recall, last
3 year there was some question, Kansas had some concerns
4 about the acreage, I think, that the District now alluded
5 that there was some problems with the way that was being
6 done prior to, and it appears that maybe that is going to
7 be more accurate in the future, is what I'm gathering
8 here. That was one of the contentions, or one of the
9 things that prevented the approval of this resolution, as
10 I recall, and there was one other issue, I think, and
11 what was that one, do you recall?

12 MR. DAVID POPE: We, last year, had indicated
13 that if the proposed amendment to the Operating
14 Principles dealing with the irrigated acreage was
15 included in the amendment to the Operating Principles
16 along with the stockwatering, that Kansas is willing to
17 proceed. We had proposed that as early as August of
18 1999. There was a special meeting, not of this body, but
19 with the Bureau and the District and State officials from
20 Colorado and Kansas, and there were some other people
21 there, some other interests, that's where it stood and no
22 ...but yet what we were asked to then vote on at the last
23 annual meeting was simply a version of the stockwatering
24 amendment by itself. Nothing further occurred since then
25 until Thursday or Friday of last week when we got the

1 faxes and...and so the issue just simply hadn't been laid
2 out. We weren't sure anything was going to happen with
3 regard to this issue until now. And now we don't have
4 either of those, really, before us in a way in which I
5 think we can act. And I guess I think it's...these
6 things can be resolved but we need to resolve them in the
7 proper way with things in front of us that we all
8 understand and can review and we can make progress then.

9 CHAIRMAN SISNEROS: I can appreciate your
10 position there. With that, I'm going to turn it back
11 over to you to answer Wendy's question.

12 MR. JERIS DANIELSON: Thank you, Mr. Chairman.
13 Ms. Weiss, as I recall, the language, and let's make sure
14 we all know what we are talking about, it's entitled
15 Exhibit A to December 1999 Resolution of the Arkansas
16 River Compact Administration.

17 MS. WENDY WEISS: Yeah, I think it's December 7,
18 1999.

19 MR. JERIS DANIELSON: I'm sorry, December 7.
20 And it starts out Paragraph 2(a) of Article 40.

21 MS. WENDY WEISS: Yes.

22 MR. JERIS DANIELSON: This language is perfectly
23 acceptable to us as a permanent resolution. And in fact,
24 I believe we indicated that at last year's Compact
25 meeting. Unfortunately, Kansas again voted no on the

1 resolution. So if you don't like what I've offered we'll
2 take this one. And I believe this language was concurred
3 in by the Bureau of Reclamation.

4 MR. RANDY SEAHOLM: That was my question. Was
5 this language from last year's resolution concurred in by
6 Reclamation.

7 MR. JERIS DANIELSON: I always like to speak for
8 the Bureau, they would probably like to speak for
9 themselves.

10 MR. BRIAN PERSON: We have concurred with this
11 language.

12 MR. RANDY SEAHOLM: Okay. I guess with those
13 things in hand, what I would like to do is, in
14 recognition of, certainly, a lot of the activities that
15 the District has undertaken with respect to verification
16 and reporting, and I guess before I go farther I would
17 like to ask David, is there...are there things further
18 that you think might be needed, need to be done with
19 respect to this verification and reporting based on what
20 you've heard today?

21 MR. DAVID POPE: Well yes, Randy. And in a
22 sense that we have heard the fact that the District is
23 undertaking a study of that but we don't have any
24 information in terms of the nature of what is being
25 included, what kind of a monitoring plan will be

1 developed as a result of that. I understand and I
2 appreciate the fact that it's apparently state of the
3 art, but in terms of whether it monitors everything that
4 you know, we think may be appropriate to be monitored, I
5 don't know that, I don't have any way of knowing that at
6 this point in time. It's not been furnished to us, it's
7 not completed. There's no proposed amendment to the
8 Principles that would reflect what that is. And here we
9 are again, up until five minutes ago not knowing which
10 resolution we were going to be asked to consider. Not to
11 mention the fact that it doesn't include the irrigated
12 acreage issue. So you know, we just have to somehow
13 figure out a way to deal with these far enough in advance
14 of the meeting so we know what's going to be before us.
15 The issues have been addressed. These are not surprise
16 issues that we have raised, we have clearly laid them out
17 in the past and we don't think it's inappropriate for us
18 to raise these kinds of questions and we are willing to
19 resolve them at the appropriate time in the future.

20 MR. JERIS DANIELSON: Mr. Chairman, I'm sorry.

21 MS. WENDY WEISS: A question that...I would
22 like to put some of the same questions to you, David,
23 that I put to Jerry. Looking at the resolution, Exhibit
24 A that we just referred to from last year, the proposed
25 resolution, taking...putting aside the question of

1 verification of irrigated acreage, is this language that
2 was acceptable to the State of Kansas?

3 MR. DAVID POPE: Well, quite frankly, Wendy, I
4 haven't looked at it since last December. And I don't
5 know for sure what you're looking at. You know, I think
6 our concern was with what wasn't included last year in
7 regard to the irrigated acreage issue. I'm not willing
8 to go so far as to say it is acceptable because I haven't
9 looked at it, but...and I don't recall whether the only
10 issue was the irrigated acreage or whether there was, in
11 fact, some issues on the language itself. I think my
12 recollection was that we had, as a result of the meetings
13 and the correspondence, that we had developed something
14 on the stockwatering that we thought we could live with,
15 that was my recollection. And so I don't think in and of
16 itself that was the problem.

17 MR. JERIS DANIELSON: May I respond, Mr.
18 Chairman?

19 CHAIRMAN SISNEROS: Yes, please, Jerry.

20 MR. JERIS DANIELSON: I guess I would just ask
21 Mr. Pope, was Mr. Evans not telling the truth when he
22 said you and he had worked out the basic language for the
23 amendment that Wendy has mentioned here?

24 MR. DAVID POPE: No, I'm not suggesting that. I
25 don't know.

1 MR. JERIS DANIELSON: Did you, or not, approve
2 it? That's the question.

3 MR. DAVID POPE: We would have to look at that.
4 Yes, I think we had come to something that was workable.
5 But again, Jeris, I've dealt with about a thousand issues
6 since then.

7 MR. JERIS DANIELSON: And did you or did you
8 not, with Mr. Evans, agree on the language that...that we
9 are referring to here that is acceptable, or that Wendy
10 raised that was offered last year, at least before the
11 meeting did you not agree to it and then voted no?

12 MR. DAVID POPE: I don't recall that kind of
13 detail in terms of where that shook out. I do know we
14 had the concern about the acreage and what exact version
15 was laying before us then. I don't have it in front of
16 me now so I don't know.

17 MR. JERIS DANIELSON: I would just remind the
18 commission and then I'll shut up and set down. Watering
19 cows has nothing to do with verifying acreage. They are
20 two entirely different things and I would urge you to
21 adopt either of the two amendments that I have offered to
22 you today. Thank you.

23 CHAIRMAN SISNEROS: Thank you.

24 MR. RANDY SEAHOLM: One other question for
25 Reclamation. With respect to the language that went

1 before the Compact last year, was that actually adopted
2 or approved by Reclamation or was that something that you
3 had just concurred in at that point in time?

4 MR. BRIAN PERSON: We have not made...

5 REPORTER: I'm sorry, I didn't hear.

6 CHAIRMAN SISNEROS: I'm sorry, would you repeat
7 yourself, she did not hear.

8 MR. BRIAN PERSON: We have not made a
9 unilateral approval of the amendment. We are saying that
10 the language is acceptable to us as proposed here.

11 MR. RANDY SEAHOLM: If I may, Mr. Chairman, I
12 would like to maybe offer two resolutions to try to bring
13 this to some closure. Number one, I would like to make a
14 motion to approve the language that was contained in
15 Exhibit A of the December 7, 1999 resolution to the
16 Arkansas River Compact Administration concerning
17 stockwater, and that would be motion number one. And
18 then with respect to the second motion, what I would like
19 to do is propose that the District and the states meet
20 with Reclamation as soon as possible after the meeting,
21 and as often as practicable, to see if we can't reach
22 resolution on the irrigated acreage amendments that were
23 before us and withdrawn. And at such time as we have
24 agreement on that language, to hold a special meeting of
25 the Arkansas River Compact Administration and see if we

1 can't bring these two issues to conclusion.

2 CHAIRMAN SISNEROS: Okay. we have a motion on
3 the floor. Motion number one regarding the December 7,
4 1999 agreement, is that correct, or language...

5 MR. RANDY SEAHOLM: Language.

6 CHAIRMAN SISNEROS: Language in the agreement to
7 be approved according to that language, is that correct?

8 MR. RANDY SEAHOLM: Correct.

9 CHAIRMAN SISNEROS: We have that motion on the
10 floor right now. Can we have some comments from Kansas?

11 MR. DAVID POPE: I don't even have a copy of
12 that, I don't think it's properly before us, and in all
13 due respect. It was not furnished to us. The fact that
14 we considered something last year, I don't know whether
15 Attachment A was something that had been agreed to or
16 not. I guess I object to this process of now trying to
17 take action on a very important matter without the
18 document in front of us and knowing...and not having any
19 opportunity at all, you're asking me to vote on something
20 that I haven't seen for a year and did not realize it was
21 going to be in front of us here today. And I just don't
22 think that's appropriate. And that does not then,
23 either, represent the other issue that we have made
24 clear. I don't think we can do it for either reason.

25 MR. TOM POINTON: Would it be appropriate to

1 defer this issue until after lunch and give them a chance
2 to review that document?

3 CHAIRMAN SISNEROS: In view...well, we do have a
4 motion on the floor. Kansas is not prepared to address
5 the motion at this time, I think that it would be more
6 than appropriate to wait until after lunch, and possibly
7 even a later date. But at this time we will defer this
8 until after lunch and discuss probably deferring it even
9 further than that.

10 As to your number two motion, my shorthand was a
11 little slow on that one and you will have to...

12 MR. RANDY SEAHOLM: The motion was that...

13 MR. DAVID POPE: (Interrupting.) Mr. Chairman,
14 if we are going to defer one, why don't we just defer
15 the other one?

16 MR. RANDY SEAHOLM: Okay. Do you want me to
17 repeat it?

18 CHAIRMAN SISNEROS: No, let's not repeat it then
19 if...because they are both tied together I believe. So
20 let's defer motion number two until after lunch also.

21 Yes, Mr. Miller.

22 MR. STEVE MILLER: Just on the chance that
23 there's anybody from the public that wants to comment
24 ...(reporter cannot hear)...that may not be able to
25 attend after lunch maybe you can quickly check to see if

1 there's any public input that we need to hear right now
2 and then we could take up the specific language after
3 lunch without causing any problems. District 67 is what
4 comes to mind. I don't know if you have a position or
5 need to talk to us about the stockwater.

6 CHAIRMAN SISNEROS: Please. Please identify
7 yourself.

8 MR. DON STEERMAN: My name is Don Steerman, I
9 represent District 67 Ditch Association. I have no
10 prepared comments so if this is not concise, I apologize.
11 However, we have looked at the stockwater amendments and
12 we don't intend this to be an approval of any other issue
13 that the Purgatoire Conservancy District has brought
14 before this Compact. However, we do concur that as to
15 the stockwater issue, and we have had our engineer, Bruce
16 Kroecker look at this, and we believe the 5 cfs
17 (sic) is a great waste of water, and we don't believe
18 that it's any benefit to the District or any other person
19 on the river to require the District to use that 5 cfs
20 measurement. From our understanding, it completely
21 wastes the 5 cfs that very little of the water, if any,
22 gets to the cattle that need it. And we would concur
23 with the District that this needs to be done, that this
24 is a fairly emergency situation, that the harm of not
25 doing it greatly outweighs any tie-in with the irrigated

1 acreage, which we concur with Kansas that that needs to
2 be done. But we also concur with the District that
3 that's a completely separate issue. Thank you.

4 CHAIRMAN SISNEROS: Thank you. Those two
5 motions have been deferred until right after lunch, which
6 we will address those. At this point... At this time, I
7 would like to call Jan Anderson up. She's going to tell
8 us what she's going to do. Yes. Proceed.

9 MS. JAN ANDERSON: Hello, my name is Jan
10 Anderson. I'm from Southeast Colorado Enterprise
11 Development and also Southeast Colorado Council of
12 Governments. The reason I'm been here, I've been asked to
13 assist with your accounting and recording secretary for
14 your agency. And with that said, I will just explain a
15 little bit about our agency. We work with the five
16 counties of southeast Colorado, we work with public
17 projects, including gentlemen like Steve Witte and Mr.
18 Miller in several projects. And with that said, we do
19 subcontracting and assist with those kinds of activities
20 for our region. We are able to provide the secretarial
21 services and the accounting for this particular program.
22 We do a federal audit every year. With that said,
23 we would be happy, with approval of my board on
24 Thursday, and I've had a poll of them, I believe we would
25 be able to handle this activity fairly succinctly, if you

1 please.

2 CHAIRMAN SISNEROS: Thank you, Jan.

3 MR. DAVID POPE: Jan, just a quick kind of
4 clarifying comment. I think I understand something about
5 your board and your body but not in any great detail.
6 But I guess one of the things that we would need to know
7 before we would consider an action is just if the...if
8 your agency was asked to perform these duties for the
9 Compact Administration, are you comfortable there would
10 not be a problem of carving that out as a separate
11 function from whatever other functions that you do have
12 as a body; in other words, you have a board to report to?

13 MS. JAN ANDERSON: Yes.

14 MR. DAVID POPE. As I understand, it you're the
15 Executive Director?

16 MS. JAN ANDERSON: That's right.

17 MR. DAVID POPE: And then these responsibilities
18 would, however, be a direct report to the Compact
19 Administration. Would that be a problem jurisdictionally
20 within your agency?

21 MS. JAN ANDERSON: Not at all. It would be a
22 single process. We would treat this entity as if it were
23 a very single operation. It will not be co-mingled with
24 other funds. It would be a part of the overall agency's
25 operation, and accounting would be very separate, okay.

1 MR. DAVID POPE: Thank you.

2 MS. JAN ANDERSON: Yes.

3 MR. STEVE MILLER: I don't know if you're
4 familiar with our budget, and I don't know if you can
5 stay until after lunch or not, if you can...(reporter
6 cannot hear)...deliver their budget and what we have
7 budgeted for the current Recording Secretary and office
8 ...(reporter cannot hear)...would be sufficient to cover
9 charges that we have to get to negotiate a contract with
10 you for.

11 MS. JAN ANDERSON: Right. I have been briefed
12 on those costs and that kind of information from last
13 year's budget, so I feel fairly comfortable in proposing
14 that to my board of directors and...but I would need to
15 negotiate a contract with you all.

16 MR. STEVE MILLER: And additionally, the bylaws,
17 I believe, require an individual to be a recording
18 secretary rather than an organization.

19 MS. JAN ANDERSON: Exactly.

20 MR. STEVE MILLER: Can you, individually, serve
21 as Recording Secretary?

22 MS. JAN ANDERSON: That would be my role as
23 people come and go from my office, but I would serve as
24 that capacity.

25 MR. STEVE MILLER: Okay.

1 CHAIRMAN SISNEROS: Any other questions? Jan,
2 thank you.

3 MS. JAN ANDERSON: Thank you.

4 CHAIRMAN SISNEROS: At this time I would like to
5 call Mark Stark up.

6 MR. MARK STARK: Good morning, my name is Mark
7 Stark. I'm the Operations Manager out at John Martin Dam
8 for the Corps of Engineers. I've worked with members of
9 the Compact and spoke with many people from both states
10 concerning water releases at John Martin Dam. It's truly
11 been a team approach accomplishing the mission that we
12 facilitate in supporting the water users from the
13 Compact. To accomplish that team you know, you need to
14 identify who the players are when you get in a pinch, and
15 sometimes we get in a pinch because, as this Board
16 certainly knows, there are numerous complexities
17 associated with the understanding of what happens with
18 the water in the lake. The main player that I had to
19 deal with, and who supported everything that the Corps of
20 Engineers accomplished at John Martin Dam in the time
21 that I've been there, I got there in 1984, this is 2000,
22 so over 16 years, the main player that I had to deal with
23 was a gentleman by the name of Bill Howland. Certainly I
24 didn't understand very many of the things that...about
25 how the water was managed when I got there and I always

1 had the ace of Bill to call to help me square things away
2 and understand what was going on. Not only did that help
3 me but it helped the entire Albuquerque District of the
4 Corps of Engineers in their mission at John Martin Dam.
5 In recognition of Bill's participation as a team player,
6 the Commander of the Albuquerque District has awarded
7 Bill the Commander's Award for Public Service. I would
8 like to read the citation on this award. "For his
9 outstanding contributions in the Administration and
10 execution of water management on the Arkansas River and
11 for his tireless efforts in the coordination between the
12 states, government agencies and water users, Mr.
13 Howland's dedicated approach to water management
14 facilitated the accurate and timely release of Compact
15 water to downstream users of the Arkansas River...of
16 Arkansas River water in coordination with U.S. Army Corps
17 of Engineers, and in particular John Martin Dam." Bill,
18 thanks a lot. (Audience clapping.)

19 MR. BILL HOWLAND: This is really great. I have
20 always had excellent working relationships with the Corps
21 of Engineers, the people that have been at John Martin
22 Reservoir, the people from Albuquerque District office
23 have always been very cooperative, I've never had much of
24 a problem at all. We always, sometimes, have a little
25 problem, but...with anybody we deal with. But this

1 is...this organization has really cooperated with me
2 during my tenure with the State of Colorado, and even
3 before that as superintendent of the Amity Mutual
4 Irrigation Company. It's been over 40 years that I have
5 worked with the Corps of Engineers, people at John Martin
6 Reservoir and Albuquerque, and I've always had working
7 relationships that I could not have had better working
8 relationship. And by the way, this is my 41st Arkansas
9 River Compact meeting and it's hopefully not my last.
10 Thank you very much. (Audience clapping.)

11 CHAIRMAN SISNEROS: And with that I think we are
12 going to break for lunch and we will return at about
13 1:30. Is that enough time?

14 (Whereupon, a lunch break was taken until
15 1:30 p.m. (MST), and the following
16 proceedings were had:)

17 CHAIRMAN SISNEROS: First thing we are going to
18 do is I'm going to have Randy read a resolution.

19 MR. RANDY SEAHOLM: Okay. Mr. Chairman, and on
20 behalf of the entire Compact Administration, it is my
21 honor and privilege to read a resolution honoring Bill
22 Howland into the record. "Whereas, Mr. William F.
23 Howland of Las Animas, Colorado served the state of
24 Colorado in support of the Arkansas River Compact
25 Administration for 22 years and retired from the Colorado

1 Division of Water Resources on September 27, 2000; and
2 whereas, Bill possessed a thorough understanding of the
3 Arkansas River Compact and the Administration's
4 resolutions concerning an Operating Plan for John Martin
5 Reservoir as well as the circumstances and motivations
6 that shaped these agreements and was a valuable and
7 generous resource for others; whereas, Bill was dedicated
8 and conscientious about his responsibility to account for
9 water in John Martin Reservoir in an equitable and
10 principled manner and displayed integrity and honesty in
11 working with both Colorado and Kansas personnel; and,
12 whereas, Bill's undying patience and calm demeanor in
13 official meetings promoted interstate cooperation; and,
14 whereas, Bill was an expert, a mentor, a gentleman, and
15 our friend; now, therefore, be it resolved by the
16 Arkansas River Compact Administration that it does hereby
17 express its sincerest gratitude and appreciation for Mr.
18 William "Bill" Howland for his many years of dedicated
19 service and further directs that a copy of this
20 resolution be included in the Administration's Annual
21 Report for Compact Year 2000." And I would move that on
22 behalf of the Administration we adopt this resolution.

23 CHAIRMAN SISNEROS: All in favor say aye.

24 ALL MEMBERS: Aye.

25 CHAIRMAN SISNEROS: David, do you have some

1 comments or something?

2 MR. DAVID POPE: No, I was just getting ready to
3 second before you called for the motion so...

4 CHAIRMAN SISNEROS: Hey, those snows are going
5 to fly. Steve, have you got a copy?

6 MR. STEVE WITTE: I've got a copy for the
7 reporter and...one for the reporter and one for Mr.
8 Howland. (Audience clapping.)

9 MR. HOWLAND: Thank you all.

10 CHAIRMAN SISNEROS: Prior to lunch, our lunch
11 break, we did have two motions on the floor. In
12 discussing this with some of the Kansas people, they were
13 kind of caught off guard in terms of being able to
14 address these motions. Again, you know, I think we're
15 having a communications gap here. I don't know when
16 Trinidad you know, sent this information to the
17 Commissioners or to the Administration and I think that
18 in the future we need to have better communication. I
19 think we need to present some of these amendments or
20 ideas or whatever in a timely fashion so that they can be
21 addressed properly and so that we can work on these
22 things so that we can finally come up with some
23 agreements on this thing. I'm going to go ahead and ask
24 for the questions on these motions but prior to doing
25 that I would like for Dave to make some comments on this

1 as to some of the prerequisite that's required by the
2 State of Kansas to intelligently address these issues so
3 that we as a Committee can approve these. For the people
4 from Trinidad, I would tell you that early in the year,
5 based on the information that is going to be required by
6 Kansas to intelligently address these issues in a timely
7 manner, that we will address your issue and hopefully
8 approve it finally in a way that it will work for
9 Trinidad and it will work for Kansas and will work for
10 Colorado. I cannot overemphasize that we need to do
11 this in a timely manner and not catch the Commissioners
12 of...either states off guard in terms of trying to
13 address some of these issues at the yearly meeting.
14 These are issues that should be addressed at meetings
15 throughout the year so we can work out all of the details
16 that will work for everybody so we can come here and
17 approve these things and with that, Dave, would you give
18 some prerequisite as to what you guys need.

19 MR. DAVID POPE: Thank you, Mr. Chairman. I
20 really think that a better approach and one that would
21 be, I think have an opportunity for success in terms of
22 addressing these longstanding issues, would be something
23 along that follows. If the Purgatoire Water Conservancy
24 District would provide both Kansas and Colorado
25 representatives to the Compact Administration with the

1 results of its irrigated acreage study that Mr. Danielson
2 made reference to in his report this morning. Secondly,
3 if the District...if the state of Colorado and the Bureau
4 would review the proposed amendments to the Operating
5 Principles regarding irrigated acres that we transmitted
6 to the parties on October 13, 1999 regarding a way we
7 think could address this irrigated acreage issue, and if
8 those parties could then respond to us regarding whether
9 that's acceptable, and if there are any concerns that
10 these could be provided to us and indicate how all of the
11 issues that we've raised could be addressed, then I think
12 we would have an opportunity to consider something and
13 have it done well in advance of any opportunity for that
14 to be considered at a meeting. Further, as we've said in
15 the past, that we believe it's appropriate to not just
16 consider one isolated amendment you know, on a basis that
17 takes care of one party's concerns without addressing the
18 issues of concern to another party, in this case, Kansas.
19 If those two amendments, meaning stockwatering and the
20 irrigated acreage were packaged together along with the
21 clean-up items that have been laid out now for sometime,
22 dealing with the list of ditches and their irrigated
23 acreages, the subject of the matters that I think
24 were...have been considered before, then we would have an
25 opportunity to look at those issues and I think we could

1 really then make one amendment to the Operating
2 Principles that would address the issues of concern to
3 all of us as far as I know, and put this issue behind us.
4 We would be willing to proceed in that fashion during the
5 course of the next year but we don't think it's
6 productive to schedule another meeting and spend more
7 time unless those issues are laid out, responded to well
8 in advance of the meeting so we can look at them, study
9 them. If there needs to be informal discussion ahead of
10 time, we can do that, but we think we have a proposal
11 well over a year ago. These concerns are no different
12 than what we raised last year, and we think there's an
13 opportunity to resolve this matter. This has become a
14 difficulty for all of us and it need not be.

15 CHAIRMAN SISNEROS: In regard to Kansas's stance
16 on last year's issues as well as this year's issues,
17 unless you know, we do some of the things that I've
18 proposed in the coming year, this issue is never going to
19 be resolved, and I think that along with what we had
20 discussed earlier in terms of the five easiest issues to
21 resolve or if there are more I think that this would fall
22 right in line with that. Does Colorado have any
23 comments?

24 MR. RANDY SEAHOLM: Well, I would certainly like
25 to resolve these issues. I'm not sure that I agree

1 wholeheartedly that we have to put everything together in
2 a package. I think if we can solve issues as they come
3 up and take care of them with everybody acting in good
4 faith, I think that makes for a better way of doing
5 business. But I certainly agree with Kansas that we can
6 resolve these issues. I think they are resolvable and I
7 guess I would still like, Mr. Chairman, to have at least
8 some action on the second motion because I think if we
9 could have a special meeting as soon as everybody had a
10 chance to agree with these and think and agree we are in
11 a position to reach resolution on them, I would like to
12 encourage action as soon as possible.

13 CHAIRMAN SISNEROS: Getting back to the, your
14 number one motion, would you withdraw that or do you want
15 to vote on it?

16 MR. RANDY SEAHOLM: In the interest of advancing
17 things, I'll withdraw my motion at this point in time.

18 CHAIRMAN SISNEROS: Okay. Your number one
19 motion is withdrawn.

20 MR. RANDY SEAHOLM: Number one, yes.

21 CHAIRMAN SISNEROS: Would you state your number
22 two motion.

23 MR. RANDY SEAHOLM: The number two motion was to
24 meet as soon as we reasonably can after the first of the
25 year to develop the language that needs to go with the

1 irrigated acreage pieces. To review, if necessary, any
2 language with respect to the stockwater motion and to
3 pursue that as vigorously as we have to, and meet as
4 often as we practically have to to get this issue
5 accomplished, and so that we can bring closure on these
6 items.

7 CHAIRMAN SISNEROS: Do I have a second on that
8 motion?

9 MR. DAVID POPE: Question before we get to that.
10 When you refer to who reviews it, what part of this body
11 would that be?

12 MR. RANDY SEAHOLM: Well, I think these
13 amendments and everything, as I understand, need to be
14 approved and adopted by the Bureau of Reclamation, so I
15 guess I would encourage the states to meet with the
16 district and the Bureau of Reclamation and see if we
17 can't get these proposed amendments to the Operating
18 Principles in place and bring closure.

19 MR. DAVID POPE: Randy, I'm not sure I caught
20 all aspects of your motion. Did it include the
21 opportunity to receive and review the District's proposed
22 results of their studies and...

23 MR. RANDY SEAHOLM: The information advanced, I
24 think in order to have a productive meeting we're going
25 to have to do that so I would certainly include that.

1 MR. DAVID POPE: And I guess secondly, I know
2 you mentioned stockwatering, did you...is it your...is it
3 included in your motion to have us look at also the
4 irrigated acreage issue and receive some timely response
5 from the parties on that issue and their willingness to
6 proceed with it?

7 MR. RANDY SEAHOLM: Yes, you know, I think we
8 have issues here that as you've indicated, I think, are
9 resolvable. Again, I don't think we need to have a
10 package but in the interest of trying to get these things
11 completed, and it sounds to me like we are pretty close
12 if not at a point of agreeing on the stockwater language,
13 I would certainly like to wrap these up in one set of
14 amendments since it seems like we are reasonably close.

15 MR. DAVID POPE: I think with those conditions I
16 think we can probably move forward. I just think that
17 it's important that we do address those issues. I
18 realize there's some separate ones there but you know, I
19 think we recognize that it's some amendments, a certain
20 amendment is dealt with, and there's no assurance that
21 the other amendment is going to be dealt with at all and
22 with the nature of you know, voting in this
23 Administration it's one thing that we can all assure
24 ourselves that we address all of the issues at least that
25 have been identified here. There's other issues that

1 haven't been you know, brought into this but these are,
2 at least, some that I believe are resolvable.

3 MR. RANDY SEAHOLM: I agree and I would like to
4 resolve those that are.

5 CHAIRMAN SISNEROS: Any other comments?

6 TOM POINTON: That's not going to help the stock
7 this year.

8 MR. DAVID POPE: Well, has there been a
9 compelling case made that there's a particular problem
10 this year? I know some years there is and some years
11 there are not.

12 JULIANNE WOOLDRIDGE: I will speak to that, if I
13 may.

14 CHAIRMAN SISNEROS: Please approach.

15 JULIANNE WOOLDRIDGE: Mr. Danielson is not here
16 but I'm Julianne Wooldridge. I represent the Purgatoire
17 River Water Conservancy District. (Reporter cannot
18 hear.) I believe Mr. Danielson did make a compelling
19 argument for the fact that every year has been a problem
20 with stockwatering including the past year when we did
21 not have a temporary amendment and at least three of the
22 ditches couldn't get the stockwater down. As a point of
23 interest, I would like to point out that we are talking
24 about severing issues versus putting them all together
25 and I would like to refer the Commissioners to the

1 minutes of the 1997 and 1998 Compact meeting where the
2 District presented a packet once again of multiple
3 amendments and was told by Kansas no, we want to separate
4 out these issues and deal with them one on one. And at
5 that time the District was unwilling to piecemeal it.
6 Now the District has come back with what we thought were
7 the uncontested issues and are being told well, we want
8 to deal them all again together. I don't think the
9 District has any objection to the meeting if one is
10 proposed. I would propose that it be in Colorado, given
11 the very limited budget of a very small district with
12 very few people having to pay the assessments, budgetary
13 issues may rule whether the Purgatoire River Water
14 Conservancy District can send representatives. Thank
15 you.

16 MR. DAVID POPE: Just for clarification
17 purposes, I appreciate Julianne's comments but I think
18 there's a difference between all of the issues that were
19 identified at one time versus those issues that were
20 carved out that I think a meaningful effort had been
21 taken to review and propose amendments, the two issues
22 that we have been talking about here today, seems to me
23 like are resolvable issues if we can all sit down and
24 work through those, so I don't agree with your
25 characterization about piecemeal versus an, it isn't an

1 all-or-nothing.

2 CHAIRMAN SISNEROS: Any other comments.

3 MR. DAVID POPE: Mr. Chairman, I think it's time
4 to move on and I call for the question.

5 CHAIRMAN SISNEROS: All in favor.

6 MR. RANDY SEAHOLM: Aye.

7 MR. DAVID POPE: With qualifications, Kansas
8 votes aye.

9 CHAIRMAN SISNEROS: Motion number two, with
10 qualifications, that question by Kansas passes. Yes.

11 MR. JERIS DANIELSON: Mr. Chairman, could I make
12 a statement for the record?

13 CHAIRMAN SISNEROS: Please.

14 MR. JERIS DANIELSON: On behalf of the
15 Purgatoire District, I appreciate your time today. I
16 know we've taken up an inordinate amount of it. Once
17 again, we find ourselves in the same position we have
18 been in for the last eight years at least. We present
19 what I think is a reasonable resolution to move ahead on
20 these issues. Once again Kansas is incapable of even
21 considering them, let alone either voting yes or no on
22 them and by their absolute reluctance to do anything,
23 it's a no vote. Our position is that in Kansas v.
24 Colorado, No. 105, the Trinidad Project was exonerated by the
25 Special Master in terms of having caused any material

1 depletion to the Arkansas River by its operation. And
2 the Special Master, I believe, made the statement, in so
3 many words, that Kansas shall not unreasonably withhold
4 approval of amendments to the Operating Principles. It's
5 been our position for eight years and it is our position
6 today that Kansas once again demonstrates unreasonable
7 withholding of approval of the resolution that would
8 allow us to conserve water, be more efficient in its use
9 and help us meet our financial obligations to the United
10 States in repayment of the project. I think it's
11 absolutely...well, it just...it speaks for itself, I
12 think the actions of Kansas. I'm disappointed that
13 Colorado wouldn't even stick with us long enough to
14 introduce the amendment. I think this puts the Bureau of
15 Reclamation into a position which they have avoided for
16 as long as they could. It is the Bureau's obligation to
17 promulgate amendments to the Operating Principles to
18 enhance the operation of the project. And if the Bureau
19 of Reclamation thinks after eight years of inaction by
20 Kansas that there will be this great wedding of the
21 waters and we are all going to walk out of the Cow Palace
22 arm in arm singing Auld Lang Syne, it's not going to
23 happen. The Bureau is going to have to start taking some
24 leadership in this particular situation. Otherwise, you
25 leave the District with no other options. It is obvious

1 it is futile to come before this Administration. Nothing
2 ever happens. Nothing. All we hear is we don't have
3 enough time or, gee, we didn't get this in time. The
4 resolution that was before you was sent, I believe, on
5 the Monday after November 23 when we had a pre-meeting
6 with the state of Colorado to secure agreement from
7 Colorado that they would introduce and support the
8 resolution. These are not new issues. They are eight
9 years old. To say well, when the District does it our
10 way, and I realize Kansas won the case in spades, they
11 operate under the golden rule; they got the gold, they
12 make the rule. But we have just got to start looking at
13 how we find another tribunal in some way to get some
14 progress. I appreciate your time. Thank you.

15 CHAIRMAN SISNEROS: Thank you.

16 MR. DAVID POPE: Mr. Chairman, one last comment
17 and I really think we need to move on.

18 CHAIRMAN SISNEROS: Yeah, I think we need to
19 move on.

20 MR. DAVID POPE: I just need to say, I'm not
21 going to make this point again. I disagree with what Mr.
22 Danielson has said. I think we have laid out a process
23 that can lead to resolution of the issues identified this
24 morning. I don't understand why in the world the
25 District has to insist that it is their way or no way

1 whatsoever.

2 CHAIRMAN SISNEROS: Moving on.

3 JULIANNE WOOLDRIDGE: Mr. Chairman, may I have
4 one final administrative request?

5 CHAIRMAN SISNEROS: No. Moving on. Number 9,
6 approval of transcripts and summaries from prior
7 meetings. What's that? We want...back to five -- I'm
8 sorry. Okay. I'm getting ahead of myself here. Report
9 from the Bureau of Reclamation. Who is representing?

10 MR. BRIAN PERSON: Good afternoon, Mr. Chairman
11 and members of the Administration. Again, I'm Brian
12 Person, Area Manager for the Bureau of Reclamation's
13 eastern Colorado office. I've been quite literally
14 changing my remarks on the fly here as the discussion has
15 ensued, so please bare with me. But before I start I
16 would like to introduce other folks who have come with me
17 from our Field Solicitor's Office in Denver, Lisa Vehmas.
18 Heading our resources group at eastern Colorado is Alice
19 Johns. And also with resources is Malcolm Wilson.

20 I would like to thank you for the opportunity to
21 be here. During some of the discussion with folks here
22 it's come up that I'm from North Dakota and so I'm kind
23 of intrigued by you all's issues with the weather here.
24 There are certain trees in North Dakota that bloom in
25 this warmth, so... And we would have a car wash today,

1 if we had the opportunity up there, so... We need just a
2 little bit of levity, so I thought I would make that
3 attempt.

4 As most of you know, eastern Colorado office
5 operates two major water diversion projects here in
6 Colorado, the Colorado Big Thompson and the Fryingpan
7 Arkansas Project. We also administer the irrigation
8 repayment contract with the Purgatoire River Water
9 Conservancy District for the Trinidad Dam and Reservoir,
10 Corps of Engineers constructed facility on the Purgatoire
11 River. I began as an area manager in mid-September of
12 this year and that same month the conservancy district
13 was celebrating their 40th anniversary, and while I was
14 not able to join them for the ceremony, I want to
15 congratulate them today on having reached that milestone.
16 40 years is commendable.

17 Today I want to cover just a few areas. The
18 Operating Principles for the Trinidad Project, I'll make
19 an attempt not to be redundant there but rather to
20 describe again Reclamation's role.

21 In very brief terms, the 1999-2000 water year in
22 the Fry-Ark Project, the completion of our modification
23 work at Pueblo Dam and lastly, just some brief words
24 about the Preferred Storage Option Plan the Southeastern
25 Colorado River Water Conservancy District is undertaking.

1 First on the Operating Principles. Last year's
2 ARCA meeting marked the end of a year of discussion,
3 meetings and correspondence among the District, Colorado,
4 the Corps, Kansas and Reclamation concerning the
5 amendments. And I, quite literally I've had the
6 opportunity to learn more today about the course of those
7 discussions and where they have taken things than I had
8 had in any prior discussions. Although the
9 communications prior did not result in any changes to the
10 amendment, I think clearly it provided the opportunity
11 for some much needed communication and the opportunity to
12 know...for the parties to know where each other stood.

13 Following last year's meetings, one of the areas
14 that Reclamation focused its efforts was to continuing to
15 support the Conservancy District through our Water
16 Conservation Field Services Program. Through that program
17 Reclamation assists water agencies to develop water
18 conservation plans. We also assist water agencies and
19 others by providing information about water use and
20 management demonstrating new emerging and innovative
21 technologies and implementing water conservation
22 measures. It's been quite a successful program
23 throughout Reclamation, and one that soon-to-be outgoing
24 Commissioner Elude Martinez has championed during
25 his approximate five years, 10 years throughout

1 Reclamation. This year, and you heard part of this
2 earlier from Jeris, we had helped the District fund a
3 canal loss study at the request of the District. They
4 had entered a contract with USGS. Had mentioned that
5 Paula Sundeby is the person who administers our water
6 conservation program and she is soon to discuss the
7 results of this year's portion of the loss study with the
8 District.

9 Another area of assistance has been the acreage
10 verification and while we spent a bunch of time on that,
11 I just wanted to briefly talk about Reclamation's earlier
12 role. And Malcolm, who I just recently introduced here,
13 had developed a process for verification and data base
14 prototype. The prototype and the means for that data
15 base to interface with the GIS was presented to the
16 District staff in early February and to the District
17 board in early May. As you heard from Mr. Danielson,
18 they had elected to go then with a consultant. We
19 provided our prototype to the consultant and we have also
20 offered to fund a portion of the work on the acreage
21 verification program provided it meets certain criteria.
22 I'm encouraged, we are encouraged by the progress the
23 District has made in initiating the gain/loss study and
24 also in working to develop the acreage verification
25 system. Was pleased to hear this morning that they had

1 ...they have started, at least, on the tool that will
2 provide the verification process, and yes, there's some
3 work to be done but I think it represents a, certainly,
4 at least, a good start.

5 Reclamation's role in amendments as provided in
6 Article 6 of the Operating Principles, Reclamation
7 reviews the principles and considers the amendments to
8 insure that the project is operated to achieve optimum
9 beneficial use of water. At the same time we must be
10 assured that adoption of the amendments would not result
11 in a material depletion to the Arkansas River. It is
12 with those thoughts in mind that we would make comments.
13 First resolution that has been referred to as the
14 housekeeping amendment, we have had some time to look at
15 but as Mr. Danielson also mentioned, there were some
16 discrepancies in the record but we certainly think that
17 that is an item that is relatively easily resolvable.

18 We support the general concept of lowering the
19 acreage cap and to bring the records into compliance and
20 to make them accurate.

21 As far as the stockwater amendment goes and the
22 discussion that has ensued here, I think what I would
23 offer, and Mr. Danielson referred to Reclamation stepping
24 forward to provide leadership and I also characterized
25 what our responsibilities were here. At some point when

1 the members of the Administration or the committees have
2 had sufficient time to review the documentation that you
3 all have referred to and is necessary for you to proceed,
4 as soon as we get to a point where you think that a
5 meeting that you refer to in the resolution would be
6 something productive, we would be happy to facilitate
7 that. We would contact the parties. We are more than
8 happy to travel here to try to bring resolution to them.
9 I've heard some encouraging things, I've seen some action
10 on the part of the District that says they are working
11 towards this, and I realize while the parties might be a
12 ways off yet, I've heard you state that you think these
13 are resolvable and we would like to do our part in trying
14 to facilitate that. I'm somewhat optimistic, what I've
15 heard today here, I can say after nine weeks on the job
16 my naiveness can give me optimism but I think there's
17 room for movement here and we would like to provide that.
18 And then after that discussion, whether you would elect
19 to have a special session of ARCA depending upon movement
20 that is made to consider the amendments, we again will do
21 whatever we can to aid in that process.

22 Turning to the Fry-Ark Project, just a couple of
23 brief pieces of information. This year we imported
24 44,830 acre feet of water from the west slope collection
25 system and the east slope water rights did not come into

1 priority so no water was stored under the Fry-Ark's east
2 slope decree.

3 Some update on the Pueblo Dam modification. For
4 the past three years Reclamation has been heavily
5 involved in the safety of dams modifications there at
6 Pueblo, and I'm happy to report that this year we
7 completed our work there about two months ahead of
8 schedule and approximately 13 million dollars below
9 initial cost estimates. ASI reinforced roller compacted
10 concrete, Buena Vista was the contractor, and I'll just
11 offer a couple of numbers that they had placed by March
12 of this year when the project was nearly complete. Over
13 61,000 cubic yards of roller compacted concrete and some
14 10,300 cubic yards of conventional concrete.

15 Construction was completed in late March and the
16 operating restrictions was lifted on April 28. A flow
17 test was conducted on April 13 and there was some
18 remaining peripheral work, road and landscape work that
19 was finished in May.

20 There were several stories that were run in the
21 Pueblo Chieftain and also local television coverage that
22 folks here may have caught.

23 I was in Pueblo on Friday of last week and that
24 was my first opportunity to inspect the completed work
25 and I'm just, I'm glad that that project is behind us.

1 Having mentioned Pueblo, while I didn't come
2 prepared to make these remarks, Mr. Rolfs had requested
3 this morning that I say just a few words about the
4 Preferred Storage Option Plan. I have not had the
5 opportunity in my short tenure to delve into that to any
6 great degree. We do have a draft final report and I had
7 the opportunity just to spend a couple of minutes with
8 the executive summary, but while I was in Pueblo I
9 attended, like I mentioned, just a part of the Preferred
10 Storage Option Plan Implementation Committee and I can
11 tell you where they are at this point. It's a general
12 effort by the Southeastern Colorado Water Conservancy
13 District to augment the water supply primarily to meet
14 the growth projections along the southern I-25 corridor.
15 They mentioned some numbers which I couldn't cite, but
16 it's an impressive level of growth. The additional water
17 would be gained through a couple of means.
18 Re-operations, which I don't know the specifics of it.
19 If my recollection is correct, would yield about 13,000
20 acre feet and additional storage would provide the rest.
21 And that would be additional storage by enlarging Pueblo
22 Dam and Reservoir.

23 At this stage of the meeting they were working
24 to inform the possible involved entities, those that were
25 considering participation, of what the costs might be.

1 They have some rough projections based on engineer
2 cursory estimates at this stage and trying to get
3 commitment from those who would like to partake. Numbers
4 at this point with 50 to 75,000 acre feet. There's a
5 considerable difference in the cost per acre foot of the
6 enlargement as you approach the 75,000 because of
7 mitigation and relocations on some of the reservoir site
8 contractors. The point of inflection on the curve is
9 about, the optimal cost per acre foot is at 60 or 62,000
10 acre feet.

11 From an administrative standpoint, Reclamation
12 has not had much involvement, but I would tell you that
13 we are scheduled to meet with the Southeast next week to
14 learn more about their endeavor and talk about where they
15 hope to go from here.

16 And that concludes my remarks. I would like to
17 again thank you for the opportunity to be here. It's
18 been a great learning experience for me and I look
19 forward to working with you more.

20 CHAIRMAN SISNEROS: Thank you. Do you have
21 questions?

22 MR. MARK RUDE: I just have a brief question, and
23 maybe it's one that I should field to Steve Witte but I
24 noticed in the Operations Secretary's Report there was a
25 table provided on upstream storage above John Martin

1 during the spill upstream storage to Pueblo, and I guess
2 I assumed that was under east slope storage rights of the
3 project but you just reported that there was no storage.

4 (Unidentified speaker making inaudible remarks.)

5 CHAIRMAN SISNEROS: I'm sorry. Could you speak
6 up. She's having trouble hearing you.

7 UNIDENTIFIED SPEAKER: I'm also from the Bureau
8 of Reclamation.

9 (Inaudible remarks between unidentified
10 speakers.)

11 UNIDENTIFIED SPEAKER: Mark, you mentioned I'll
12 have to confirm those with Steve. Our understanding was
13 it was not priority of the season but I'll have to
14 confirm those.

15 MR. MARK RUDE: Okay.

16 CHAIRMAN SISNEROS: Okay. Dave.

17 MR. DAVID POPE: Mr. Chairman, I...this may be
18 back on a question for Brian. If we could, I just wonder
19 if you could elaborate a bit more about what process the
20 Bureau would follow in regard to considering a
21 modification to the Fry-Ark Project that would implement
22 this proposal that you spoke of, the Preferred Storage...

23 MR. BRIAN PERSON: Preferred Storage Option
24 Plan.

25 MR. DAVID POPE: ...Option Plan. I guess I was

1 curious in terms of, we do have some issues. There's
2 been some correspondence between parties and we would
3 like to know sort of how that will involve and so that we
4 can make sure we are on top of responding at the right
5 times.

6 MR. BRIAN PERSON: Again I apologize in advance,
7 I simply didn't come prepared to address those and
8 provided the remarks that I did based on a request, but
9 we will learn more next week. At this point, the
10 questions that I have are the statutory authority for
11 enlargement for the feasibility study...(inaudible)

12 REPORTER: Excuse me. Excuse me. You're going
13 to have to come over here so... You're talking really
14 soft and you're far away.

15 MR. BRIAN PERSON: Sorry. At this point there
16 are a host of issues that Reclamation needs to work
17 through. I haven't had this answered within Reclamation
18 yet as far as the statutory authority for an enlargement
19 project and what Reclamation's level of involvement will
20 end up being. Reclamation owns the facility, so of
21 course will be intimately involved in any modifications
22 that would ever take place there, but we are in a
23 position where we have much to learn about the
24 initiative.

25 MR. DAVID POPE: Okay, thanks. I just would ask

1 that you keep us informed and as you move through that
2 process I know there's certain requirements that
3 typically take place in any federal action and I mainly
4 just wanted to point out our interest in the matter and
5 frankly the concerns that much additional storage has
6 developed, what that means, certainly in terms of
7 potential impact to the Compact and to the State of
8 Kansas interests.

9 MR. BRIAN PERSON: I understand. We share the
10 same concerns. The feasibility study which I also have
11 questions about would bear some of that out, I simply
12 don't know the path and timeframe just yet. Again, I
13 apologize for that.

14 MR. DAVID POPE: Okay, thank you, Mr. Chairman.
15 I think this might be the best place on the agenda,
16 rather than belaboring this, Mark Rude did write a letter
17 to Steve Arveschoug for the Southeastern Water
18 Conservancy District. I suspect that letter has made it
19 around and then Steve did respond back to that letter and
20 I suggest maybe in terms of outlining our concerns, maybe
21 the best thing to do would be just to make those letters
22 available for the record and we wouldn't need to belabor
23 that at this point in time in regard to any further
24 issues and concerns that really the district folks aren't
25 here and but I would ask at this at this time I do

1 have...

2 CHAIRMAN SISNEROS: Do you have copies of it?

3 MR. DAVID POPE: ...copies of those and others
4 here for people if they would like to at least review
5 these. We are not asking for action or... Here are
6 copies of those two letters.

7 CHAIRMAN SISNEROS: Do I have everything?

8 MR. DAVID POPE: From our perspective we do not
9 believe all of the concerns have been addressed but again
10 it's early in this process as we understand it and we
11 think this is an issue of substantial importance. Just
12 simply hasn't been resolved by this correspondence at
13 this point in time and by the various studies that have
14 been done and what not.

15 CHAIRMAN SISNEROS: Yes, and it's early in the
16 process. There's a lot of questions being asked, a lot
17 of questions need to be answered and we'll make this part
18 of the record that this has be brought up and that
19 everyone has got a copy of this.

20 MR. DAVID POPE: Thank you.

21 CHAIRMAN SISNEROS: Let's move onto item number
22 B and I would ask Dick Kreiner...Kreiner, excuse me, to
23 make a record.

24 MR. DICK KREINER: My name is Dick Kreiner. I'm
25 Chief of the Reservoir Control Branch, the Albuquerque

1 District Corps of Engineers. We have provided copies of
2 our formal report for you and we are going to pass around
3 some for the audience. While they are doing that I'll
4 introduce some folks that are with me. On my right is
5 Sandy Rayl, she is the Project Manager in the Albuquerque
6 District and Dennis Garcia is the Arkansas Basin
7 Coordinator in our office. We have a new District
8 Engineer who started in July of this year. His name is
9 Raymond Midcalf, and if you weren't aware of that I
10 just wanted to make sure that you were. He sends his
11 regrets that he was unable to address the Administration
12 today, was unable to get out of another commitment.

13 I will just go through the formal report and
14 point out a couple of pertinent things and won't take up
15 much of your time. I would like to add a little bit to
16 what Brian Person stated about Pueblo Reservoir with the
17 Bureau of Reclamation's work completed. That we have
18 restored. We have ended the deviation, and that has been
19 in place since 1997, and have restored the full
20 congressional authorized flood space for Pueblo
21 Reservoir, so, back to normal. At John Martin Reservoir
22 we did have a deviation in February of this year and we
23 began storing approximately 5,000 acre feet within the
24 flood pool. That 5,000 acre feet was then later used to
25 do a partial exercise of the dam's 16 tainter gates. On

1 February 7 we did do that successful operation and we
2 used a portion of that 5,000 acre feet and then later
3 during the week of March 6 there was approximately 3,000
4 acre feet that was remaining after that exercise was
5 complete and we did evacuate that later on. During July
6 the pool did draw down to below the spillway crest and we
7 were able to do a full exercise of our tainter gates and
8 I can report to you that those tainter gates are fine.
9 We do have some maintenance that we are going to be
10 pursuing to address some issues but just to rest assured
11 in your minds that John Martin Dam will function properly
12 if needed.

13 Moving on down through some of our planning
14 activities, under our Section 22 program which is
15 Planning Assistance To States, we did initiate a study in
16 February of 2000, and the study will focus on three
17 problem areas within the reach of the Arkansas River
18 between the Otero/Pueblo county line and the upper part
19 of John Martin Reservoir. Colorado Water Conservation
20 Board is cooperating with this study and we are
21 evaluating existing channel capacity and sedimentation
22 problems. This study is expected to be complete in
23 February of 2001. Under our 1135 authority which is
24 environmental restoration, we have a feasibility study
25 that's being conducted on Fountain Creek floodway at

1 Pueblo, Colorado and we are looking at the extent to
2 determine the extent of riparian habitat that may be
3 restored there. Feasibility study will be completed
4 later on this month and local cost sharing sponsor for
5 that is the City of Pueblo. We have a Preliminary
6 Restoration Plan that's being developed with Prowers
7 County to address river channel improvements and wetland
8 and riparian forest restoration west of Lamar.
9 Discussion regarding specific priority areas to be
10 analyzed are currently under way and this PRP is expected
11 to be ready January of 2001. Under our Section 206
12 authority, which is another environmental restoration
13 authority...or excuse me, it's a habitat, riparian
14 habitat authority. The Albuquerque District is
15 conducting a feasibility study to improving fishing and
16 ...fish and riparian habitat along nine miles of the
17 Arkansas River downstream of Pueblo Dam and this
18 feasibility report is scheduled to be completed in
19 December, again later on this month.

20 A couple of items worth noting under our flood
21 plain management activities. In 2000 the FEMA selected
22 the Albuquerque District as a study contractor to produce
23 flood insurance for Oak Creek through the city of
24 Florence, Colorado and that Albuquerque District
25 completed the study in February and submitted the report

1 and the flood plain maps to FEMA for their review at the
2 request of the Colorado Water Conservation Board. The
3 Albuquerque District initiated a hydrologic analysis of
4 the Oak Creek and Coal Creek watersheds upstream of the
5 City of Florence. The completed report was submitted to
6 CWCB in September of 2000 and the request of the
7 CWCB the local communities and were -- excuse me -- at
8 the request of CWCB and the local communities within the
9 watershed the Albuquerque District initiated a hydrologic
10 analysis of Fountain Creek from the headwaters to the
11 confluence of the Arkansas River. And this study is
12 ongoing and will be completed in the year 2001. A couple
13 of other things or one other item in particular that I
14 did want to bring to the attention of the Administration
15 and that's an effort where the Corps is in the process of
16 negotiating a lease agreement for the management of a
17 state park at John Martin reservoir. Most of you folks,
18 I'm sure, are aware of that. We anticipate this
19 agreement would be completed soon and I believe the date
20 that it would go into effect is October of 2001.

21 That completes the highlights of my report. I
22 would be glad to address any particular questions that
23 you may have.

24 CHAIRMAN SISNEROS: Are there any questions?

25 MR. DAVID POPE: I don't think so, thank you.

1 CHAIRMAN SISNEROS: Any questions from this
2 side? Thank you, Dick.

3 Moving onto Item Number C, the geological survey.

4 MR. KEITH LUCEY: I'm Keith Lucey. I'm with
5 USGS out of Pueblo. We've submitted our Joint Funding
6 Agreement for this year's activities from January through
7 December 2001. Compact's share of that agreement is
8 27,320, and the USGS in federal matching funds, it's
9 25,200.

10 USGS authors of the report "Comparison of Two
11 Approaches for Determining Ground-Water Discharge and
12 Pumpage in the Lower Arkansas River Basin, Colorado, 1997
13 and '98" will be deposited on January 4, 4 and 5 for the
14 Kansas v. Colorado case. This report documents the study
15 conducted in cooperation with the Colorado State Engineer
16 to compare the power conversion coefficient method to
17 totalizing flow meters for estimating ground-water
18 pumpage.

19 You've heard about our cooperative study with
20 the Purgatoire Water Conservancy District a couple of
21 times now. I'll just provide some additional
22 information. A total of 211 discharge measurements were
23 made in eight canal systems from July 31 through August
24 23, 2000 to evaluate gains and losses in the ditches
25 downstream of Trinidad Dam. Another measurement of the

1 gains and losses will be conducted in May or June 2001.

2 USGS currently operates 61 recording streamflow
3 gages and three gages on reservoirs within the Arkansas
4 River Basin in Colorado. All of these streamflow stations
5 are equipped with satellite transmitters which allow
6 real-time access through the world wide web to the
7 data.

8 Continuous recording water-quality monitors are
9 operated at 11 sites and periodic water-quality data are
10 collected at 35 surface-water sites, six sites in Pueblo
11 Reservoir, and at 180 wells. Suspended-sediment data are
12 collected at 10 sites and water-level measurements are
13 made annually or more frequently in about 500 wells in
14 the basin and much of these data are available in the
15 world wide web.

16 USGS continues water-quality monitoring in 2000
17 at 22 sites on the lower Arkansas River and its
18 tributaries between Pueblo and John Martin Reservoir.
19 Now this three year monitoring effort will end with the
20 April 2001 sample. Data collected for this study include
21 nutrients, selenium, sulfate, major ions,
22 conductants.

23 USGS report W...WRIR 00-4047, "Analysis Of
24 Hydrologic Factors That Affect Ground-Water Levels In The
25 Arkansas River Alluvial Aquifer Near Lajunta, Colorado,

1 1959 to 1999", was published in 2000.

2 In another report, WRIR 00-4130, "Trends In
3 Precipitation And Streamflow And Changes In Stream
4 Morphology In The Fountain Creek Watershed Of Colorado,
5 1939 to 1999", was published in 2000.

6 That would conclude my report.

7 CHAIRMAN SISNEROS: Any questions?

8 MR. DAVID BRENN: Mr. Chairman, I would like to
9 make a comment mostly on an informational basis, but we
10 are aware, of course, that Kansas and Colorado are in
11 dialogue in regards to water quality. Part of that is
12 being driven by TMDL's and Region Seven and Region Eight
13 EPA's, and I think that it would be a good consideration
14 of this body to perhaps look at a report, informational,
15 at a future meeting from both states in regards to that
16 process of dialogue because it will be significant as we
17 look at enforcement of the Clean Water Act and certainly
18 it's a mutual interest to both states.

19 CHAIRMAN SISNEROS: Any comments from Colorado?

20 MR. STEVE MILLER: I'm not aware of any dialogue
21 yet but it might be appropriate to begin that but...

22 MR. DAVID POPE: I think maybe Dave's comment is
23 just the fact that I think there's some, at least,
24 between the water quality agencies of our respective
25 states and I think my expectation is that there will

1 be...there will be discussions and at this point I don't
2 know the shape and the nature of how that's going to play
3 out. But my reading of Dave's comment is just simply
4 this is a substantial issue and I think in both states
5 and certainly our Department of Health and Environment
6 has developed TMDLs for the upper Ark and those have been
7 submitted and approved by EPA and those issues there that
8 have been dealt with. It's an interstate issue that I
9 don't think we are here to speak to today, but it's just
10 an informational thing and I think the gentleman was
11 mentioning, of course, the water quality monitoring and
12 the issues that are throughout there and I know there's
13 been a number of studies by both states.

14 CHAIRMAN SISNEROS: Is that information that
15 will be provided to ARCA?

16 MR. KEITH Lucey: Sure, yeah, after April 2001
17 we'll begin describing the results in a report. The
18 report ought to be ready by next annual meeting.

19 CHAIRMAN SISNEROS: Great.

20 MR. DAVID POPE: I don't think we were
21 suggesting USGS to resolve that issue. It's more of a
22 matter of fact there are certain data and studies that
23 are underway.

24 CHAIRMAN SISNEROS: Right. That information
25 should probably be provided to...

1 MR. DAVID POPE: Results of the studies, I think
2 that would be timely and helpful to receive those next
3 year.

4 CHAIRMAN SISNEROS: I think it would be helpful
5 to the entire system.

6 MR. DAVID POPE: Yeah.

7 CHAIRMAN SISNEROS: Thank you?

8 MR. KEITH LUCEY. All right.

9 CHAIRMAN SISNEROS: Item Number 7, Kansas'
10 proposal to amend bylaws regarding annual meeting
11 location. Who is going to speak on that?

12 MR. DAVID POPE: Let me...I might just start off
13 and then maybe comments by the other Commissioners.

14 Mr. Chairman, as you recall and others here, we
15 were happy to host the annual meeting a year ago in
16 Garden City, Kansas. Appreciated the fact that many of
17 the folks here came to Kansas, we had some additional
18 people there that ordinarily don't make it to this
19 meeting from our state as well. We don't have as many
20 people, frankly, in terms of the total number of water
21 users that perhaps exist here in Colorado, but I
22 think...we did appreciate that opportunity and basically
23 we do have a number of water users that are very
24 interested in the activities of this body and could
25 benefit from more information and better understanding of

1 the issues.

2 Secondly, we think there's some merit in the
3 meeting rotating to have it at different locations. We
4 think we have some fine facilities in Garden City and
5 perhaps other places that could be considered, so, we had
6 just wanted this item to be available for discussion. I
7 think Mr. Rolfs did prepare a resolution that would be
8 available for consideration. Based on informal
9 discussion from Randy, I don't believe necessarily that
10 Colorado is prepared to act on this resolution today. If
11 my reading of that is correct we would be glad to
12 distribute it so you would have it in front of you but we
13 would not try to force a vote on that issue today. We
14 certainly would be happy to host the meeting again next
15 year if that would be the wish of the body, and then at
16 sometime in the future maybe we could consider an
17 amendment to the bylaws that would make that a routine
18 occurrence.

19 So essentially, that was the nature of the issue
20 that we wanted to discuss and appreciate your time on
21 that. Certainly defer to Dave or Randy in regard to any
22 comments they would want to make about the views of the
23 local interested parties in Kansas.

24 CHAIRMAN SISNEROS: Randy, do you have some
25 comments?

1 MR. RANDY SEAHOLM: Okay. I guess from
2 Colorado's perspective, the Arkansas Basin, of course,
3 extends from well above Leadville, Colorado, all the way
4 down to Garden City from the standpoint of the
5 Administration.

6 MR. DAVID POPE: It doesn't end there but I
7 understand your comment.

8 MR. RANDY SEAHOLM: But you know, we certainly
9 have a lot of water users in Colorado that like to
10 attend. Lamar is very centrally located with respect to
11 all of the water users throughout the basin and I think
12 you know, rather than think about this moving the
13 meetings back and forth between states, if we want to do
14 that, seems to me like there ought to be some thought
15 given to perhaps we have meetings up in the Pueblo area
16 at sometime and...and on down if we think that would
17 improve attendance. I guess my observation was from last
18 year, as I understand we didn't necessarily have any more
19 people in attendance down in Garden City than we do when
20 we have it here and I think as an Administration we want
21 to try to meet in the area where we have, we get the
22 greatest participation by all of the people that are
23 affected. Given that at this point in time, I guess we
24 are certainly willing to think about it and talk about
25 it, but given the central location of Lamar, my initial

1 reaction is I think we would like to keep the meetings in
2 Lamar.

3 MR. DAVID BRENN: Mr. Chairman, I would like to
4 respond to Randy. The attendance, and as the day goes on
5 it starts depleting, but the attendance at Garden City in
6 my recollection, of course, we looked at surface-water
7 users, there was Ground Water Management District
8 representation, but maybe more importantly from our
9 standpoint and why I don't want us to cut this dog too
10 soon, is that we did have representation from the...from
11 the cities and from the area people that aren't directly
12 involved with that, but I think it allows opportunity to
13 make people more aware of what's going on. And as Dave
14 shared here, I don't think we need to look at a
15 resolution at this point in time to do that but some
16 flexibility to at least allow maybe this year the
17 opportunity to go back to Garden City and I think that we
18 might be surprised at the amount of attendance and people
19 that are there. I don't think we should make the
20 judgment on one year but just the opportunity to do that
21 again would be good.

22 CHAIRMAN SISNEROS: My understanding was that
23 ...well, the bylaws do dictate Lamar as the meeting place
24 for the Administration. My understanding was that last
25 year was the first year that it had ever been held in

1 Garden City and that was...my understanding was that Mr.
2 Trujillo thought that it would show some good faith in
3 moving it over there and maybe possibly moving it back
4 and forth is what was my understanding. I think he's the
5 one that that set up the meeting in Garden City is my
6 understanding of it. Again, here we've got a resolution
7 I don't think these guys have a copy of yet, do you?

8 MR. RANDY SEAHOLM: I certainly don't.

9 CHAIRMAN SISNEROS: You know, so here again I
10 want to emphasize that in the way we're doing business
11 here is not working because all of a sudden you know,
12 we're showing up here with resolutions and different
13 things that, you know, one state wants the other one to
14 do with no prior knowledge and I don't think that's going
15 to work and it hasn't worked in the past and it's not
16 going to work in the future. And I think we need to get
17 that understanding and we need to get some of these
18 documents to each other in a timely manner and to be able
19 to address them and then come here, not to hash it out
20 here at this meeting but to actually vote on these
21 things, and because it's already a done deal and based on
22 that I think we're going to have next year's meeting
23 here. Yes.

24 MR. STEVE MILLER: just to clarify things in
25 defense of Kansas a little bit, they proposed this on the

1 agenda, didn't have the piece of paper that they are now
2 referring to because Lee and I talked that this was
3 something Kansas would consider. During that discussion
4 we agreed that the current bylaws allow us to go to
5 Garden City if we so choose. So this resolution here
6 would be to make something permanent. Right now the
7 current situation is Lamar is a default location but the
8 Administration can agree to go elsewhere, they don't have
9 to agree to that today but we were pretty weak in our
10 notice and logistics for this meeting this year. I would
11 encourage us to make a decision perhaps by July of where
12 we are going to hold the next meeting. Whether it's
13 today or down the road but we don't need a bylaw change
14 to do this.

15 CHAIRMAN SISNEROS: No, I think we can make a
16 decision today as far as that goes. We don't have to
17 wait until, you know, two weeks before the actual meeting
18 to do that. I think we can make, you know, give
19 notification as to where that meeting is going to be.
20 That way everyone is prepared. My concern is that, you
21 know, we continue to do these things and all of a sudden
22 show up with a resolution that these folks haven't seen
23 and it's working both ways and these guys show up with
24 one that these guys aren't prepared to act on, you know,
25 and we are getting absolutely nothing done and that's not

1 the purpose of this meeting. I think the purpose of this
2 meeting is to hash these things out prior to getting here
3 so that we can vote on these things and know what the
4 outcome is going to be on these things.

5 MR. DON STEERMAN: Mr. Chairman.

6 CHAIRMAN SISNEROS: Yes.

7 MR. DON STEERMAN: My name is Don Steerman and I
8 represent District 67 and on behalf of the District, I
9 would really ask the board or the commission to look at
10 why the meetings are held in Lamar. I believe it's
11 central and I believe that most of the water users on the
12 river are more able to attend Lamar than they are in
13 Kansas or other places along the river. It's centrally
14 located and I believe that it actually works for the
15 benefit of all users. I don't think we ought to be as
16 concerned about the lawyers and engineers and the Compact
17 members because we get paid to be here anyway. I think
18 the water users on the river needs to have a central
19 location where they can plan on going at the same time
20 every year, calendaring that ahead in order that they can
21 be able to have their voices heard. And I would also
22 like to make a statement concerning the notice. I think
23 it's very important that those notices not only get
24 distributed between the Compact Administration themselves
25 but to the water users because I do think that each and

1 every thing that this Compact does has the potential of
2 affecting a lot of people and a lot of water. And I
3 think that the reason that we have these meetings and the
4 reason they are open forum is so that the peoples' voice,
5 the water users' voice can be heard on each and every
6 issue. So I would encourage the issue to work hard in
7 getting those notices out and keep these meetings
8 centrally located. And thank you.

9 CHAIRMAN SISNEROS: Thank you.

10 MR. DAVID POPE: Mr. Chairman, I would just wrap
11 up with one additional comment and I do appreciate those
12 concerns. Again, just for clarification there was
13 discussion, has been discussion for sometime about this
14 issue. Again, we did not ask for action in terms of the
15 proposed resolution here today. The current bylaws do
16 allow, however, consideration of holding the meeting at
17 an alternate location and that in fact was the issue. I
18 simply wanted to preface the discussion that we had
19 raised to discuss this issue. Once we learned that
20 Colorado was not prepared to act on an actual amendment
21 setting up a formal rotation then we did not proceed to
22 push that issue, so I don't think we are really comparing
23 this to other issues quite right and so we would still
24 like to see consideration given to the meeting next year
25 in Lamar if the delegation from Colorado, or excuse me,

1 Garden City, if the delegation from Colorado is unwilling
2 to do that why they just need to say so and we will move
3 onto something else.

4 CHAIRMAN SISNEROS: What is Colorado's wishes?

5 MR. RANDY SEAHOLM: I think we would like to
6 have it in Lamar, Mr. Chairman.

7 MR. DAVID POPE: Okay. Why don't we move on.

8 CHAIRMAN SISNEROS: It will be held in Lamar and
9 we've got a year's notice. Moving onto item Number 9,
10 Approval of transcripts and/or summaries of prior
11 meetings. Item Number A, Approval of December 1998
12 Annual Meeting Minutes. Who is responding to that?

13 MR. STEVE MILLER: I hope it was Mr. Rolfs.

14 MR. LELAND ROLFS: Mr. Chairman, I'm Lee Rolfs.
15 And we have been working on the transcript from the past
16 two annual meetings they are in my office and I'm the one
17 that's behind this time and I've not got them edited and
18 not gotten them to Steve yet so that takes care of the '98
19 and '99 transcripts and they are not ready for approval
20 at this point in time but we will work on them as time
21 allows.

22 CHAIRMAN SISNEROS: When can we expect these?

23 MR. LELAND ROLFS: Hopefully by the next Compact
24 meeting.

25 CHAIRMAN SISNEROS: A year from now?

1 MR. LELAND ROLFS: Both states have copies of
2 the draft transcripts in front of them.

3 CHAIRMAN SISNEROS: Any comments? Moving onto
4 Item Number C, Special Meeting minutes.

5 MR. STEVE MILLER: I thought we had taken care
6 of this last year and Lee tells me we haven't. And when
7 I checked my files we probably have not. There were two
8 meetings in 1999, telephonic meetings. We prepared a
9 draft transcript and sent it to Kansas and I believe
10 Kansas hasn't indicated whether they thought they were in
11 suitable form to be approved, so I guess that would...we
12 need a response from Kansas on those two drafts. Those
13 are done in-house so it doesn't involve a court reporter.
14 We could complete that project whenever we get the go
15 ahead.

16 MR. LELAND ROLFS: That's correct. Steve has
17 done his job on that part, he has transmitted it to me.
18 I have the tapes to review and have not had the
19 opportunity to do that yet.

20 CHAIRMAN SISNEROS: So we can do that sometime
21 without...

22 MR. STEVE MILLER: they'll eventually need to
23 come before the Administration if we hold some of the
24 meetings that we have talked about it might be nice to
25 get those meetings cleaned up earlier than waiting for a

1 full year. I'll stand here because I get to take the
2 fall on letter D, December '93 minutes. I agreed to have
3 my office prepare those minutes because the court
4 reporter was deceased by the time we got around to making
5 our edits and they were probably one of the worst set of
6 minutes. It was a stand-in person who didn't
7 really...wasn't familiar with our business or our names
8 and the minutes were in pretty poor shape. Fortunately,
9 we had a tape recorder going during the meeting. We have
10 a transcript. I need to review that and send it off to
11 Lee so he can review it also and I think I can commit to
12 getting that to Lee prior to March 30 anyway of next
13 year. And if I see a special meeting on the horizon
14 maybe push it up even sooner so we could at least have
15 that as a draft and that's, in this case that's...there's
16 not even a draft available to Kansas to look at.
17 Actually there's...there's a poor draft that the original
18 reporter did but the draft of the transcript in my office
19 that has been redone has not been circulated.

20 CHAIRMAN SISNEROS: You guys will work that out?

21 MR. STEVE MILLER: Looks like I might as well
22 stay here.

23 CHAIRMAN SISNEROS: So we are up to number 10,
24 Annual report preparation.

25 MR. STEVE MILLER: There's not much to report

1 there in way of progress. I thought it was important to
2 have it on the agenda just to remind everybody, but that
3 the Compact itself requires an annual report to the
4 President of the affairs of the Administration. Over the
5 40 or so, 50 years of the Compact, that report has
6 developed into something that's fairly elaborate, has a
7 lot of data in it as well as some minor text about what
8 we did each year. That data comes from the Operations
9 Secretary Report. Beginning in '95 we have failed to
10 approve Operation Secretary's Reports and so the ability
11 to get an annual report finalized was looking pretty
12 grim. There's a lot of numbers out there and they come
13 directly from the Operations Secretary Reports that
14 haven't been approved. My intention for this year and my
15 supervisor's insistence for this year is that I just go
16 ahead, use the data that's out there, recognize that it's
17 not approved yet, but get those reports drafted. And
18 then, at least, we've got Colorado's share of the work.
19 These actually are tasks that the Recording Secretary,
20 according to the bylaws is supposed to do but over time
21 Colorado took the initiative or proceeded with the
22 assignment. I'm not sure how, but we have always caused
23 those drafts to be made, then present it to Kansas, work
24 out the differences, bring them to the Administration,
25 get them printed, put that all on hold once the

1 Operations Secretary's Report is broke down. My proposal
2 is, I just go ahead and do my share of the work and then
3 other people can take it from there. At least we'll have
4 drafts.

5 CHAIRMAN SISNEROS: How many years are we
6 talking about here?

7 MR. STEVE MILLER: Actually haven't printed the
8 '94 report but that's an issue that has been taken care
9 of and that could be printed. Then we're talking about
10 '95, '96, seven, eight, nine and now 2000 could also
11 begin preparation, so six years.

12 MS. WENDY WEISS: Wasn't there another one,
13 either '96 or '97 that also like the '94 was approved
14 subject to checking some footnotes which I think have
15 been checked so I think there's one other one that was
16 approved.

17 MR. STEVE MILLER: That might be true. The '94,
18 the reason it can be printed is because this body agreed
19 on some footnote language on several tables that would
20 make them acceptable to both states. Maybe '96 falls
21 into that category, and because I do...had to do them
22 sequentially, I didn't bother doing '96 because I knew I
23 couldn't get '95 done but like I'm saying now I think I'm
24 going to get them all done to the best of my ability and
25 the Administration can take over and decide what it wants

1 to do. They can set them aside. The President hasn't
2 called me recently and asked me where the most recent
3 report is but it's a Compact obligation and we probably
4 should try to meet it.

5 Another option would be to do just a very brief
6 two-page report, since the Compact doesn't tell us what
7 to do, but I think people have come to rely on those
8 reports with the data they have. Some of the discussions
9 last night...I include USGS data in mine and so you can
10 look and see what the actual flow at the stateline was on
11 a day that there was a delivery going on and those kinds
12 of additional information.

13 CHAIRMAN SISNEROS: Okay. Item 11, financial
14 matters, Recording Secretary's Report.

15 MR. JAMES ROGERS: Mary Louise is back there,
16 the Recording Secretary. There really isn't much to
17 report. I've got a copy of the audit which is down here
18 on item C. I can give you the cash assets. And in the
19 checking account is eighty-seven sixty-two; money market
20 account, 119,966...6260. Total cash is one twenty oh
21 five zero two two; total assets is the same.
22 Liabilities, zero. Equity is the same as one twenty oh
23 fifty-two sixty-two. The income assessments which
24 matches our budget of 67,200. Interest received was six
25 hundred seventy-five twenty. Then our expenses was,

1 audit fees 375; court reporter fees, 1278; insurance,
2 100; Operations Secretary, seven hundred thirty-seven
3 forty-six; postage and office supplies, 25; satellite
4 monitoring 10,500; telephone expense three hundred
5 ninty-seven ninety-six; treasurer's fees, secretary's fee
6 was \$2000, and that was done after the audit was done.
7 Here's a copy of the...of the expenses was wrote that
8 went to Mr. Witte's office and they are all broke down.
9 I'll give her a copy of that for the record.

10 CHAIRMAN SISNEROS: Yes.

11 MR. DAVID POPE: Jim, do you have copies of that
12 for the Commissioners.

13 MR. JAMES ROGERS: That...I've got.

14 MR. DAVID POPE: That's what this handout is.

15 MR. JAMES ROGERS: I've got the audit reports,
16 three of them.

17 MR. DAVID POPE: Seems like the action item you
18 have here is the audit report, is that correct?

19 CHAIRMAN SISNEROS: That is the audit report.

20 MR. DAVID POPE: That is the audit report. I
21 mean the action we need to take as a body would be to
22 approve the audit report.

23 CHAIRMAN SISNEROS: Right.

24 MR. JAMES ROGERS: Which was item C under 11.

25 CHAIRMAN SISNEROS: It's number C under 11,

1 yeah. Chair would entertain a motion.

2 MR. RANDY SEAHOLM: Mr. Chairman, we would move
3 to accept the audit report as presented by Mr. Rogers and
4 distributed to us.

5 CHAIRMAN SISNEROS: Do I have a second on it?

6 MR. DAVID BRENN: Second.

7 CHAIRMAN SISNEROS: You have further comment?

8 MR. STEVE MILLER: I just wanted to point out in
9 that report, I've gone through it. I don't keep a separate
10 set of books, but I just...make sure the surplus that I
11 calculate at the end of the year matches what the auditor
12 thinks it is or what I think it is is what the auditor
13 says it is, I had that backwards. You will notice in
14 there that we overspent on USGS by about \$10,000 in his
15 budget reconciliation. That is because...I talked with
16 him, that's because we went from a 12-month federal
17 fiscal year to a 15-month calendar year and now we're
18 going back to a 12-month calendar year so there's a
19 bubble in there where we had more expenditures coming on
20 in one year than normal. And if that caused anybody
21 concern, I think the auditor has done a good job of
22 researching it and presenting any information and I've
23 checked it out with GS and I think we're okay on that.
24 But other than that the audit was very straight forward.

25 CHAIRMAN SISNEROS: We have a motion. We have a

1 second call for the question. All in favor say aye.

2 MEMBERS: Aye.

3 CHAIRMAN SISNEROS: It's approved. So approved.
4 Steve, where...

5 MR. STEVE MILLER: I've got some things I handed
6 out to Kansas, probably through Randy, last night. I
7 don't know if the Colorado folks even got a copy of this.
8 It's two page, two sided, three page, five sides, six
9 sides of budget information. Before I begin this,
10 though, there's two things. One, I thought that while
11 the Recording Secretary normally doesn't have much to
12 tell us, this year she might. If you had wanted to give
13 us an update on what your situation is or your
14 willingness to serve next year or you want to wait until
15 we come to the elections for that, but we have an issue
16 that Mary Louise, who came to lunch but got no mention,
17 may also be retiring from our service with us. Do you
18 need to say anything?

19 MS. MARY LOUISE CLAY: I don't know when you were
20 going to discuss that and so forth. I think from talking
21 to Jim that he was explaining to me about Jan taking
22 over. The only question I had, and forgot to ask Jim,
23 is, does she have Quicken on her computer?

24 MR. JAMES ROGERS: That I can't tell you but we
25 will...we can get a copy and we will get a copy to her.

1 MS. MARY LOUISE CLAY: You need to get that on
2 her computer to transfer the books over. It will
3 probably cost \$50 to buy the program or whatever. It's
4 not Quick Books, it's Quicken. Other than that, I've
5 told Jim that I'll be glad to help make the transfer or
6 whatever. So you can elect me for a partial time or just
7 go ahead and elect her or whatever, but you know, I don't
8 want to commit to another year because I'm not sure what
9 I'm all going to be doing.

10 MR. STEVE MILLER: Can you stay for a few more
11 minutes?

12 MS. MARY LOUISE CLAY: Oh, yeah.

13 MR. STEVE MILLER: Okay. Well, let's...maybe we
14 can go off the record then. That would be my only...

15 CHAIRMAN SISNEROS: I think so. I think we need
16 to go into executive session of some sort.

17 MR. STEVE MILLER: Well, maybe you do for that
18 but on the budget things there's too many numbers here
19 and -- off the record.

20 (Whereupon, there was an off-the-record
21 discussion, after which the following
22 proceedings were had:)

23 MR. STEVE MILLER: I think the first thing we
24 should do in regard to fiscal affairs would be to approve
25 the Joint Funding Agreements from the USGS Kansas

1 Division and Colorado Division for calendar year 2001.
2 Jim has got copies there, I believe. The amounts are
3 consistent with what we budgeted in earlier years for
4 those activities, and I don't know that you need a
5 resolution to do this or it probably wouldn't hurt.

6 CHAIRMAN SISNEROS: The Chair would entertain a
7 motion to approve these.

8 MR. DAVID POPE: Just for clarity those would be
9 the numbers that are shown for the 2001 on the table that
10 you handed out here?

11 MR. STEVE MILLER: Let me tell you what the
12 numbers are. Numbers are for Colorado \$27,320 and for
13 the Kansas division which maintains two gages at
14 Coolidge, seventy-nine seventy-five, \$7,975 would be
15 ARCA's share for calendar year, 12-month period, 2001.
16 And those should show on the table, David, but I'm not
17 sure if I can quickly get you the right one.

18 MR. DAVID POPE: I believe those are the correct
19 numbers. You need a motion?

20 CHAIRMAN SISNEROS: Yes.

21 MR. DAVID POPE: I would move the approval of
22 the Joint Funding Agreement with US Geological Survey for
23 calendar year 2001 in the amounts Steve just stated on
24 the record.

25 CHAIRMAN SISNEROS: Do we have a second?

1 MR. RANDY SEAHOLM: Second.

2 CHAIRMAN SISNEROS: All in favor?

3 MEMBERS: Aye.

4 CHAIRMAN SISNEROS: So moved.

5 MR. STEVE MILLER: I guess on the agenda we
6 should signify also that we have reviewed the budget for
7 the current fiscal year, and the fiscal year that begins
8 July 1, 2001, and leave those budgets unchanged. And I
9 don't know that you need a motion for that. We've
10 reviewed them and we are going to leave them the way they
11 are, so I don't think we need an action on that. Lastly,
12 we need to adopt a budget for the ARCA fiscal year 2002,
13 2003, and there's a spreadsheet that has a proposed
14 budget on it, upper left hand corner marked FY 02, 03
15 showing expenditures of 65,600; anticipated income of 69
16 thousand; anticipated addition to surplus of 34 hundred
17 dollars; and I would propose that be the budget for the
18 period July 1, 2002 through June 30, 2003.

19 Be happy to talk -- you should have a page
20 that's portrait style not landscape.

21 MR. RANDY SEAHOLM: Steve, I was just trying to
22 understand how much the Recording Secretary's budget is.
23 We have 2000 showing here.

24 MR. STEVE MILLER: That's correct.

25 MR. RANDY SEAHOLM: I guess somewhere along the

1 line I got the impression there was another thousand in
2 there somewhere.

3 MR. STEVE MILLER: Well, we pay rent. We also
4 pay rent. And currently, our landlord is Lower Arkansas
5 Water Users Association and that's a thousand dollars, I
6 believe. Let me see. 600. Okay. It's 600 plus we pay
7 a lump sum printing and copying charge for them for 400,
8 rather than count every stamp and take turns buying
9 pencils. LAWMA just throws in the office supplies for a
10 lump sum payment of 400. So basically our rent for the
11 fully equipped office is 1,000.

12 MR. RANDY SEAHOLM: Okay.

13 MR. STEVE MILLER: Recording Secretary happens
14 to work for LAWMA, or did, until fairly recent, Mary
15 Louise can go into whatever level of detail you want on
16 that. So there's basically \$3,000 to support a part time
17 secretary, office space, and office supplies in this
18 budget, and that's why I asked Jan Anderson earlier today
19 if whether she thought she could live within what we
20 currently budget for that activity and she thought she
21 could. Now, it may go up a hundred, it may go down a
22 hundred, it may go up 500. We have got contingency and
23 we don't have a negotiated agreement with her yet so I
24 don't see any reason to put any other number in there at
25 this point.

1 MR. RANDY SEAHOLM: Just wanted to be sure I
2 understood. Thank you.

3 MR. STEVE MILLER: That's where the \$3,000 would
4 come from.

5 MR. RANDY SEAHOLM: Thank you.

6 CHAIRMAN SISNEROS: Need a motion for this?

7 MR. STEVE MILLER: Yes, I think we should.

8 CHAIRMAN SISNEROS: I'll entertain one.

9 MR. RANDY SEAHOLM: I would move adoption of the
10 FY, proposed FY 2002, 2003 budget as presented to us.

11 CHAIRMAN SISNEROS: Do I have a second on it?

12 MR. RANDY HAYZLETT: Second.

13 CHAIRMAN SISNEROS: We have a motion and a
14 second. All in favor?

15 MEMBERS: Aye.

16 CHAIRMAN SISNEROS: All opposed? Hearing none,
17 so moved.

18 MR. STEVE MILLER: Last thing I would ask is if
19 anybody would like a more detailed explanation of the
20 charge that Colorado bills in this budget for the, their
21 assistance of the gaging effort?

22 MR. DAVID POPE: I think it would be useful to
23 have just a real brief comment on that. I don't know
24 that we need to go into a lot of detail.

25 MR. STEVE MILLER: Can you do that?

1 MR. STEVE WITTE: Yes, I'll attempt to do that.
2 I've had my staff prepare an explanation to clarify the
3 basis for the budget request that has been submitted and
4 now approved related to, I think, the line, I think the
5 satellite monitoring...

6 MR. STEVE MILLER: State of Colorado satellite
7 monitoring system.

8 MR. STEVE WITTE: Yes, beginning in 1987
9 Colorado was in the forefront in terms of equipping
10 gaging stations with data collection hardware
11 or data collection platforms. At that point
12 in time I believe the Administration made a decision to
13 reimburse Colorado for some of the expenses to acquire
14 and equip stations with that kind of hardware. Over
15 time...on a per-station basis. Over time, the USGS
16 obtained that type of hardware and installed those...that
17 kind of hardware in some of those stations. However,
18 there's one station, if you will, that Colorado continues
19 to supply with state-owned hardware that I believe is
20 very critical to both state's ability to monitor and
21 administer the terms of the Compact, and that is the DCP
22 that monitors the level of John Martin Reservoir itself
23 and makes that available via the internet. Whether one
24 is in Pueblo or Denver or Topeka or Garden City. So
25 that's one remaining installation of the type that was a

1 part of the original proposal or original deal. Since
2 that time, Colorado has taken on the operation of two
3 additional stream gaging stations following the 1994
4 request. If you will remember at that point in time
5 Kansas had asked that additional gaging of tributaries be
6 conducted, and it was at that point in time that the USGS
7 took on Two Buttes and Wild Horse and Big Sandy and
8 concurrent with that, the Southeastern Colorado
9 Conservancy District discontinued its funding, its joint
10 funding arrangement with respect to the Horse Creek gage
11 and Crooked Arroyo at Swink. So consistent with the move
12 that was afoot at that point in time to add additional
13 gaging of tributaries, not to mention not discontinuing
14 the operation of tributary gages, Colorado took on the
15 obligation of operating and maintaining those gaging
16 stations in that respect. So, and then additionally,
17 Colorado has continues to make supplemental measurements
18 at USGS gaging stations to provide calibrations of those
19 gages for administrative purposes and those...that data
20 is shared with the USGS and is incorporated into a part
21 of their record. And so I've also included an estimate
22 of what those costs or the appropriate charges for those
23 activities in this explanation. And then finally there
24 are stations particularly at LaJunta and at Purgatoire
25 Nine Mile which are very much analogous to the function

1 that we get from the operation or the advantage we get
2 from the operation of the Granada gage. So I would be
3 happy to share this written explanation with you but I
4 just wanted to clarify for the record and make sure that
5 in all candor you understood that we are not, have not
6 been charging for DCPs as we once were, but rather there
7 are other hydrographic services that we would like to
8 have the Administration continue to fund. I think that's
9 all if you have any questions.

10 MR. DAVID POPE: Steve, I don't think we need to
11 dwell on this more, I think if you do have a report we
12 could probably have that. I take it what you are saying
13 is this one station still maintains, with the Colorado
14 DCP, and then there's been some shifting of gages between
15 the survey and the state and others, but your view is
16 that what we are paying for as an Administration is
17 access to information that otherwise wouldn't be there
18 through strictly USGS.

19 MR. STEVE WITTE: Basically, that's correct.
20 The funds that are remitted to the state of Colorado from
21 the Compact Administration are deposited in a cash funded
22 account called the Satellite Monitoring Fund. But the
23 ...and then that money is distributed back to support
24 general hydrographic activities in each of the state
25 offices. But, you are correct, Mr. Pope, the written

1 report that I've been provided to you provides an
2 explanation of activities that we believe support the
3 Compact Administration and operation that very well
4 otherwise might not be available to it.

5 MR. DAVID POPE: Okay. Thank you. We've
6 already acted on this so I appreciate the explanation and
7 after we look this over if we have further questions
8 we'll deal with it later.

9 CHAIRMAN SISNEROS: Okay. Can we move on?
10 Moving onto Number 12, I think I'm there. Let me look.
11 Are we there? My understanding was that you guys had a
12 process as to how you reversed it every year or
13 something, is this correct?

14 MR. DAVID POPE: That was on committees, I
15 think.

16 CHAIRMAN SISNEROS: Because I don't want to
17 change it if it has worked for you guys, I don't want to
18 change it. So vice chairman, is that the same every
19 year?

20 MR. DAVID POPE: Has been for several years at
21 least, yeah.

22 CHAIRMAN SISNEROS: Okay. Well, except for our
23 ...for Mary Louise, and are we going to have some
24 discussion on...on the Recording Secretary or shall we go
25 ahead and approve the officers first, whatever your

1 wishes are. Because I think you indicated we would...

2 MR. STEVE MILLER: I don't like coming up here
3 and giving you my two cents but I think the
4 Administration probably has a better idea what they want
5 to do than me. I think you normally do these as a slate.
6 If you do it as a slate you ought to resolve the
7 Recording Secretary issue and I think you've got two
8 options. You heard from Jan Anderson this morning and
9 she could provide the services at a new location in
10 Lamar, comparable services. We would be changing
11 landlords. I think we are probably looking at changing
12 landlords anyway, but I think you ought to hear from Mary
13 Louise for a minute as her ability and willingness to
14 serve that position. We're in a better shape than I
15 thought we were because I thought we had no choices three
16 days ago, now we have two choices, so...

17 CHAIRMAN SISNEROS: Do you want to come up and
18 talk to us Mary Louise?

19 MS. MARY LOUISE CLAY: What did you mean?

20 MR. STEVE MILLER: Well, I guess you said you
21 could serve longer?

22 MS. MARY LOUISE CLAY: Yeah, I can.

23 MR. STEVE MILLER: So I don't want it to turn
24 out that we fired you or that we voted for somebody else
25 and you were still looking forward...you were still

1 willing to serve. Also, I don't want the Administration
2 to feel like they have no choice but to hire...to go the
3 with the Jan Anderson route. I think you do have a
4 choice because Mary Louise said she would serve for part
5 of the year but she wanted you to know that it would only
6 be part of the year.

7 MS. MARY LOUISE CLAY: Most likely it will be and
8 I didn't think it was fair because you only had the
9 meeting once a year, so...but I will be glad to help with
10 the transition you know, from one to the other. So, how-
11 ever. If you wanted to continue me and then I resign in
12 a month or two or three or whatever or you can just go
13 ahead with Jan, which probably would be better, but
14 either way, I don't...

15 CHAIRMAN SISNEROS: What would it take to do the
16 transition in your opinion?

17 MS. MARY LOUISE CLAY: I've got some bills here
18 that we need to pay in December and whatever Steve has.
19 Then we would need to move the equipment or the files,
20 basically is all we would have to do. I think we can
21 probably have this taken care of within two months or end
22 of this month or by sure the end of January, don't you
23 Jim?

24 MR. JAMES ROGERS: Hm-hum. I think it would
25 take maybe until the end of January to get everything,

1 and that would, if you would help with that transition to
2 get it, to make sure that everything was into place and
3 fill them in on what's when and go over the budget with
4 them and everything, and we'll do the same thing because
5 we'll have to negotiate a deal a contract with them.

6 MS. MARY LOUISE CLAY: And if there's no deal
7 worked out then I can continue because I've got Quicken
8 and everything on my computer. I wouldn't have any place
9 to store everything but I can continue for a year if it
10 ...if this contract doesn't work out. And...does that
11 make sense?

12 MR. STEVE MILLER: We don't have a lease with
13 LAWMA, do we? Do we pay them per month for...

14 MS. MARY LOUISE CLAY: Not a formal...

15 MR. JAMES ROGERS: Would it be appropriate to
16 keep you on and then until Jan makes sure that it's going
17 to work or we work out a lease with them?

18 MS. MARY LOUISE CLAY: Sure.

19 MR. JAMES ROGERS: Then we will go from there on
20 that deal...

21 MR. STEVE MILLER: Yeah, I believe...

22 MR. JAMES ROGERS: ...decide whether to approve
23 her or not.

24 MR. STEVE MILLER: We can have a special meeting
25 over the phone if we need to hire a new Recording

1 Secretary over the year.

2 MR. JAMES ROGERS: Or at a later time?

3 MR. STEVE MILLER: I don't have the bylaws in
4 front of me, I don't know what they say in terms of...I
5 think basically the offices are vacant until the next
6 Compact meeting. Doesn't have to be an annual meeting
7 so...

8 MR. DAVID POPE: I think it seems pretty clear
9 that a change is going to need to occur during the course
10 of this next year and that there's a month or two
11 transition period that's needed. I think Jan Anderson is
12 apparently ready and able to assume those duties subject
13 to formal review with her board, if I understand where
14 things were left. I guess I, under the circumstances it
15 seems to me like it would maybe make sense to move
16 forward with that but just figure out some way here to do
17 transition because I think...well, I don't have any
18 problem with continuing with Mary Louise, that's not a
19 complete picture for the year, if I understand it right,
20 and I don't know how, seems to me like if we could maybe
21 continue just essentially proportion this to where we
22 would just...we have a year's worth of funding for
23 Recording Secretary duties, and if we would approve a
24 partial with Mary Louise and then proportionate it for
25 the a year, the balance, to negotiate a new situation

1 with Jan, and all of that would be subject to
2 consideration by this body, if necessary, in a, as a
3 follow-up telephonic meeting, but I suspect that's not
4 needed. I suspect that probably a suitable arrangement
5 could be worked out to take care of that and just have a
6 transition. Are we operating here under Compact year or
7 a calendar year?

8 MR. STEVE MILLER: Probably neither. Fiscal
9 year...ARCA fiscal year is July through June.

10 MR. DAVID POPE: If that's the case, that's
11 almost half over.

12 MR. STEVE MILLER: That's right. I think
13 officers get paid twice a year.

14 MR. JAMES ROGERS: Hm-hum.

15 MR. STEVE MILLER: You get paid at the end of
16 your six months then you get paid at the end of your next
17 six months. You know, actually, David, I didn't think of
18 this as a budget issue so much as a chain of command and
19 election issue, but \$2000 a year divided by 12, if I was
20 thinking faster I could probably do it, but it's less
21 than \$200 a month. So I could see us having one month
22 where we pay for two Recording Secretaries without really
23 impacting the budget in any degree, but I think the
24 things we can't do without a meeting are have the
25 election. I don't know about entering contracts we have

1 never had to enter a contract before I would think that
2 maybe we could delegate that authority to Jim now to
3 enter into a suitable agreement with Jan. We haven't had
4 a written contract with Mary Louise or our other
5 Recording Secretaries but Jan's organization may require
6 that, they may want to have a written lease. We haven't
7 had a written lease with LAWMA. If we could delegate
8 those duties to the treasurer now we would not have to
9 have a special meeting and that saves us quite a bit of
10 time and money. In fact, a special meeting would
11 probably cost us four or five hundred dollars to hold.

12 MS. WENDY WEISS: Would it be helpful for me to
13 read you the applicable bylaws? I think you have to have
14 one person at a time be Recording Secretary and a new
15 election for another person. Here's what it says of the
16 Recording Secretary. He shall be elected by the
17 Administration at its annual meeting, shall serve until
18 the next annual meeting or until his successor is
19 elected. In case of a vacancy in the office of Recording
20 Secretary, the Administration shall at its next meeting,
21 whether, regular or special, elect a Recording Secretary
22 to serve for the unexpired term. So I think you could
23 elect the new person now and have Mary Louise do the
24 transition over the next period, or if you elect Mary
25 Louise now, then have...then have another election at the

1 point where you want to change.

2 MR. JAMES ROGERS: You would have to spend quite
3 a little bit of money on us getting together. I would
4 think it would be very simple just to elect Jan to the
5 deal, if you would agree to work for so much a month for
6 whatever time it took to do the transition. We are
7 talking a couple hundred bucks?

8 MR. STEVE MILLER: Yeah. And I think I
9 misspoke. These officers must be elected for a calendar
10 year even though our budget is done on a fiscal year. I
11 think these people are paid half out of one fiscal year
12 and half out of another.

13 CHAIRMAN SISNEROS: Okay.

14 MR. STEVE MILLER: So it would be a decision to
15 keep Jan on board through December 2001.

16 MR. JAMES ROGERS: Is that okay with you?

17 MARY LOUISE CLAY: The other thing, and I don't
18 know if this is where it goes, but I think it was
19 discussed that the budget that is appropriated to Steve
20 was simply just give that to Steve rather than have the
21 Recording Secretary do it or...

22 MR. JAMES ROGERS: He balked.

23 MS. MARY LOUISE CLAY: He balked? Okay. All
24 right. I didn't know where that went to.

25 CHAIRMAN SISNEROS: Do I hear a motion to elect

1 Jan?

2 MR. JAMES ROGERS: I move we elect Jan Anderson
3 as Recording Secretary.

4 CHAIRMAN SISNEROS: Do we have a second?

5 RANDY HAYZLETT: Second.

6 CHAIRMAN SISNEROS: We have a motion and a
7 second. All in favor say aye.

8 MEMBERS: Aye.

9 CHAIRMAN SISNEROS: All opposed. Being no
10 opposition the motion passes.

11 MR. STEVE MILLER: You forgot to do the other
12 officers, I think.

13 CHAIRMAN SISNEROS: Well, yeah, but we just
14 discussed this one so we can now go on, I think, to items
15 A, C, D and E.

16 MR. TOM POINTON: I would move those officers
17 remain the same as last year.

18 CHAIRMAN SISNEROS: Do I have a second?

19 MR. DAVID BRENN: yes.

20 CHAIRMAN SISNEROS: I have a motion and a second
21 to keep the officers that we had last year, items A, C, D
22 and E of Number 12. All in favor say aye.

23 MEMBERS: Aye.

24 CHAIRMAN SISNEROS: There being no nays on it,
25 it passes. Moving onto Item Number 13, Appointment of

1 Committee Members and Chairs for Compact year 2001.
2 Administrative Legal, current chair is vacant. Who was
3 the current chair before?

4 MR. RANDY SEAHOLM: The current chair was Peter
5 Evans.

6 CHAIRMAN SISNEROS: That's right. That's right.

7 MR. RANDY SEAHOLM: And I've had a talk with Rod
8 and Rod had indicated that he's willing to certainly
9 serve on the Legal and Administrative Committee, but I
10 think in keeping with the rotation of the chair it would
11 be Randy's turn to chair that Committee.

12 RANDY HAYZLETT: That's right.

13 CHAIRMAN SISNEROS: Okay. So Randy it is.
14 Engineering was Pope and that would be Tom Pointon. And
15 we are going to retire Mr. Rogers and we are going to
16 make operations whom?

17 MR. JAMES ROGERS: David Brenn.

18 CHAIRMAN SISNEROS: David Brenn. There are your
19 appointments. I love those volunteers.

20 MR. JAMES ROGERS: It was your turn.

21 MR. STEVE MILLER: Before you adjourn, have we
22 said enough to give Jim Royers authority to
23 enter into a lease with Southeast Enterprise
24 and to enter into a contract with Jan if she wants a
25 written contract? So we don't have to have a special

1 meeting now that we've got her elected, enable the
2 treasurer to do what's necessary within the budget to get
3 her on board.

4 CHAIRMAN SISNEROS: Let's do a motion to that.
5 Would you do a motion to that effect?

6 MR. RANDY SEAHOLM: I would move what Steve
7 said.

8 MR. DAVID POPE: If I understand the context of
9 that, the motion would be to authorize a contract with
10 Jan Anderson for Recording Secretary services and office
11 for ARCA here in Lamar consistent with our budget that we
12 have approved here today.

13 CHAIRMAN SISNEROS: That's correct.

14 MR. DAVID POPE: Is that what you said?

15 MR. RANDY SEAHOLM: That's what I think Steve
16 said.

17 MR. STEVE MILLER: Add whatever funding he and
18 Mary Louise could negotiate beyond the budget for a small
19 period of time to make the transition work.

20 MR. DAVID POPE: I think that's a suitable
21 addition and it sounds like that would be basically about
22 through January perhaps.

23 CHAIRMAN SISNEROS: So that was in the form of a
24 motion, do I have a second to that?

25 MR. RANDY HAYZLETT: I second it.

1 MR. DAVID BRENN: I second it.

2 UNIDENTIFIED MEMBER: You have two seconds over
3 here.

4 CHAIRMAN SISNEROS: All in favor say aye.

5 MEMBERS: Aye.

6 CHAIRMAN SISNEROS: So moved. Is there any
7 other business that needs to be discussed?

8 MR. DAVID POPE: Mr. Chairman, just a minor
9 follow-up on what we just did, and I assume while it's
10 not explicitly in the language, the contract that would
11 be entered into with the new entity for the Recording
12 Secretary would cover all of those issues about
13 possession of records and all of the normal things to
14 preserve the rights and obligations and privileges of
15 ARCA so that we make sure that that transition is done in
16 such a way that we preserve those records and the
17 obligation to maintain them.

18 MR. STEVE MILLER: We can even do it so that the
19 chair of the two delegations, Mr. Pope and Mr. Sisneros
20 need to be...review that before Jim signs it.

21 CHAIRMAN SISNEROS: Yes, I think that would be
22 proper.

23 MR. DAVID POPE: That would be fine.

24 CHAIRMAN SISNEROS: I don't think we need a
25 motion for that, I think we just need to do that.

