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**ARKANSAS RIVER COMPACT ADMINISTRATION**

**COMPACT YEAR 2007**

**ANNUAL MEETING**

Tuesday December 11, 2007

HELD AT THE

COMMUNITY BUILDING

LAMAR, COLORADO

BEFORE

Karen Voepel, CSR

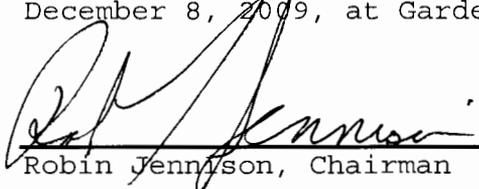
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Approved by motion of the Arkansas River Compact  
Administration at the Administration's 2009 Annual Meeting,  
December 8, 2009, at Garden City, Kansas.

  
Robin Jennison, Chairman

12/8/09  
Date

  
Stephanie Gonzales, Recording Secretary

Date

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APPEARANCES

CHAIRMAN:

ROBIN JENNISON

COLORADO:

Randy Seaholm

Matt Heimerich

Colin Thompson

KANSAS:

David Brenn

Randy Hayzlett

David Barfield

1                   MR. JENNISON: First of all, I'd like to thank  
2 you all for coming and welcome you here.

3                   A few housekeeping items. We are sending a  
4 signup sheet around and in a minute we're going to  
5 introduce everybody so everyone knows who all is here.  
6 We'd like to have the signup sheet follow the same track as  
7 we introduce people. So we're going to take it down here  
8 and it's going to go down here and then the second line is  
9 going to take it and we're going to zig right back and  
10 forth. That way Karen can make her report and who was here  
11 as accurately as she can.

12                   The first thing we have is to review credentials.  
13 We have had some changes and I will report that I do have a  
14 letter here from Secretary of Agriculture Polansky from  
15 Kansas and Harris Sherman, Executive Director of the  
16 Colorado Department of Natural Resources, attesting to  
17 David Barfield's credentials and attesting to Randy  
18 Seaholm's credentials so it ought to be clear in that  
19 regard.

20                   The next item that I have on my agenda is the  
21 instructions to the reporter. I don't really know that I  
22 have any. Does anybody have any? I really feel like we  
23 should probably take instructions from her so we can  
24 accurately record what's going on here. David, you guys?  
25 Steve?

1                   MR. MILLER: Just one. For instance, those two  
2 letters you just mentioned, if you intend for those to be  
3 part of the record, if you could indicate that and make  
4 sure the reporter gets a copy. And we'll try and keep  
5 track of what papers were introduced and intended to be  
6 exhibits.

7                   MR. JENNISON: She has a copy. And without  
8 objection, order that they will be part of the record.  
9 Randy, do you have any instructions for her?

10                  MR. HAYZLETT: No, Robin.

11                  MR. JENNISON: Okay. Well, that brings us down  
12 to the introductions. And I think that we will start with  
13 -- Who signed that first? Randy? Randy, why don't you  
14 first introduce yourself. We'll go down and the  
15 commissioners introduce themselves and we'll zigzag down  
16 the gallery.

17                  MR. HAYZLETT: Randy Hayzlett, Lakin, Kansas,  
18 representing Kansas for the Compact.

19                  MR. BRENN: Dave Brenn, Garden City, Kansas  
20 representative for the Compact.

21                  MR. BARFIELD: David Barfield, Kansas Chief  
22 Engineer.

23                  MR. SEAHOLM: Randy Seaholm, Colorado Water  
24 Conservation Board.

1 MR. HEIMERICH: Matt Heimerich, Olney Springs,  
2 Colorado, Colorado rep.

3 MR. THOMPSON: Colin Thompson, Holly.

4 MR. MONTGOMERY: Dennis Montgomery, Special  
5 Assistant Attorney General for the State of Colorado.

6 MR. LIVINGSTON: Russ Livingston, Hydrologic  
7 Consultant, Golden, Colorado.

8 MR. REYHER: Herb Reyher, Fort Lyon Canal,  
9 Colorado.

10 MR. GRASMICK: Bill Grasmick, Lower Arkansas Water  
11 Management Association.

12 MR. BOOK: Dale Book with Spronk Water Engineers.

13 MR. SALTER: Kevin Salter, Kansas Division of  
14 Water Resources.

15 MR. ROLFS: Lee Rolfs, Kansas Department of  
16 Resources.

17 MR. DRAPER: I'm John Draper, counsel for Kansas.

18 MR. CASSIDY: John Cassidy, Kansas Attorney  
19 General's Office.

20 MS. SCHENK: Angela Schenk, Spronk Water  
21 Engineers.

22 MR. MEYER: Mike Meyer, Kansas Division of Water  
23 Resources.

24 MR. MILLER: Steve Miller, Colorado Water  
25 Conservation Board.

1 MS. BERNHARDT: Autumn Bernhardt, Colorado  
2 Attorney General's Office.

3 MR. AMPE: Peter Ampe, Colorado Attorney  
4 General's Office.

5 MS. GOULD: Jaci Gould, Bureau of Reclamation. I  
6 just want to take a minute to recognize Tom Musgrove who's  
7 not here today. He's retiring on January 3rd after 34  
8 years of service. He is a very well-known and very well-  
9 respected employee of the Bureau of Reclamation. Replacing  
10 him is Roy Vaughan who's the new facilities manager at  
11 Pueblo and is here today as well.

12 MR. JARAMILLO: Russ Jaramillo, US Army Corps of  
13 Engineers, Albuquerque District, Reservoir Control Rep.

14 MR. GARCIA: Dennis Garcia, Corps of Engineers,  
15 Albuquerque District.

16 MR. ESTOK: Lieutenant Colonel Bruce Estok. I'm  
17 the commander of the Albuquerque District Corps of  
18 Engineers.

19 MR. YUSKA: Mark Yuska, Operations Division,  
20 Albuquerque District Corps of Engineers.

21 MR. HINES: Steven Hines, Coolidge, Kansas,  
22 Frontier Ditch.

23 MR. RUDE: Mark Rude, Southwest Kansas  
24 Groundwater Management District.

1                   MR. SAYLER: Mike Sayler, Bishop-Brogden, water  
2 engineers for Tri-State.

3                   MR. HILLHOUSE: Bill Hillhouse, White and  
4 Jankowski, Water Attorney for Tri-State.

5                   MS. CUMMINS: Kelly Cummins, Engineer for Tri-  
6 State.

7                   MR. MILLER: Gary Miller with Tri-States  
8 Generation Transmission and the Amity Mutual Canal.

9                   MR. STEERMAN: Don Steerman, Shinn Steerman and  
10 Shinn, attorneys for District 67 and the Amity.

11                  MR. HOWLAND: Terry Howland with the Amity  
12 Mutual.

13                  MR. WITTE: I'm Steve Witte, the Operations  
14 Secretary for the Arkansas River Compact Administration and  
15 also the Division Engineer for Division of Water Resources.

16                  MR. TYNER: I'm Bill Tyner with the Colorado  
17 Division of Water Resources.

18                  MR. LORENZ: Scott Lorenz with the Colorado  
19 Division of Water Resources.

20                  MR. KNOX: Ken Knox, Colorado Division of Water  
21 Resources.

22                  MR. MAU: David Mau, U.S. Geological Survey,  
23 Pueblo, Colorado.

1                   MR. RISTAU: Randal Ristau, Colorado Department  
2                   of Public Health and Environment, Water Quality Control  
3                   Division.

4                   MR. MARTIN: Karl Martin, Corps of Engineers,  
5                   Albuquerque District.

6                   MS. RAYL: Sandy Rayl, U.S. Army Corps of  
7                   Engineers, Colorado Service Office.

8                   MS. GONZALES: Stephanie Gonzales. I'm the  
9                   Recording Secretary for the Arkansas River Compact  
10                  Administration.

11                  MR. JENNISON: Thank you. Is that everyone? I'd  
12                  like to have the commissioners review the agenda, see if we  
13                  need to make any changes. I would suggest that one change  
14                  would be that Administrative and Legal Committee last  
15                  evening brought forward several resolutions honoring people  
16                  that have had dedicated service to either the Compact or  
17                  issues of water in either Kansas or Colorado. And I'd like  
18                  to move those to the next order of business.

19                  Is there any other change to the agenda? Seeing  
20                  none, without objection we will move those resolutions.  
21                  Colorado has several and I think Kansas has a couple. I  
22                  think, first of all, I'd like to recognize Colorado.  
23                  Whoever, Randy, you want to present the various  
24                  resolutions? You can start and we'll deal with those first  
25                  and then we'll deal with the Kansas resolutions. Randy.

1                   MR. SEAHOLM: Okay. And out of the box, looking  
2 for the resolutions. Thank you. The first resolution  
3 would recognize Rod Kuharich and it reads as follows:

4                   "Whereas, Rod Kuharich, as Director of the Colorado  
5 Water Conservation Board, represented the State of Colorado  
6 on the Arkansas River Compact from 2000 until his  
7 retirement from the State service in June of 2007;

8                   "And whereas Rod spent the majority of his career  
9 working in and for the Arkansas Valley of Colorado  
10 advocating for the wise use of the valley's water  
11 resources;

12                   "And whereas Rod Kuharich' knowledge of water policies  
13 and requirements have been valued and relied upon by the  
14 Administration;

15                   "Whereas Rod Kuharich provided dedicated informed  
16 service to the Administration with the courtesy and the  
17 desire to promote interstate cooperation;

18                   "And whereas the success of the Administration is of  
19 vital importance to water users throughout the Basin and  
20 Rod strove to make it an effective organization;

21                   "And whereas Rod recognized the importance of the  
22 natural environment and the recreation resources of the  
23 Basin, in particular the protection of the Permanent Pool  
24 at John Martin Reservoir;

1           "Now, therefore, be it resolved by the Arkansas River  
2 Compact Administration that it does hereby express its  
3 sincerest gratitude and appreciation to Rod Kuharich for  
4 his service, dedication and courtesy to this  
5 Administration.

6           "Be it further resolved that the Administration honor  
7 Rod by including this resolution, his picture and  
8 appropriate dedicatory remarks in the Administration's  
9 Annual Report for Compact Year 2007 and instructs the  
10 Recording Secretary to send a copy of the resolution and  
11 its fond wishes for a fulfilling retirement to Rod."

12           MR. JENNISON: At this time, Randy, I would  
13 entertain a motion to adopt that motion.

14           MR. SEAHOLM: I would so move.

15           MR. JENNISON: Is there a second?

16           MR. BARFIELD: Second.

17           MR. JENNISON: All those in favor, aye?

18           (Aye.)

19           MR. JENNISON: Oppose, no? Motion carries.  
20 Adopt the resolution. Next.

21           MR. SEAHOLM: The next would honor our former  
22 State Engineer, Hal Simpson and it reads as follows:

23           "Whereas Hal V. Simpson has served as State Engineer  
24 and the Director of the Colorado Division of Water  
25 Resources for 15 years;

1           "And whereas Mr. Simpson worked diligently to ensure  
2           that Colorado's obligations under the Arkansas River  
3           Compact were met and will continue to be met in the future;

4           "And whereas Mr. Simpson faithfully served as a member  
5           of the Special Engineering Committee pursuant to the  
6           resolutions of the Administration during Compact Year 2006  
7           and 2007;

8           "And whereas Mr. Simpson provided leadership,  
9           excellent foresight and guidance which contributed to  
10          reaching agreements regarding the resolution of several  
11          long standing Issues related to Administration and  
12          operation of John Martin Reservoir;

13          "Now, therefore, be it resolved that the Arkansas  
14          River Compact Administration hereby expresses its gratitude  
15          and appreciation to Hal Simpson for his devoted service to  
16          the people of the State of Colorado and the State of Kansas  
17          and extends its best wishes to Mr. Simpson in all his  
18          future endeavors.

19          "Be it further resolved that the Administration honor  
20          Hal by including this resolution and his picture and  
21          appropriate dedicatory remarks in the Administration's  
22          Annual Report for Compact Year 2007 and hereby instructs  
23          the Recording Secretary to send a copy of this resolution  
24          and its fond wishes for a long and happy retirement to Hal  
25          and his family."

1           And Mr. Chairman, I would move the adoption of this  
2 resolution.

3           MR. BARFIELD: Second.

4           MR. JENNISON: All in favor, aye?

5           (Aye.)

6           MR. JENNISON: Oppose, no? Motion carries.  
7 Granted. Got another one?

8           MR. SEAHOLM: And I think, Mr. Chairman, that's  
9 it for this point unless you want me to go ahead and  
10 continue with the remarks regarding Felix Sparks.

11          MR. JENNISON: I think that's in the form of a  
12 resolution, isn't it, Steve?

13          MR. MILLER: No.

14          MR. JENNISON: Is that the extent of the  
15 resolutions then from Colorado?

16          MR. SEAHOLM: Yes.

17          MR. JENNISON: Okay. David?

18          MR. BARFIELD: Yes, let me read this resolution  
19 to honor David Pope.

20                 "Whereas David Pope of Topeka, Kansas resigned his  
21 position as Kansas Chief Engineer and therefore as Kansas  
22 ex-officio member to the Arkansas River Compact  
23 Administration after having served faithfully in that  
24 position for over 24 years;

1           "Whereas as Vice-Chairman of ARCA, one of three Kansas  
2 members to ARCA, the Kansas representative to the Arkansas  
3 River Engineering Committee and the ARCA Special  
4 Engineering Committee and the Chief Engineer of the Kansas  
5 Department of Agriculture's Division of Water Resources,  
6 David has diligently represented the Compact interests of  
7 Kansas and its residents of the Arkansas River Valley;

8           "Whereas while diligently representing the State of  
9 Kansas and its constituents, David has reached out to the  
10 State of Colorado to compile the most accurate accounting  
11 possible of the waters of the Arkansas River, and to  
12 identify issues in dispute, to reach fair and reasonable  
13 solutions to the many issues associated with the Arkansas  
14 River Compact;

15           "Whereas David's vast knowledge of hydrology and water  
16 law, positive attitude, friendly personality and congenial  
17 temperament have been an asset to ARCA and the State of  
18 Kansas;

19           "Now therefore be it hereby resolved that the Arkansas  
20 River Compact Administration does hereby express its  
21 sincerest gratitude and appreciation to David L. Pope for  
22 his dedicated service to ARCA in his position as Kansas ex-  
23 officio member;

24           "Be it further resolved that ARCA honor Mr. Pope's  
25 service by including this resolution and appropriate

1       dedicatory remarks in the ARCA Annual Report for Compact  
2       Year 2007 and hereby instructs the Recording Secretary to  
3       send copies of this resolution to the Pope family and the  
4       Governor of the State of Kansas."

5               I would move adoption of this resolution.

6               MR. SEAHOLM:   Second.

7               MR. JENNISON:   It's been moved and seconded.  All  
8       those in favor, aye?

9               (Aye.)

10              MR. JENNISON:   Oppose, no?  Motion carries.  
11       Do you have any further resolutions?

12              MR. BARFIELD:   No further resolutions.

13              MR. JENNISON:   That concludes the resolutions.  
14       We do have several people that we wanted to recognize.  
15       Call on Colorado or Steve.

16              MR. MILLER:   The resolutions that we prepared, we  
17       can do the signing ceremony at the end of the meeting.  And  
18       they weren't numbered.  And I think as resolutions are  
19       offered, you can assign them a number.  I just did.  And  
20       then additionally there will be some other resolutions  
21       later on.

22              MR. JENNISON:   How does the numbering go?

23              MR. MILLER:   I think it should be the year, the  
24       calendar year 2007.  And that's on the face of the  
25       resolution.  And then handwritten 01 for the Kuharich, 02

1 for the Simpson and 03 for Mr. Pope's resolution. And  
2 we'll just keep going in number.

3 MR. JENNISON: Good. Is that agreeable with  
4 everyone? Okay.

5 Do we want to do the recognition for the other folks?  
6 Randy?

7 MR. SEAHOLM: Okay, I'd like to inform the  
8 commission {Administration} and all of those that Colorado  
9 lost Felix Sparks this past year, a very distinguished  
10 civilian and military career. He was a World War II hero;  
11 led much of the effort to liberate Dachau which was I think  
12 something that probably bothered him for a long time. He  
13 served as a Colorado District Attorney. He was a Colorado  
14 Supreme Court judge. He was director of the Water  
15 Conservation Board for approximately twenty years. He was  
16 Colorado's representative to ARCA during that period of  
17 time. He was instrumental in writing Colorado's  
18 Groundwater Laws, which I believe were one of the first set  
19 of comprehensive Groundwater Laws in the West. He was  
20 certainly an expert in the operations of the Fryingpan  
21 Arkansas project. And he was also very instrumental in  
22 getting a number of projects throughout the State of  
23 Colorado, both East Slope and West Slope.

1           What we'd ask of the commission {Administration} is to  
2           make appropriate memorial to him as part of the 2007 annual  
3           report.

4           MR. JENNISON:  Objection?  There being no  
5           objection, so ordered.  Is that the extent of your  
6           recognitions?  Kansas?

7           MR. BARFIELD:  I'd like to turn it over to Lee  
8           Rolfs.  I believe we'd like to recognize Bev Lohrey's work  
9           for the Administration.

10          MR. ROLFS:  We don't have anything formal in  
11          writing at this point but we would like to ask that the  
12          Compact send a letter to Bev Lohrey commending her for her  
13          fine service as court reporter.  I haven't had time to  
14          research exactly how many years but it was probably in the  
15          range of 15 years that she served as court reporter.  And  
16          she also took I think thousands of depositions in *Kansas v.*  
17          *Colorado*.  And so she's been associated with this valley  
18          and this Arkansas River for many years and we'd like to  
19          thank her for it.

20          MR. JENNISON:  Lee, would you guys please prepare  
21          the letter for us to send?

22          MR. ROLFS:  We would be happy to.

23          MR. JENNISON:  Okay.  Reports of officers for the  
24          Compact Year.  I really don't have anything to say at this

1 time. Our Vice-Chairman is vacant so we won't have  
2 anything there.

3 Stephanie, I don't know if you want to do anything now  
4 or wait until later on?

5 MS. GONZALES: I'll just wait.

6 MR. JENNISON: That would be fine. For *Kansas v.*  
7 *Colorado* status update, the status of the litigation I  
8 believe John is going to do that. John Draper.

9 MR. DRAPER: Thank you, Mr. Chairman. I'd just  
10 like to say a few things with regard to the status of  
11 *Kansas v. Colorado*. I think you all know it's been going  
12 on since 1985 and here we are in 2007 and Mr. Montgomery  
13 and I and a lot of other people have been putting a lot of  
14 time into putting this case to bed and I think we're almost  
15 there.

16 I have with me a couple of copies, which I thought I  
17 would pass around through the audience, if you'd get them  
18 back to me, that would be helpful, that are the decree as  
19 it's been submitted to the Special Master, the Supreme  
20 Court Special Master in the case. This is everything  
21 that's been submitted to the Master. There's one thing  
22 lacking that's probably just as big as this document which  
23 is the H-I Model documentation. But this has all of the  
24 other appendices to the decree.

25 This has now been this week submitted to the

1 Special Master. He is going to submit that as a proposed  
2 decree to the nine Justices of the Supreme Court for their  
3 review and approval.

4 So for those of you who haven't spent many hours a day  
5 working with these documents in recent times, just pass  
6 that around. It is double-sided so it's a lot smaller than  
7 what we're used to seeing. And sometimes when you're  
8 looking at the dividers, you have to look left of them  
9 instead of right because of the double-sided copying. But  
10 this has what we think is necessary for administration  
11 under the decree in the future. And, hopefully, as the  
12 Master said in his draft remarks, it will achieve the  
13 purpose of putting to an end a hundred years of litigation  
14 over the Arkansas River.

15 In that regard, he, that is, the Special Master,  
16 Arthur Littleworth, is going to be submitting a report to  
17 the Supreme Court probably this month or as late as next  
18 month, describing all of the orders that he's entered and  
19 recommending adoption of this decree that we're passing  
20 around right now.

21 And there was a passage in here, with your permission,  
22 Mr. Chairman, I'd just like to read for the benefit of  
23 those who -- I'm not going to spend a lot of time going  
24 through some of these more obscure documents -- but this is  
25 what the Special Master is proposing to say to the Justices

1 of the Supreme Court about some of the input from people  
2 that you know in this group. He says, I'm quoting from  
3 page 24 of his draft report, "Many of the issues settled by  
4 agreement involved extremely technical and complex matters.  
5 It is to the credit of the respective engineers and experts  
6 of the States that so much agreement was reached. The  
7 personal involvement of David Pope, Chief Engineer at  
8 Kansas, and Hal Simpson, State Engineer at Colorado,  
9 deserve special acknowledgment.

10 "Prior to a status conference on September 30, 2005,  
11 these two leaders met for two days and reached breakthrough  
12 agreements on a number of vexatious issues. This series of  
13 agreements were signed at the Mission Inn in Riverside  
14 where the parties stayed the night before the status  
15 conference and became known as the Mission Inn Agreements.

16 "Later the two officials held another summit meeting  
17 and concluded another final series of agreements. Both of  
18 these men testified several times throughout these long  
19 proceedings, representing the views of their respective  
20 States with distinction and providing reliable help to the  
21 Court. Both of these public officials have now retired,  
22 hopefully with the sense of a job well-done.

23 "All of the agreements reached between the States on  
24 the outstanding issues have been included in the appropriate

1 places in the various appendices to the proposed judgment and  
2 decree.

3 "As this lengthy case nears its conclusion, there also  
4 needs to be recognition of the excellent lawyers and their  
5 contributions. They were skillful, thorough, fair and  
6 strong advocates but always with civility. Both teams of  
7 lawyers honored the legal profession and I am sure that  
8 they had a strong hand in reaching the many agreements that  
9 have helped to make this lengthy process manageable."

10 Thank you, Mr. Chairman.

11 MR. JENNISON: Thank you, John.

12 MR. DRAPER: And I might ask, with your  
13 permission, if Mr. Montgomery has anything to add to that?

14 MR. MONTGOMERY: The only thing I would add is that  
15 the submission of the proposed judgment and decree is a  
16 historic milestone in this case but I don't want anyone to  
17 get the wrong impression. There is a period of limited  
18 retained jurisdiction that runs through the end of next  
19 year. And while the litigation will be ended by the  
20 judgment and decree as it was entered by the Supreme Court,  
21 there is a provision for dispute resolution in the future  
22 which will avoid litigation.

23 The dispute resolution procedure set forth in the  
24 judgment and decree contemplates arbitration in the event  
25 that there is a dispute in the future about Compact

1 compliance. So while the litigation, hopefully, will be  
2 ended, it does not mean that there are no disputes in the  
3 future about Compact compliance. If there are, there's a  
4 process for resolving those.

5 MR. JENNISON: Thank you, Dennis.  
6 If anybody does care to look through that and have  
7 questions for John or Dennis, I'm sure you would be glad to  
8 entertain those at a break sometime. Thank you. Steve  
9 Witte, Colorado Compliance Effort.

10 MR. WITTE: Thank you, Mr. Chairman. Just to hit  
11 on a few highlights throughout the past year, during 2007  
12 Colorado continued to administer and enforce its  
13 groundwater use and measurement rules that have been spoken  
14 of approvingly by the Special Master. That involved  
15 approval of replacement plans that included a depletion  
16 factor of 39 percent for supplemental irrigation wells. As  
17 a result of the approval of those plans, something in the  
18 neighborhood of 60,000 acre-feet of pumping was allowed in  
19 the past year.

20 The application of the Use Rules as analyzed by the H-  
21 I Model have indicated that over the period of 1997 through  
22 2006, and actually an accretion of approximately 3,880  
23 acre-feet has resulted.

24 Colorado and Kansas have agreed to continue the Offset  
25 Account for a period of five years. That was an agreement

1 that came about through the Special Engineering Committee  
2 and I think represents an important assurance for both  
3 States.

4 Also I wanted to point out that during the past year,  
5 the Lower Arkansas Water Management Association and the  
6 Arkansas Groundwater Users Associations, well users  
7 associations in Colorado, were successful in obtaining  
8 decrees approving changes of precompact water rights that  
9 will be used as replacement sources to offset out of  
10 priority depletions and depletions to Usable Stateline  
11 Flows into the future.

12 I think that concludes my report. If there are  
13 questions, I would be glad to receive them.

14 MR. JENNISON: Commissioners have questions of  
15 Steve? Thank you, Steve. Reports of federal agencies U.S.  
16 Geological Survey.

17 MR. MAU: Good morning. David Mau, U.S.  
18 Geological Survey. In 2007, ten streamflow gages were  
19 operated under the USGS/ARCA cooperative program; eight in  
20 Colorado and two in Kansas. Final annual flows for water  
21 year 2007, which is the period October 1, 2006 through  
22 September 30th, 2007, are shown in the following table.  
23 And I have copies of this for you.

24 No significant problems were encountered in the  
25 network with the exception of continuing beaver problems at

1 the Big Sandy near Lamar gage. This record should be  
2 considered poor.

3 In 2008, the USGS proposes to continue operation of  
4 the ten streamflow gages at a cost to ARCA of \$50,650 of  
5 which \$42,950 is for operation of the eight gages in  
6 Colorado. The remaining two gages are located in Kansas.  
7 The Frontier Ditch near Coolidge, Kansas is totally funded  
8 by the National Streamflow Information Program and the  
9 Arkansas River near Coolidge, Kansas is partially funded by  
10 NSIP and \$7,700 is funded by ARCA.

11 In the Arkansas River in water year 2007 flows were  
12 between 52 and 139 percent above water year 2006 levels.  
13 Flows in 2007 at Arkansas at Las Animas and Arkansas below  
14 John Martin Reservoir were 11 to 15 percent above  
15 historical record. Other sites ranged from six to 29  
16 percent less than the historical average.

17 That's all I have.

18 MR. JENNISON: Questions for Dave?

19 MR. MILLER: Will you submit that report?

20 MR. MAU: Yes, I will.

21 MR. JENNISON: Randy?

22 MR. SEAHOLM: I don't have any questions with  
23 respect to your report. I meant to -- I'm out of order. I  
24 meant to say this for Reclamation, I'm sorry. I was going

1 to comment and say thank you to Tom Musgrove for his many  
2 years of service. I think that should be recognized.

3 MR. JENNISON: Do you want to say it twice or do  
4 we just want to note it now?

5 MR. SEAHOLM: Note it now, please.

6 MR. JENNISON: And without objection, have that  
7 represented in the record. Do you want to pass that down  
8 to Colin and each one take a copy of that? David, thank  
9 you. Colonel.

10 LIEUTENANT COLONEL ESTOK: Good morning, Mr.  
11 Chairman and members. I'm Lieutenant Colonel Bruce Estok.  
12 I'm the Commander of the Albuquerque District of the U.S.  
13 Army Corps of Engineers since July of 2006.

14 Now, I was told that when my predecessor  
15 Lieutenant Colonel Wang was here a couple of years, he had  
16 some ties to both Colorado and Kansas and so he was very  
17 astute in pronouncing the Arkansas River in the manner that  
18 the gentleman from Kansas did. I don't have those  
19 connections and I'm going to follow the lead of our Federal  
20 Chairman here and just say Arkansas but there's no bias  
21 intended or anything.

22 MR. JENNISON: Colonel, you notice I didn't say  
23 anything because I got in trouble the first year I was  
24 here.

1                   LIEUTENANT COLONEL ESTOK: Well, the significance  
2 of the Arkansas among the Albuquerque District's five  
3 basins was apparent to me in August of 2006 when I was  
4 about a month into the job when I took a trip to John  
5 Martin Reservoir, Pueblo and Colorado Springs. And while  
6 my District just has responsibility to the Colorado line,  
7 certainly me and my staff have been in contact with the  
8 Tulsa District. And should there be any issues that need  
9 to go to them, we'll certainly communicate that back to  
10 them.

11                   At this time last year I was called to Washington,  
12 D.C. and so I was not able to make the Compact meeting but  
13 I really am delighted to be here today to talk to you a  
14 little bit. I was most delighted last night to see the  
15 world famous Cow Palace. And I want to just, as opposed to  
16 giving you a full report, just hit a few of the highlights  
17 out of that meeting.

18                   My staff has been introduced but I've got Mark Yuska  
19 who was recently named Chief of Operations Division; Dennis  
20 Garcia, who is Interim Reservoir Control Branch Chief; Russ  
21 Jaramillo, who works for the Reservoir Control Branch. And  
22 then back here Sandy Rayl who is our Colorado Programs  
23 officer working out of Denver. And then Carl Martin who  
24 recently joined us. First day on the job was yesterday  
25 from the Bureau of Reclamation.

1           Okay, so I'll get going with this here. Below normal  
2 snowmelt runoff in the upper basin was 88 percent of  
3 average last year. And we have slightly above normal  
4 runoff in the southern sub-basins at 103 percent of  
5 average. And so with those kinds of runoffs, we really  
6 didn't have any flood control operations in either  
7 Trinidad, John Martin Reservoir or Pueblo Reservoir.  
8 However, the District did assist Pueblo with some local  
9 flash flooding. And we did that with an emergency 404  
10 Clean Water Act Permit as well as an assessment of damage  
11 to the Pueblo levee flood wall. And so there's been a  
12 Project Information Report that we've prepared and sent up  
13 to our Division Headquarters in San Francisco earlier this  
14 month and we expect to have that approved by the end of the  
15 month, by May of 2008 have a construction contract awarded  
16 and by this time next year have the work approved.

17           Work on studies and projects with Basin sponsors under  
18 Corps mission areas continued in 2007 and I'm going to  
19 highlight a couple of those. First, within our General  
20 Investigations Program, the Fountain Creek Watershed Study  
21 is ongoing and will be complete in 2008 contingent on  
22 federal funding this year. The study analyzes the entire  
23 watershed in the Fountain Creek to identify a suite of  
24 projects to address flood damage reduction, ecosystem  
25 restoration and channel stability. It's not going to

1 directly lead to the construction of specific projects but  
2 instead as the Watershed Study comes to a feasibility  
3 document, that then identifies implementation strategies be  
4 they federal, State, local for that suite of projects.  
5 Currently we've got 46 potential projects that are listed  
6 and we're in the process of prioritizing thirteen of those  
7 that will then be studied in a little more detail as we  
8 complete the report. The Arkansas River Fishery Habitat  
9 Restoration is a Section 206 Aquatic Restoration Project  
10 and is nearing completion in the ten-mile main stem reach  
11 downstream of Pueblo Dam. This project is sponsored by the  
12 City of Pueblo and it was initiated in 2002. It will  
13 improve fish and riparian habitat. Stream habitat, channel  
14 structure and some riparian/bank plantings were completed  
15 in 2006. And in the coming year we expect to do exotic  
16 vegetation removal as well as replanting.

17 Two areas that I want to talk about that received  
18 national attention in the last year for which we were  
19 working on in the Basin are the Corps' new Flood Risk  
20 Management Program as well as changes in the Section 404  
21 Clean Water Act Permitting Program. First of all with  
22 respect to the Flood Risk Management Program, that was  
23 established in 2006 to try to integrate and synchronize all  
24 the flood programs and activities the Corps' involved with  
25 and do those things internally as well as with our

1 counterparts in the Department of Home Land Security and  
2 FEMA and other federal, State and local partners and  
3 stakeholders.

4 Ongoing work at the national level includes a levee  
5 inventory, some vegetation guidance that is integrated  
6 among the different federal agencies for vegetation on  
7 levees as well as levee certification on behalf of the  
8 project sponsors as part of the FEMA accreditation and  
9 mapping process. There's also a new national Levee Safety  
10 Program which is the subset of the Flood Risk Management  
11 Program. We've got a lot of programs. But it's a subset  
12 of that and it's really more akin to our Dam Safety Program  
13 in that it has a series of graduated and more technically  
14 focused inspections.

15 To kind of bring this down to the local level in the  
16 Albuquerque District, recognizing the increased emphasis on  
17 levees, we moved our Levee Inspection Program from our  
18 Operations to our Engineering Division. And on the  
19 Arkansas specifically we approved the Maintenance  
20 Deficiency Correction Plan submitted by the Town of Granada  
21 for their levee there. And that's going to require local  
22 or State funding to get complete.

23 Additionally, we received ten requests for Floodplain  
24 Management services in the basin, including inquiries about  
25 potential Levee Certification Studies for the Templeton Gap

1 Levee upstream in Colorado Springs in the region of the  
2 Fountain as well as the Fountain Creek Levee and the  
3 Floodwall in Pueblo.

4 With regard to the 404 Clean Water Act Permitting  
5 Program, we issued nine individual permits in the basin in  
6 2007 with 92 additional activities being reviewed and  
7 covered by nationwide permits. In conjunction with the  
8 State of Colorado, we also updated the conditions of  
9 Regional General Permits this year and those will remain in  
10 effect for the next five years.

11 You know, kind of moving out to the national scale on  
12 the Regulatory Program, the 404 Program, in June of 2007  
13 the Corps and the EPA implemented guidance from the *Rapanos*  
14 *v. United States* Supreme Court decision. And that was kind  
15 of significant because when I came into this job, the  
16 decision was made in June of '06 and we kept waiting for  
17 the implementation guidance and it took a little while to  
18 get it all together. But essentially what it calls for is  
19 a more complex analysis in determining whether a body of  
20 water is jurisdictional under Section 404 of the Clean  
21 Water Act. The provisions in our implementing guidance  
22 that call for additional review, EPA can basically take a  
23 determination we make and say they want to review it as  
24 well as escalation to higher levels of headquarters. And,  
25 in fact, when those things do get called for review, we've

1 got to send them up to our policy folks in D.C. to take a  
2 look at them. So far we have not had any of those type of  
3 determinations pulled up to headquarters here in the  
4 Arkansas Basin. With all that, there are some associated  
5 processing time increases but we're certainly working to  
6 try to get efficient so we'll get over the learning curve  
7 on that. Associated with that implementing guidance is a  
8 nine-month public comment period that ends in March of 2008  
9 and at that time we'll take input from the public or  
10 partner agencies as well as any experience we have in  
11 implementing the guidance and then we'll factor that into  
12 agency decision-making with respect to whether we reissue  
13 the same guidance, revise it or revoke it. And that  
14 obviously is not a call that I'll make but we'll send it up  
15 to D.C. In September I did have the opportunity to sit  
16 down and discuss implementation issues with our partners  
17 here in Colorado at a regulatory roundtable we held. It  
18 was part of an overall Arkansas Basin orientation that I  
19 conducted for my boss who's the South Pacific Division  
20 Commander out of San Francisco.

21 I also want to hit a couple of current items of  
22 interest with respect to our cooperating projects. First,  
23 at John Martin there's been an accumulation of sediment on  
24 the dam's upstream face that hindered scheduled maintenance  
25 and inspection of the emergency sluicing gate. We're going

1 to be conducting a small scale hydraulic dredging operation  
2 to remove the sediment deposits this winter.

3 Down at Trinidad, the Corps, along with the Bureau of  
4 Reclamation and State and local agencies are attempting to  
5 combine resources to conduct a study to definitively  
6 determine the Purgatoire River's existing downstream  
7 hydraulic capacity. And as you know, that's somewhat in  
8 question so we want to pool our resources together and make  
9 that happen. Pending funding this year, what we intend to  
10 do is get the mapping and the data collection done by 2009,  
11 get the study done.

12 As you are all aware, we have some important  
13 activities that are going on around the country and the  
14 world. And I just want to conclude with a few words about  
15 the Corps of Engineers as a whole top two priority  
16 missions: support to the Global War on Terror and the  
17 recovery of our neighbors over in the Gulf Coast. I'm  
18 frequently reminded by my employees that they don't wear  
19 this uniform and they're not in the Army. I'm really proud  
20 to say that eleven members of our District in this past  
21 year voluntarily deployed to Iraq, Afghanistan or the New  
22 Orleans Gulf Coast area to help in those efforts. And we  
23 currently have nine people over there. So I'd ask you to  
24 kind of keep them in your mind and what they're doing for  
25 our Country when we go into the holiday season here.

1           This year over 10 percent of our District also formed  
2           the Corps' National Ice Team. And what that means is  
3           should there have been a hurricane or other disaster,  
4           whether it's a national response plan or an evacuation, the  
5           folks in Albuquerque will be responsible for coordinating  
6           and contracting the delivery of ice in areas of need.

7           Finally, Lieutenant General Robert Van Antwerp became  
8           the 52nd Chief of Engineers in May of 2007. And last month  
9           we had a conference in St. Louis and I had the opportunity  
10          to meet with him for the first time and was really  
11          impressed with strong leadership and the real personal  
12          touch that he brings to the job. So I think that he's  
13          definitely the right person to lead the Corps of Engineers  
14          as we go forward.

15          This concludes my report and I would be happy to  
16          answer any questions that you have. The last thing I want  
17          to kind of say here and it kind of hit me coming in, at  
18          that same conference I went to after they introduced us all  
19          and I spoke a little bit, I got into an elevator and some  
20          lady said, "How old are you?" And I bet you all are asking  
21          the same question to yourselves right now. I'd tell you  
22          I'm 39 but the reason I say that is because in the papers  
23          that were handed out at the door, I got to read the  
24          biography of Mr. Sparks. And certainly when you look at  
25          somebody that commanded a battalion in World War II at the

1 age of 27, and you all probably know him because you've  
2 worked with him many years, but he's certainly a very  
3 impressive gentleman. Thank you very much. Any questions?

4 MR. JENNISON: Questions for the Colonel? Thank  
5 you, Colonel, for your report, your service here and also  
6 your service around the world. We appreciate it. U.S.  
7 Bureau of Reclamation. Jaci.

8 MS. GOULD: Good morning. My name is Jaci Gould.  
9 I'm here today representing the Bureau of Reclamation,  
10 Eastern Colorado Area Office. Last year at this time we  
11 reported that we had a new Commissioner and we had a new  
12 Regional Director. This year I would like to report that  
13 we have changes in our area office level. We have Mike  
14 Collins who's our new area manager who came to us from  
15 Billings Regional Office, Great Plains Region. He was the  
16 Resource Manager there, his most recent position. He's  
17 been with Reclamation for over 29 years and has been around  
18 and worked in a number of offices. We also have a new  
19 Deputy Area Manager, that's C.J. McKeral. She has 26 years  
20 of experience working in primarily power, operation and  
21 maintenance, and has thirteen years of those with the  
22 Bureau of Reclamation. And she most recently joined us  
23 from our Montana area office where she served in a similar  
24 job. She was the Deputy Area Manager up there. We also  
25 talked about Tommy leaving and you have recognized him.

1 You know, he has worked in this valley for over thirty  
2 years and has represented us well and we recognize his  
3 efforts.

4 My talk today is going to highlight on our  
5 accomplishments under two things, the Trinidad Dam and  
6 Reservoir Project and summarize our activities for the 2007  
7 calendar year Fryingpan Ark Project. That gets me out of  
8 that pickle -- Ark -- we'll abbreviate that for you guys,  
9 all right?

10 The Trinidad Dam and Reservoir Repayment Contract was  
11 entered into in 1967 between the Purgatoire River Water  
12 Conservancy District and Reclamation. There's two primary  
13 purposes for that contract. One is to recover the  
14 construction cost of the Trinidad Project and the other is  
15 to provide for payment of project operation and maintenance  
16 expenses. In August Reclamation issued a contract  
17 amendment letter clarifying the City of Trinidad's use of  
18 Project Water and that had to do primarily with two things.  
19 One is the interest payment because it was M & I water and  
20 not irrigation water, there was an interest payment  
21 requirement. And also to clarify how the water was  
22 measured. And we provide those clarifications in that  
23 Contract administration letter.

24 We're also working on the "Ten Year Review, of the  
25 Operating Principles". The Operating Principles provide

1 overall guidance on project operations. Primarily the  
2 objective of the review is to obtain optimum beneficial use  
3 of water as conditions change, experience is gained and  
4 more technical data becomes available. The most recent  
5 ten-year review began in 2005 and is progressing towards  
6 conclusion. This past year we spent considerable effort in  
7 finishing up and recreating the historic hydrology models.  
8 We had Nancy Parker from our Reclamation's Denver Technical  
9 Service Center develop an Excel spreadsheet that recreated  
10 those historic models and put it into a tool where we could  
11 use that in today's technology. We also developed a draft  
12 report on gages and identified what gages were out there  
13 and tried to look at if we needed them or not. And that's  
14 out there for review in draft as well.

15 At this point we're compiling a draft report. We had  
16 a number of issues that we committed to in a letter that we  
17 submitted April 27th of 2006 that was amended further by  
18 some of Kansas' comments. And at this point we're just  
19 compiling. There's a lot of information that we needed to  
20 document some of the historic changes of the project and  
21 some of the things that had been done like the loss studies  
22 the USGS did and collect all that information and gather it  
23 up in a draft report. And when that's done, I'm hoping  
24 within the next month, we'll get that out for review and  
25 then reconvene as a group. We have a technical group that

1 we get together. We have an email list where we notify  
2 people of the meeting and anybody's welcome to attend.  
3 I've met with several of you in this room over the last  
4 year on certain issues. And we'll make that available for  
5 review and then we'll have some discussions about it  
6 because there's a lot of -- in Reclamation we're compiling  
7 the information but everybody has their own view on that.  
8 We'd certainly like to do as best job as we can to capture  
9 that. So as early as next year I expect to see that report  
10 in draft and we'll certainly have more discussions about  
11 it. And we recognize that there's a lot more discussion  
12 and input that's needed during that process.

13 The Operating Criteria. In addition to the Operating  
14 Principles, Reclamation also reviews the Operating Criteria  
15 within the Purgatoire District. The criteria or specific  
16 guidelines of actual operations of the irrigation portion  
17 of the project and its accounting, the Reclamation is  
18 working with the Purgatoire Water Conservancy District to  
19 revise the criteria to include amendments for the City of  
20 Trinidad and the Colorado State Parks.

21 Fry-Ark Project Operations. I'm pleased to report we  
22 had a slightly above normal year on the project last year.  
23 Even though the initial May 1 forecast projected we would  
24 only divert about 49,300 acre-feet of water, we were  
25 actually able to divert and deliver 54,200 acre-feet of

1 water. And that was approximately 104 percent of our 25-  
2 year average. Also of note is the reduction in drought  
3 status from severe to moderate across the eastern plains of  
4 Colorado and we can only hope that this trend reducing our  
5 drought status continues.

6 In September we issued a final long-term excess  
7 capacity contract for forty years to the City of Aurora.  
8 And the contract was finalized after two public negotiation  
9 sessions and the completion of a review of the National  
10 Environmental Policy Act process which resulted in finding  
11 of no significant impact and an associated Environmental  
12 Assessment.

13 Southern Delivery System. We are the lead federal  
14 agency on an Environmental Impact Statement for the  
15 Southern Delivery System which is a project proposed by  
16 Colorado Springs Utilities in conjunction with the Cities  
17 of Fountain, Security, and Pueblo West. They have all  
18 asked for long-term excess capacity contracts to use  
19 Fryingpan Arkansas project facilities in conjunction with a  
20 pipeline that would be a nonfederal pipeline from near  
21 Pueblo up to Colorado Springs and the construction of a few  
22 new reservoirs. Earlier this year Colorado Springs  
23 Utilities requested an amendment to their No Action  
24 Alternative and their Alternative 7 which is their Fremont  
25 County Alternative. We reviewed that and approved that

1 change. And the documentation of that will be included in  
2 an addendum to our Alternative Analysis Report which will  
3 be available on a website shortly. After reviewing about,  
4 well, just nearly under 4,000 pages of technical reports in  
5 a draft EIS over the last six months, we're looking forward  
6 to releasing a draft EIS for public comment on the Southern  
7 Delivery System early next year. I'm thinking it will be  
8 late February, early March. And that will be open for an  
9 initial sixty-day public comment period so be looking for  
10 that.

11 We also had several accomplishments under our Water  
12 Conservation Field Services Program which is a grant  
13 program that we provide money to local water districts or  
14 municipalities to help with water conservation activities.  
15 We did provide a grant to Southeastern Colorado Water  
16 Conservancy District for the installation of three  
17 additional SNOTEL sites in the Upper Arkansas River Basin.  
18 And we are continuing to support studying the beetle  
19 control of salt cedar around Pueblo Dam immediately  
20 downstream of Pueblo. The first several years of the  
21 program resulted in a reduction of a hundred acres of salt  
22 cedar which we felt was successful enough to extend the  
23 program and expand it down to John Martin Reservoir and  
24 looking at a study site down there as well this next year.

1 And that concludes my report today and I would be happy to  
2 answer any questions you may have.

3 MR. JENNISON: Questions for Jaci?

4 MR. THOMPSON: The hundred acres of tamarisk was  
5 reduced by beetles?

6 MS. GOULD: That's what they're reporting, yes.

7 MR. BARFIELD: Jaci, I understand that the long-  
8 term capacity for Aurora there's a legal challenge working  
9 there; is that true?

10 MS. GOULD: That's true, yes.

11 MR. BARFIELD: What's the status of that?

12 MS. GOULD: I'm not sure where it is in the  
13 courts because the Department of Justice is handling the  
14 litigation on that. It's moving forward. And I know my  
15 office is busy just working on Administrative Record but  
16 I'm not sure exactly in the legal process where that is.

17 MR. JENNISON: Further questions? Thank you,  
18 Jaci.

19 Reports from Colorado Water Conservancy Districts. My  
20 notes show that there is no one here from the Southeastern  
21 Water Conservancy District, is that accurate? Okay. How  
22 about the Lower Arkansas Valley Water Conservancy District?  
23 No one here. Jeris, I believe you're here.

24 MR. DANIELSON: I'm here.

1                   MR. JENNISON: Purgatoire River Water Conservancy  
2                   District, Jeris Danielson. Good morning.

3                   MR. DANIELSON: Good morning. Thank you, Mr.  
4                   Chairman. For the record, I'm Jeris Danielson, General  
5                   Manager for the Purgatoire Conservancy District. I just  
6                   have a brief report.

7                   The District had probably one of the best water years  
8                   it's had in the last twenty last year. In fact, we were  
9                   able to even carry over water in the reservoir. No, don't  
10                  panic, not rollover, carry over. About 2,000 acre-feet  
11                  going into the storage season this year, so we were very  
12                  pleased about that.

13                  The District installed six satellite gaging stations  
14                  on six of the canals in the project. Those are operational  
15                  now with the help of Steve Witte's people. We do have a  
16                  website that you can go to and look at all of the stream  
17                  gages as well as the canal diversions.

18                  Jaci reported that we have agreed to a new Operating  
19                  Criteria. I don't know if the Bureau has but my board has.  
20                  They approved it last Thursday.

21                  On acreage verification, as you know, we do an annual  
22                  assessment of irrigated acreage as required under the  
23                  Operating Principles. Last year we were about 2,000 acres  
24                  below what the allowed acreage limit is.

1           Just some other things we're involved in. We are  
2 working with the City of Trinidad in a community project to  
3 rehabilitate and enhance Central Park Lake, which is in  
4 downtown Trinidad, to create a fishery for kids and for  
5 handicapped people.

6           We also are very active with the Tamarisk Control Task  
7 Force, looking at eradication of tamarisk throughout the  
8 basin. In that project, the mapping is done now and we're  
9 looking to move on to the actual eradication of tamarisk  
10 and Russian olive in the basin.

11           You probably, if any of you know where Trinidad is,  
12 think of it as Boonyville. But as we see along the Front  
13 Range, water uses and demands are changing in Trinidad as  
14 well. We're seeing more and more water coming out of  
15 agricultural production, moving into M & I uses. There's a  
16 development called Cougar Canyon, 1400 homes, 18-hole  
17 championship golf course. You can get a lot for about  
18 \$250,000. And that's the kind of changing use we're  
19 seeing; water moving move and more into M & I use. Any  
20 questions?

21           MR. JENNISON: Questions?

22           MR. BARFIELD: None from me.

23           MR. HEIMERICH: This summer I had an opportunity  
24 to go down and tour the Purgatoire area with some staff  
25 from Steve's office and sat in on one of your meetings and

1       it was a good opportunity for me to understand how the  
2       Purgatoire and your District operates. I know you have a  
3       new Water Commissioner down there as well; is that right?

4               MR. DANIELSON: We do.

5               MR. HEIMERICH: And I was very impressed with  
6       that gentleman while I was down there visiting.

7               MR. DANIELSON: Yeah, Jeff does a great job.

8               MR. HEIMERICH: And I want to thank you for the  
9       great treatment and felt it was a good opportunity.

10              MR. DANIELSON: Well, you got better treatment  
11      than most people do. No, we're glad to have you. And we  
12      invite anybody to come to our meetings. They are the first  
13      Thursday of every month. As with any board, I try and  
14      develop an agenda and then you never know when the  
15      fireworks take off. It's usually fairly entertaining.  
16      Thank you very much.

17              MR. JENNISON: Jeris, thank you. Yes, Steve.

18              MR. MILLER: I just want to say a quick word  
19      about the other two conservancy districts. When we meet  
20      the second week in December, we will have a conflict with  
21      the Colorado River Users meetings in Las Vegas and that's  
22      the conflict that Southeast has. They did want to express  
23      they have an open door policy and would be happy to arrange  
24      personal or group meetings at some convenient time if there  
25      are any questions anybody on the Administration would like

1 to talk about. For some reason the Lower District scheduled  
2 a Water User Conference today and that's probably a failure  
3 on our part. The second Tuesday in December belongs to us,  
4 has for the last fifty years and will continue. And so  
5 that was just a scheduling conflict. Neither organization  
6 was intending to snub the Administration or anything like  
7 that. And when we move next year, I think we may be in the  
8 first week in December and we won't have those conflicts.

9 MR. JENNISON: Thank you, Steve. Well, we come  
10 to that part of the agenda for the Committee reports.  
11 First turn to the Engineering Committee. Matt, are you  
12 going to present that report?

13 MR. HEIMERICH: I think I will. And, David, you  
14 can certainly feel free to add or subtract as necessary.  
15 Mr. Chairman, the Engineering Committee met yesterday  
16 afternoon and I thought had a very interesting and  
17 productive meeting. We heard several presentations, one  
18 being a presentation from the folks at Tri-States  
19 Generation who have acquired approximately one-half of the  
20 surface rights with the Amity Ditch and have filed in Water  
21 Court for a change in those water rights to build and  
22 construct some form of a generation facility in Prowers  
23 County. I think both Kansas and Colorado appreciated Tri-  
24 States' presentation. And I know Tri-States expressed, I  
25 thought, a willingness to make sure that Kansas was kept

1 informed as they proceed with their engineering reports and  
2 what's surrounding that potential change of use. David,  
3 does that sound right?

4 MR. BARFIELD: That's correct.

5 MR. HEIMERICH: Thank you. Secondly, we heard  
6 from the Colorado State Parks and the Division of Wildlife  
7 about trying to use John Martin and adding to the Permanent  
8 Pool. This was an arrangement between those entities,  
9 using several hundred thousand dollars from State Parks and  
10 another million and three-quarters from Wildlife to partner  
11 with LAWMA to complete the purchase of the Keesee Ditch and  
12 then use some of those water rights under their plan to  
13 enhance the Permanent Pool. I think everyone would agree  
14 that the goal, the objective is certainly worthy increasing  
15 that fishery, protecting the economic benefits that accrue  
16 to both Southern Colorado as well as the surrounding States  
17 and their residents. This process has been going on now  
18 for the better part of two, two and-a-half years and Kansas  
19 was gracious enough to agree that they will be arranging a  
20 meeting with the proponents of that project in the latter  
21 half of January and report back to the Engineering  
22 Committee to see if progress is being made so that the  
23 sale, the Keesee sale can be finalized before the February  
24 28th deadline that was renegotiated between LAWMA and the  
25 Keesee. David?

1                   MR. BARFIELD: That's the commitment we made is  
2                   to have those meetings.

3                   MR. HEIMERICH: Thank you. Mr. Witte made a  
4                   presentation to the Board or the Committee on a draft of  
5                   what he's terming Colorado's Efficiency Rules. These  
6                   essentially are rules similar in case, I suppose, to the  
7                   Groundwater Rules of the Division Engineer promulgated  
8                   several years ago dealing with different efficiencies that  
9                   might take place with surface right owners, whether they be  
10                  canal lining, subsurface drip irrigation or sprinkler  
11                  irrigation or some of those matters. It doesn't  
12                  necessarily affect crop rotations or other kind of best  
13                  management practices. And these are in draft form. Kansas  
14                  was given the opportunity to look at these. I think Steve  
15                  made the invitation for them to look at them as well.  
16                  Obviously, I think it's Colorado's best effort to short  
17                  circuit any controversy surrounding the more efficient use  
18                  or a different use of surface rights within Colorado.

19                  MR. BARFIELD: Yeah, that's correct. We'll do  
20                  our best to provide some feedback.

21                  MR. HEIMERICH: Very good. Thank you. We also  
22                  heard from Jim Felt, representing the City of Lamar, Doug  
23                  Montgomery being their water resources or Waste Water  
24                  Manager. The City of Lamar has in the past had an  
25                  agreement with ARCA to use storage in John Martin Reservoir

1 for a very short period of time to more efficiently run  
2 their Fry-Ark water through, hold it in a dam and then run  
3 it through the Fort Bent Canal to their Clay Creek alluvial  
4 recharge field. That request was terminated several years  
5 ago and the City of Lamar is now requesting that they be  
6 given an account in John Martin to be able to more  
7 efficiently operate their Fry-Ark water so to coincide with  
8 peak flood conditions in the river so as not to suffer  
9 transit losses.

10 And Helton Williamsen submitted an Engineering Report  
11 just last Friday for the use of ARCA and the Committee.  
12 Again I believe the Engineering Committee is going to  
13 suggest that we keep that item on our agenda. And both  
14 Colorado and Kansas have agreed that we'll be supplying  
15 comments back to Helton Williamsen regarding that Permanent  
16 Pool request -- I mean that account request in John Martin  
17 Reservoir.

18 MR. BARFIELD: That's correct.

19 MR. HEIMERICH: And then lastly the Engineering  
20 Committee took up the question of continuing the Special  
21 Engineering Committee. And David and I both felt that even  
22 though there is some new players in the game being that Hal  
23 and David Pope had both left, that the success and the  
24 results achieved by the Special Engineering Committee  
25 certainly warranted going ahead and keeping that

1 institution viable and using it as a mechanism to resolve  
2 issues between the two States.

3 MR. BARFIELD: Yeah, again, that's correct.

4 MR. HEIMERICH: David, is there anything else  
5 that you would like to add?

6 MR. BARFIELD: I don't think so. You did a good  
7 job.

8 MR. HEIMERICH: Thank you, David. I appreciate  
9 it. Mr. Chairman, that's the Engineering Committee's  
10 Report.

11 MR. JENNISON: Thank you, Matt. Report of the  
12 Operations Committee. Colin?

13 MR. THOMPSON: We met yesterday also. If you  
14 would like to, Steve, do you want to give the Operation's  
15 report at this time?

16 MR. WITTE: I just would point out we submitted a  
17 written report of the operations of John Martin Reservoir  
18 that were conducted during 2007 to the Operations Committee  
19 yesterday. We do have a few copies of that report  
20 remaining. If anyone would like to have a version on a CD,  
21 we have those available.

22 MR. THOMPSON: Kevin, do you have anything you  
23 want to add?

1                   MR. SALTER: No, not at this time, but we do have  
2 a couple of copies of the AOS report and it will be  
3 available.

4                   MR. THOMPSON: I think we also agreed, David,  
5 that the continuation of the Special Engineering Committee  
6 would be a good thing. David, did you have anything else?

7                   MR. BARFIELD: Not at this point.

8                   MR. JENNISON: Colin, thank you. Yes, Steve?

9                   MR. WITTE: Forgive me. I would note for the  
10 record that a rebuttal to the AOS Report was offered to the  
11 Operations Committee last evening and copies of that to the  
12 AOS Report were offered last evening. And I think we're  
13 out of copies but additional copies can be made available  
14 if the parties are interested.

15                   MR. BARFIELD: Mr. Chairman?

16                   MR. JENNISON: Yes, David.

17                   MR. BARFIELD: Are you ready to go on to the next  
18 item?

19                   MR. JENNISON: Yes.

20                   MR. BARFIELD: There was one item that we should  
21 report on from the Engineering Committee and that was the  
22 Livingston Report.

23                   MR. HEIMERICH: I apologize.

24                   MR. JENNISON: Do you want to just defer to David  
25 for that?

1                   MR. HEIMERICH: David, please, I apologize for  
2                   that.

3                   MR. JENNISON: We'll go back to kind of an  
4                   addendum to the Engineering Committee Report.

5                   MR. BARFIELD: Yeah, Russ Livingston did present  
6                   a brief report to us last night. And I just wanted to  
7                   report to everybody here that his work in terms of the  
8                   Transit Loss Study below John Martin is very near  
9                   completion. And the Committee and those working with that  
10                  study are very appreciative of Russ' work and the Committee  
11                  authorized Steve Witte and myself to continue working with  
12                  Russ to just finalize that report in the coming weeks for  
13                  publishing. And so that work will be done and available  
14                  for use.

15                  MR. HEIMERICH: Thanks, David.

16                  MR. JENNISON: Thank you, David. Steve.

17                  MR. WITTE: Forgive me, I also want to note for  
18                  the record that pursuant to the resolution that was passed  
19                  by the Administration approving the Offset Account, a  
20                  report was tendered to the Operations Committee last  
21                  evening regarding operations of the Offset Account.

22                  MR. JENNISON: Thank you, Steve.  
23                  Anything else on the Engineering or Operations Committee  
24                  that we forgot? Anybody that was there would understand why  
25                  we may have forgotten a few things. Who was going to do

1 Steve's report of the Special Engineering Committee? Were  
2 we going to have someone report on that?

3 MR. BARFIELD: I believe I was asked to do that.

4 MR. JENNISON: David.

5 MR. BARFIELD: Or David Brenn asked me to do  
6 that. David Brenn is the only member of that Committee to  
7 be here with us today. Everybody else is retired. But I  
8 and a number of us here have been quite involved in that  
9 Committee. Again, that Committee was authorized in 2005  
10 and did a lot of work in 2006. And John Draper has  
11 mentioned the Special Master referencing the Mission Inn  
12 Agreements. It was kind of that same group of people who  
13 were tasked to maybe tackle some of the issues here. And  
14 with some degree of success in 2006 at the last Annual  
15 Meeting, I believe, there were four resolutions reflecting  
16 that work and we're going to hear about a couple more  
17 later.

18 So we had an active first half of the year with the  
19 Special Engineering Committee working on a number of  
20 issues. We had three multi-day face-to-face meetings as  
21 well as just a series of conference calls and other ways of  
22 getting work done and reached agreements, again, as I said,  
23 two resolutions we'll see today, and Steve Witte referenced  
24 another agreement on the Offset Account and a lot of other  
25 substantial work.

1           That work was basically the first half of the year  
2           because Hal Simpson's retirement was pending and we wanted  
3           to get as much done as we could prior to his retirement.  
4           As he was retiring, David Pope suddenly offered his  
5           resignation. But a lot of good work was done by that  
6           Committee the first half of this year. I think that would  
7           be my report. David, do you have anything to add?

8           MR. BRENN: I would like to offer any of the  
9           Colorado team that was involved to make comments. But the  
10          Committee meetings that I attended were really kind of  
11          interesting in a different setting than what you're used to  
12          in ARCA operations and otherwise. There was frank and open  
13          discussion. And it is, at least, a vehicle that can allow  
14          progress on issues without going an arbitration route, so  
15          I'm hopeful the Compact will move that forward and continue  
16          with it.

17          MR. JENNISON: Thank you. Report of  
18          Administrative and Legal. Randy Hayzlett.

19          MR. HAYZLETT: Yes, we reviewed the resolution  
20          for David Pope, Rod Kuharich and Hal Simpson and the letter  
21          of recognition for Bev Lohery. We dealt in housekeeping  
22          issues with the financial. We accepted the audit from  
23          Anderson and Company. And the Committee reviewed and  
24          recommended the signing of the gage contract with the USGS.  
25          And the Committee also recommends to the Arkansas River

1 Compact Administration that Stephanie Gonzales sign an  
2 approved budget and the assessment for the term fiscal year  
3 '07-'08. We also authorized Stephanie Gonzales to pay the  
4 bills as presented at the Committee meeting. We discussed  
5 the transcripts and the progress of those. The Committee  
6 would recommend to ARCA to approve the annual meeting  
7 transcripts for 2000, 2001, 2002 and May of 2003, December  
8 of 2003, 2004, 2005. The Committee instructed Steve Miller  
9 to complete the review of the transcripts for 1993, 1998  
10 and 1999 by January 15th of 2008. The Committee also  
11 instructed Steve Miller and Lee Rolfs to complete the  
12 review of the 2006 transcript also by that January 15th,  
13 2008 date. We also instructed Steve Miller to complete the  
14 backlog Annual Reports by June 1 of 2008. Also we  
15 instructed Steve Miller and Lee Rolfs to find all necessary  
16 attachments and complete all transcripts.

17 For the process of the nomination, we did review  
18 positions for nominations. We had several new people.  
19 What we have wound up for Assistant Operations Secretary,  
20 Kevin Salter; Treasurer would be Stephanie Gonzales and  
21 Operations Secretary, Steve Witte. Stephanie Gonzales  
22 would also be Recording Secretary as well as Treasurer.  
23 And also David Pope had been the Vice Chair. Discussion as  
24 to that position was possibly the longest serving member of  
25 ARCA which would be myself or Randy Hayzlett.

1           The Committee chairs we had determined for Engineering  
2           for this coming Compact Year Matt Heimerich, for  
3           Operations, David Brenn and for Administrative and Legal,  
4           Randy Hayzlett.

5           The Committee recommends to ARCA that the Special  
6           Engineering Committee be extended for the 2008 Compact Year  
7           in order to evaluate unresolved issues as well as new  
8           issues put before the Special Engineering Committee. Also  
9           the Committee recommends revising the 1980 Operating Plan  
10          to include and only to include the six Special Engineering  
11          Committee Recommendations that had been adopted by ARCA,  
12          which are Recommendations A, B, C, D, E and F. The revised  
13          1980 Operating Plan will then be reviewed at the 2008  
14          meeting at the 2008 Compact Meeting and other  
15          recommendations may be included from that meeting during  
16          the 2008 meeting. Randy, is there anything else?

17                 MR. SEAHOLM: There's, I think, one thing that I  
18                 would add to that is the Water Conservation Board will have  
19                 a new director effective January 1st, Jennifer Gimbel. And  
20                 she will be the other member, I believe, of the  
21                 Administrative and Legal.

22                 MR. HAYZLETT: That concludes my report.

23                 MR. JENNISON: Stephanie, we deferred you to item  
24                 11. Do you have a report of any type that you want to  
25                 give?

1 MS. GONZALES: He's prepared it.

2 MR. JENNISON: Okay, thank you, Stephanie. Is  
3 there any old business? Seeing none, I'm reluctant to do  
4 this we're making such great progress, but I think we will  
5 take a ten-minute break and in that time the Committees can  
6 kind of make sure you're organized on your action items and  
7 when we come back we'll take up the action items from your  
8 reports. We'll be back at 10:15.

9 (Whereupon, a short recess was taken.)

10 MR. JENNISON: We'll call the meeting back to  
11 order. Before we start with the new business, I think  
12 everybody may have gotten a chance to talk to him; I would  
13 like to recognize a former commissioner of the Compact, Jim  
14 Rogers. Good to see you. Good to have you here.

15 Under New Business we'll take in with the action items  
16 of the committees in the same order that we heard their  
17 reports. We'll start with the Engineering Committee.  
18 Matt.

19 MR. HEIMERICH: The Engineering Committee's  
20 action items are as follows: The Committee recommends to  
21 ARCA that the Kansas delegation and the appropriate staff  
22 meet the proponents of the John Martin Reservoir Permanent  
23 Pool issue and afterwards report back to the Engineering  
24 Committee on the results of the meeting via conference call  
25 before 31 January 2008.

1           The Committee recommends assigning Colorado and Kansas  
2           technical staff to analyze the U.S. Geological Survey  
3           gages, especially the Big Sandy gage to make a  
4           recommendation to ARCA on the continuation of such gages  
5           before the 2008 Compact meeting.

6           MR. JENNISON: Matt, just one second. I better  
7           ask if you guys have a better idea. If we can lump all of  
8           these together in one motion. I mean, if they're all of  
9           such a nature that they're going to pass, it's not a  
10          problem and we'll just lump them all in one motion.

11          MR. HEIMERICH: I'll just move for the  
12          Engineering Committee recommendations of the ARCA --

13          MR. JENNISON: Yes, when you get through with all  
14          of them, that's that we'll do unless you guys think that  
15          there's going to be controversy. I'm sorry I interrupted  
16          you.

17          MR. HEIMERICH: Should I continue reading the  
18          action items?

19          MR. JENNISON: Yes, go ahead.

20          MR. HEIMERICH: Very good. The Committee  
21          recognizes the value of the Special Engineering Committee  
22          and recommends to ARCA that the Special Engineering  
23          Committee be extended for the 2008 Compact Year in order to  
24          evaluate unresolved issues as well as new issues put before  
25          the Special Engineering Committee.

1           The Committee authorizes David Barfield and Steve  
2           Witte to finalize the Livingston Transit Loss Study and  
3           report to ARCA when the study is complete as well as  
4           finalize any outstanding monies owed to Russ Livingston for  
5           his services.

6           Finally, the Committee would recommend that the  
7           request of the City of Lamar be considered an agenda item  
8           and we would recommend and request that both States make  
9           comments back to the City of Lamar and their engineers  
10          involving that proposal. David, I kind of winged the last  
11          one. Is that agreeable?

12                   MR. BARFIELD: That's agreeable.

13                   MR. HEIMERICH: Thank you. That's the  
14          Engineering Committee's action items and we'd recommend a  
15          motion to adopt.

16                   MR. JENNISON: Motion to adopt. Second?

17                   MR. BARFIELD: Second.

18                   MR. JENNISON: Been moved and seconded. All  
19          those in favor, aye?

20                   (Aye.)

21                   MR. JENNISON: Opposed, no? Motion carries.

22                   MR. MILLER: For clarification, I think the  
23          reporter likes to have some notes so she can track what she  
24          heard from what was written. I think it's the intent that

1 these not be made a part of -- the actual written words  
2 will not be an exhibit for any of the committees, right?

3 MR. JENNISON: Okay. Operations Committee.  
4 Colin.

5 MR. THOMPSON: Our action items: instruct Steve  
6 Miller to record a typewritten list of the action items for  
7 the December 10th Operations Committee.

8 Two, the Committee will hold a meeting in April at a  
9 time and date and location to be announced.

10 Three, the Committee recommends continuing dialogue  
11 between the Operations Secretary and Assistant Operations  
12 Secretary regarding the Pueblo water storage split and  
13 Permanent Pool deliveries as described in the August 2004  
14 Dispute Resolution Procedure. Both Secretaries are to  
15 report back to the Operations Committee on this issue.

16 Four, the Committee acknowledges the receipt of  
17 reports by the Operations Secretary and the Assistant  
18 Operations Secretary as well as the rebuttal report by the  
19 Operations Secretary to the Assistant Operations Secretary  
20 report. The Committee also acknowledges the receipt of the  
21 Offset Account Report.

22 The Committee recommends ARCA to accept the Water  
23 Issues Matrix as provided by Kevin Salter and Steve Witte.

24 Sixth, the committee recommends that ARCA adopt  
25 Special Engineering Committee Recommendations E and F. And

1 I might note that on the E and F proposals it was noted --  
2 on the header it said that it was the Special Operations  
3 Committee which was incorrect. It was the Special  
4 Engineering Committee. Somebody made a typo, Steve.

5 MR. MILLER: It wasn't me. You don't see me with  
6 a computer in my lap.

7 MR. THOMPSON: Seven, and if we need to, Steve  
8 Witte could give a quick summary on E and F if the audience  
9 would so choose. Anybody want to hear a quick summary on  
10 it?

11 MR. MILLER: We're going to have public comment  
12 in a few moments.

13 MR. JENNISON: I think we are, yes.

14 MR. THOMPSON: Okay. Seven, the Committee  
15 recommends sending the John Martin retroactive accounting  
16 issue back to the Special Engineering Committee.

17 Eight, the Committee recommends that the  
18 Administrative and Legal Committee revise and that the  
19 Operating plans include and only include four Special  
20 Engineering Committee recommendations that have been  
21 adopted by ARCA which are Recommendations A, B, C, D as  
22 well as E and F, if adopted, and other recommendations from  
23 the Special Engineering Committee if adopted in the Compact  
24 Year of 2008.

1           Nine, the Committee recommends to ARCA that the  
2           Special Engineering Committee be extended to the 2008  
3           Compact Year in order to evaluate and resolve issues as  
4           well as new issues put before the Special Engineering  
5           Committee. So I would move adoption.

6           MR. JENNISON: Move adoption. Seconded?

7           MR. BARFIELD: Seconded.

8           MR. JENNISON: Move and seconded. All in favor,  
9           aye?

10           (Aye.)

11           MR. JENNISON: Opposed, no? Motion carries.  
12           Administrative and Legal. Randy Hayzlett.

13           MR. HAYZLETT: For the election of officers I  
14           defer to Randy Seaholm for making those nominations.

15           MR. JENNISON: Randy.

16           MR. SEAHOLM: We'd like to nominate Randy  
17           Hayzlett to be Vice-Chairman of the commission  
18           {Administration} and would so move.

19           MR. JENNISON: It's been moved that Randy  
20           Hayzlett be Vice Chairman. Is it seconded?

21           MR. BARFIELD: Second.

22           MR. JENNISON: All in favor, aye?

23           (Aye.)

24           MR. JENNISON: Opposed, no? Motion carries.  
25           Randy Hayzlett is Vice-Chairman. Congratulations, Randy.

1                   MR. SEAHOLM: I would just like to note, Mr.  
2 Chairman, that there's some administrative issues that  
3 Randy would need to take care of at this point.

4                   MR. JENNISON: He's been instructed to do that.  
5 We have a car waiting for him right now.

6                   MR. HAYZLETT: The appointment of chairs, do you  
7 want to continue with that?

8                   MR. SEAHOLM: I can go ahead and do that. With  
9 respect to the appointment of the chairmanships, we'll  
10 start with the Engineering Committee. We would like to  
11 nominate Matt Heimerich to continue his chair and David  
12 Brenn to serve as the alternate. With respect to the  
13 Operations Secretary, we would nominate Steve Witte to  
14 continue in that capacity. And with respect to the  
15 Assistant Operations Secretary, that would be Kevin Salter  
16 to continue in that capacity.

17                   MR. JENNISON: Do them all and then we'll do a  
18 vote.

19                   MR. SEAHOLM: And with respect to the Recording  
20 Secretary/Treasurer, we'd like to nominate Stephanie  
21 Gonzales to continue in that capacity, Recording Secretary.

22                   MR. JENNISON: Move adoption of those  
23 recommendations?

24                   MR. HAYZLETT: So move.

25                   MR. JENNISON: It's been moved and seconded.

1 MR. HEIMERICH: Second.

2 MR. JENNISON: All those in favor, aye?

3 (Aye.)

4 MR. JENNISON: Opposed, no? Motion carries. I  
5 believe we're ready for the Committee chairs. And I've got  
6 a question here; I don't see it on the agenda. Do we need  
7 to have the Committee member also included in that motion?

8 MR. MILLER: It certainly wouldn't hurt to have  
9 it on the record.

10 MR. JENNISON: Randy, as you do that, why don't  
11 you make a recommendation for the particular Committee  
12 members and then say so-and-so serving as chair.

13 MR. HAYZLETT: For Engineering Committee Chair  
14 for the upcoming Compact year, Matt Heimerich. Member  
15 would be Dave Barfield. The Operations Chair would be Dave  
16 Brenn. Member would be Colin Thompson. Administrative and  
17 Legal Chair would be Randy Hayzlett. Member would be  
18 Jennifer Gimbel. Move to adopt.

19 MR. MILLER: I would note that the federal rep.  
20 is also a member of all the Committees as an ex-officio.

21 MR. JENNISON: I think I'm there legally, aren't  
22 I? Can you exclude me by motion?

23 MR. MILLER: While you don't often get to attend  
24 some of the out-of-season meetings, you are a member and  
25 have participated and hopefully will do so.

1 MR. BARFIELD: Mr. Chairman, you are a member  
2 pursuant to the ARCA bylaws.

3 MR. JENNISON: That's what I thought. You can't  
4 get rid of me so you don't need to mention me today.  
5 Okay, motion to adopt. Seconded?

6 MR. SEAHOLM: Second.

7 MR. JENNISON: Seconded. All those in favor,  
8 aye?

9 (Aye.)

10 MR. JENNISON: Opposed, no? Motion carries.  
11 Audit Report.

12 MR. HAYZLETT: Mr. Chairman, we have reviewed the  
13 Audit Report and move that we accept the Audit Report by  
14 Mr. Anderson.

15 MR. JENNISON: Seconded?

16 MR. SEAHOLM: Second.

17 MR. JENNISON: All those in favor, aye?

18 (Aye.)

19 MR. JENNISON: Opposed, no? Motion carries.

20 MR. MILLER: I have a copy to tender so I would  
21 make that Exhibit F.

22 MR. JENNISON: Okay. Randy, are you going to  
23 move the budget?

24 MR. HAYZLETT: We reviewed the budget, yes, and  
25 for the current year and for the coming year and for the

1 proposed 2009-2010 budget we would recommend adoption of  
2 the budgets as they were presented at the committee  
3 meeting.

4 MR. JENNISON: Motion to adopt. Second?

5 MR. SEAHOLM: Second.

6 MR. JENNISON: All those in favor, aye?

7 (Aye.)

8 MR. JENNISON: Opposed, no? Motion carries.  
9 Minutes from the previous meetings.

10 MR. HAYZLETT: The Committee reviewed the process  
11 of the minutes and the transcripts as reported earlier.  
12 The process for reviewing, working on the minutes from  
13 previous meetings, we've identified and we recommend that  
14 that process continue.

15 MR. JENNISON: Motion to adopt?

16 MR. SEAHOLM: Move.

17 MR. MILLER: Well, there's no new minutes. We  
18 didn't offer any additional minutes.

19 MR. JENNISON: They weren't giving you any more  
20 instructions to get something done so we don't need that.

21 MR. MILLER: I've got enough instructions.

22 MR. JENNISON: So we need no motion there.

23 Annual Reports?

24 MR. HAYZLETT: We also reviewed the process of  
25 the annual reports where they were at. Mr. Miller

1 indicated the work that he would be doing on those and  
2 submit those to Kansas for their review.

3 MR. MILLER: Nothing to approve but instructions  
4 received.

5 MR. JENNISON: Okay. Steve.

6 MR. MILLER: I guess as we did the minutes, we  
7 left off two things that probably do need some official  
8 action. That would be approval and authorization for  
9 Stephanie to sign the USGS contracts from the Colorado  
10 District and the Kansas District. We have those contracts.  
11 We reviewed the dollar amounts with the Committee last  
12 night and I think they're going to recommend that you  
13 approve that. A motion to that effect would be at least  
14 helpful if not necessary.

15 MR. JENNISON: The motion is to approve the  
16 contracts.

17 MR. MILLER: For calendar year 2008 from the USGS  
18 Colorado District. I don't have the dollar amount in front  
19 of me. It's approximately \$40,000. And from the USGS  
20 Kansas District in the amount of I believe \$7,700. But the  
21 printed original contracts have been reviewed. I'm just  
22 not sure on the numbers.

23 MR. JENNISON: Randy, would you make that motion?

24 MR. HAYZLETT: I'll make that motion.

1 MR. JENNISON: Motion to allow Stephanie to sign  
2 those contracts. It's been moved.

3 MR. SEAHOLM: We'd second.

4 MR. JENNISON: Seconded. All in favor, aye?

5 (Aye.)

6 MR. JENNISON: Opposed, no? Motion carries.  
7 Steve.

8 MR. MILLER: There was another contract we  
9 reviewed with the Committee last night and that was with  
10 the State of Colorado for the satellite network that we  
11 maintain and ARCA helps pay for. And that was a three-year  
12 contract in the amount of \$11,200 per year. Actually, the  
13 period would commence July of '07 and run for the next  
14 three years. We've reviewed the basis for those charges  
15 and I think we could authorize Stephanie to sign that one  
16 as well.

17 MR. JENNISON: Randy?

18 MR. HAYZLETT: So move.

19 MR. SEAHOLM: Second.

20 MR. JENNISON: It's been moved and seconded. All  
21 those in favor, aye?

22 (Aye.)

23 MR. JENNISON: Opposed, no? Motion carries.

24 Anything else from the Administrative and Legal?

1 MR. HAYZLETT: I think that concludes the  
2 business unless Randy has anything else.

3 MR. MILLER: You know, we have at least one more  
4 resolution to introduce and I don't know how it slipped by  
5 us but the reauthorization of the Special Engineering  
6 Committee.

7 MR. JENNISON: No, that was included in the  
8 adoption of the Engineering Committee's report.

9 MR. MILLER: Did we pass that resolution?

10 MR. JENNISON: For the Special Engineering, yes,  
11 that's my understanding.

12 MR. BARFIELD: Mr. Chairman, I think the  
13 Committee's recommended it but I don't think we've actually  
14 done it.

15 MR. JENNISON: We've adopted their deal. If  
16 you've got a resolution, bring that up and we'll do it  
17 specifically.

18 MR. MILLER: We didn't formally adopt E and F.  
19 We have resolutions for, I guess, the '04 and '05 which  
20 would be E and F and '06 would be the extension. And we  
21 almost got out of here without doing that, I think.

22 MR. JENNISON: We're not out yet.

23 MR. MILLER: We were real close. I don't know if  
24 it's the right place on the agenda, but it's the last  
25 place.

1                   MR. JENNISON: What committee did that come  
2 through?

3                   MR. BARFIELD: Well, in terms of the Special  
4 Engineering Committee, each of the committees recommended  
5 that it be extended. And there is a kind of formal  
6 resolution that does that that I guess I could tender.

7                   MR. JENNISON: That would be in order.

8                   MR. BARFIELD: Do you want me to read?

9                   MR. JENNISON: That would be fine.

10                  MR. BARFIELD: Okay.

11                  "Whereas pursuant to Bylaw Article 5.5, the  
12 Arkansas River Compact Administration by resolution created  
13 a Special Engineering Committee at its December 2005 Annual  
14 Meeting to resolve certain accounting and interpretation  
15 issues arising from the Resolution Concerning an Operating  
16 Plan for John Martin Reservoir, ("1980 Operating Plan");

17                  "Whereas the special provisions of the 2005 Resolution  
18 creating a Committee specifies that the Special Engineering  
19 Committee shall be authorized for a period expiring on  
20 December 31, 2006. ARCA may extend this period by  
21 resolution adopted at any regular or special ARCA meeting  
22 prior to such a date;

23                  "And whereas on December 12, 2006 at the Annual  
24 Meeting of the Administration, it moved to adopt the

1 Resolution 2006-07 extending the term of the Special  
2 Engineering Committee until December 31 of 2007;

3 "And whereas at the 2007 Annual Meeting the  
4 Special Engineering Committee has again reported to the  
5 Administration on its successful resolutions of several  
6 additional disputed issues and the potential for future  
7 agreement;

8 "And now, therefore, it is resolved that the  
9 Arkansas River Compact Administration does hereby extend  
10 the term of the Special Engineering Committee for a full  
11 year to expire on December 31, 2008. All other provisions  
12 of the 2005 Resolution shall remain unchanged and govern  
13 the access of the Special Engineering Committee during this  
14 second extension through 2008."

15 So I move adoption of this resolution.

16 MR. JENNISON: Second?

17 MR. SEAHOLM: Second.

18 MR. JENNISON: It's been moved and seconded. All  
19 those in favor, aye?

20 (Aye.)

21 MR. JENNISON: Opposed, no? Motion carries.  
22 Was there another resolution?

23 MR. BARFIELD: We have them on Recommendations E  
24 and F. Would you like me to tender those?

25 MR. JENNISON: Go ahead.

1                   MR. BARFIELD: Okay. This is a resolution on  
2 acceptance of Special Engineering Committee Recommendation  
3 E.

4                   "Be it resolved that the Arkansas River Compact  
5 Administration hereby approves the attached Recommendation  
6 E of the Special Engineering Committee entitled  
7 Clarification of Procedures for Making Up Deficits of  
8 Deliveries of Kansas Account Releases" in concurrent  
9 releases from Kansas releases from the Kansas Transit Loss  
10 Account and the Kansas Account, dated April 11, 2007;

11                   >Note that the heading on the recommendation of E  
12 incorrectly indicates that it's from the Special Operations  
13 Committee, however, the text and approval block are clear  
14 that the recommendations are from the Special Engineering  
15 Committee;

16                   "Be it further resolved that the Administration  
17 directs that this recommendation be implemented for all  
18 subsequent operations and that this recommendation shall be  
19 incorporated into any future amendment of the "Resolution  
20 Concerning an Operation Plan for John Martin Reservoir,  
21 adopted April 24, 1980, as amended."

22                   I would move adoption of this resolution.

23                   MR. JENNISON: It's been moved.

24                   MR. SEAHOLM: Colorado seconds.

25                   MR. JENNISON: Seconded. All those in favor,

1 aye?

2 (Aye.)

3 MR. JENNISON: Opposed, no? Motion carries.

4 MR. BARFIELD: Recommendation F.

5 MR. HAYZLETT: Mr. Chairman, just be careful to  
6 actually attach the recommendation to the copy of the  
7 resolution for the record.

8 MR. BARFIELD: Yes, the resolution states that  
9 will be done.

10 Acceptance of the Special Engineering Committee  
11 Recommendation F.

12 "Be it resolved that the Arkansas River Compact  
13 Administration hereby approves the attached Recommendation  
14 F of the Special Engineering Committee entitled  
15 "Clarification Regarding Evaporation Charges When Water is  
16 in Flood Control Space in John Martin Reservoir," dated  
17 April 11, 2007;

18 "Note that the heading on the attached Recommendation  
19 F incorrectly indicates it is from the Special Operations  
20 Committee, however, the text and the approval block are  
21 clear that the recommendation is from the Special  
22 Engineering Committee;

23 "Be it further resolved that the Administration  
24 directs that this recommendation be implemented for all

1 subsequent operations and that this recommendation shall be  
2 incorporated in any future amendment of the "Resolution  
3 Concerning an Operation Plan for John Martin Reservoir,  
4 adopted April 28, 1980, as amended".

5 Again I would move adoption of this resolution.

6 MR. SEAHOLM: Colorado would second.

7 MR. JENNISON: It's been moved and seconded. All  
8 those in favor, aye?

9 (Aye.)

10 MR. JENNISON: Opposed, no? Motion carries. Now  
11 we come to that order of business, 13-E, actions on other  
12 recommendations and I think we just did those.

13 MR. HAYZLETT: Mr. Chairman, I have another one.

14 MR. JENNISON: Are there others?

15 MR. HAYZLETT: Yes. The Committee recommends  
16 that the Administrative and Legal Committee look at  
17 revisions of the 1980 Operating Plan to include the four  
18 Special Engineering Committee recommendations and the  
19 resolutions that we've just adopted, A, B, C and D. Or  
20 that have been previously adopted A, B, C and D. And also  
21 the ones that we have just adopted, E and F. And the  
22 Committee recommends that we look at provisions 1980  
23 Operating Plan in the coming Compact Year to address that  
24 and for action by ARCA next year and for the adoption of  
25 the amendment of the 1980 Operating Plan.

1                   MR. SEAHOLM: And I think there was in addition  
2 to that if other things come up during the course of the  
3 year that ARCA agrees to adopt, that would be incorporated  
4 as well. But that would have to be approved by ARCA.

5                   MR. HAYZLETT: If adopted by ARCA. So move. I  
6 move that we take that action.

7                   MR. SEAHOLM: Second.

8                   MR. JENNISON: Somebody understands that surely  
9 when they write it up. It's been moved and seconded. All  
10 those in favor, aye?

11                   (Aye.)

12                   MR. JENNISON: Opposed, no? Motion carries.  
13 Any other actions that we need to take care of? Steve?

14                   MR. MILLER: Public comment, if you want.

15                   MR. JENNISON: Well, I meant as far as taking  
16 formal action. Before we set any meetings if we need to,  
17 we probably should have done this at the first when  
18 everybody was here, we have finished in a fairly timely  
19 manner, is there anybody that would like to give any public  
20 comment to the Compact? Seeing none, future meetings.  
21 Have we done all the action that we deem as far as the  
22 meetings of the committees? I think you've all got a time  
23 frame that you're tentatively set for. No special meetings  
24 of the Administration? The 2008 Annual Meeting, anything  
25 there?

1 MR. BRENN: Mr. Chairman.

2 MR. JENNISON: David.

3 MR. BRENN: As a matter of tradition, I would  
4 like to suggest for ARCA's consideration to come to Kansas  
5 for the next year's annual meeting.

6 MR. THOMPSON: In the true tradition of District  
7 67, I think it should stay here.

8 MR. BRENN: How about Coolidge?

9 MR. JENNISON: Is Steve still here? You surely  
10 got a shed we can clean out and have the meeting in.

11 MR. HINES: We've got a community building.

12 MR. JENNISON: There you go. Well, in the true  
13 tradition of ARCA, we're at an impasse. I believe the  
14 bylaws say it's going to be here unless there's some other  
15 agreement. Is there anything else that needs to come  
16 before the Administration today?

17 MR. BARFIELD: Did we fix a date for next year's  
18 meeting?

19 MR. MILLER: The bylaws require that it be the  
20 second Tuesday of December. I haven't looked at the 2008  
21 calendar to see what the date of that second Tuesday is,  
22 but that's pretty much automatic. We need to let people  
23 know up and down the valley if there's any change.

24 MR. JENNISON: The second Tuesday would be the  
25 9th it looks like.

1                   MR. MILLER: Unfortunately, I don't know how that  
2 came to be the date but it coincides with a lot of ditch  
3 company meetings. I know there were three ditch company  
4 meetings yesterday. It's a busy time for water users. But  
5 we picked our date 55 years ago. I guess the Fort Lyon  
6 picked theirs a hundred years ago.

7                   MR. JENNISON: This is the last call for other  
8 things to come before the Compact. If not, I would  
9 entertain a motion to adjourn.

10                  MR. BARFIELD: So moved.

11                  MR. JENNISON: It's been moved.

12                  MR. SEAHOLM: Second.

13                  MR. JENNISON: Seconded. All those in favor,  
14 aye?

15                  (Aye.)

16                  MR. JENNISON: Motion carries. We're adjourned.

17                  (The meeting adjourned at approximately 10:45 a.m.)

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**REPORTER'S CERTIFICATE**

I, Karen Voepel, Court Reporter and Notary Public for the State of Colorado, do hereby certify that I reported the foregoing proceedings in stenographic shorthand at the time and place aforementioned; that, therefore, I reduced said notes to computer-aided transcription form, and that the foregoing transcript is an accurate transcription of said shorthand notes and the proceedings held, to the best of my knowledge and belief.

Dated at Lamar, Colorado, this 16th day of April, 2009.

Karen Voepel, CSR; Voepel Reporting Services, Inc.

**Note re editing by the States**

Due to the retirement of Ms. Voepel and her unavailability to make editorial corrections to the original transcript she prepared as noted above, this final approved transcript was prepared by Kevin Salter for Kansas and Steve Miller for Colorado, using the original transcript file provided by Ms. Voepel, and presented to ARCA for approval at the 2009 Annual Meeting.

*Kevin Salter* 7 Dec 2009

Kevin Salter, Kansas Div. of Water Resources

*Steve Miller*

12-7-09

Steve Miller, Colorado Water Conservation Board

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**EXHIBIT LIST**

- Exhibits accepted by ARCA follow in the order introduced
- A Attendance list, Page 3
- B Kansas letter re credentials of David Barfield, Page 4
- C Colorado letter re credentials of Randy Seaholm, Page 4
- D Notice and Agenda, Page 8
- E USGS Report, Page 22
- F US Army Corps of Engineers Report, Page 32
- G Financial Statement (Audit) Report, Page 62
- H FY2009-10 Budget, page 63

**ADOPTED RESOLUTIONS**

- Resolutions adopted by ARCA follow in the order adopted
- 2007-01 Honoring Rod Kuharich, Page 9
- 2007-02 Honoring Hal Simpson, Page 10
- 2007-03 Honoring David Pope, Page 12
- 2007-04 2nd Extension Spec. Eng. Comm., Page 67
- 2007-05 Adopt Spec. Eng. Comm. Recommendation E, page 69
- 2007-06 Adopt Spec. Eng. Comm. Recommendation F, page 70

1 Note re status of attached exhibits

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3 Exhibits accepted by ARCA follow in the order introduced

4 A Attendance list, Page 3

5 [missing as of Dec. 7, 2009]

6 B Kansas letter re credentials of David Barfield,

7 [missing as of Dec. 7, 2009]

8 C Colorado letter re credentials of Randy Seaholm, Page 4

9 D Notice and Agenda, Page 8

10 E USGS Report,

11 [missing as of Dec. 7, 2009]

12 F US Army Corps of Engineers Report, Page 32

13 G Financial Statement (Audit) Report, Page 62

14 H FY2009-10 Budget, page 63

15

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18 2007-01 Honoring Rod Kuharich, Page 9

19 2007-02 Honoring Hal Simpson, Page 10

20 2007-03 Honoring David Pope, Page 12 (missing 12/7/09)

21 2007-04 2nd Extension Spec. Eng. Comm., Page 67

22 2007-05 Adopt Spec. Eng. Comm. Recommendation E, page 69

23 2007-06 Adopt Spec. Eng. Comm. Recommendation F, page 70

24

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2 **EXHIBIT LIST**

3 Exhibits accepted by ARCA follow in the order introduced

4 A Attendance list, Page 3

5 [missing as of March 11, 2014]

6 B Kansas letter re credentials of David Barfield

7 [missing as of March 11, 2014]

8 C Colorado letter re credentials of Randy Seaholm, Page 4

9 D Notice and Agenda, Page 8

10 E USGS Report

11 F US Army Corps of Engineers Report, Page 32

12 G Financial Statement (Audit) Report, Page 62

13 H FY2009-10 Budget, page 63

14

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18 [not signed as of March 11, 2014]

19 2007-02 Honoring Hal Simpson, Page 10

20 [not signed as of March 11, 2014]

21 2007-03 Honoring David Pope, Page 12

22 2007-04 2nd Extension Spec. Eng. Comm., Page 67

23 [not signed as of March 11, 2014]

24 2007-05 Adopt Spec. Eng. Comm. Recommendation E, page 69

25 [not signed as of March 11, 2014]

26 2007-06 Adopt Spec. Eng. Comm. Recommendation F, page 70

27 [not signed as of March 11, 2014]

# **Exhibit A**

**Annual Meeting**

**December 11, 2007**

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# **Exhibit B**

**Annual Meeting**

**December 11, 2007**

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# **Exhibit C**

**Annual Meeting**

**December 11, 2007**

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# STATE OF COLORADO

## OFFICE OF THE EXECUTIVE DIRECTOR

Department of Natural Resources  
1313 Sherman Street, Room 718  
Denver, Colorado 80203  
Phone: (303) 866-3311  
TDD: (303) 866-3543  
Fax: (303) 866-2115



DEPARTMENT OF  
NATURAL  
RESOURCES

Bill Ritter, Jr.  
Governor

Harris D. Sherman  
Executive Director

December 6, 2007

Robin Jennison, Federal Representative and Chairman Arkansas River Compact  
Administration  
236 North Rural Eagle Road  
Healy, KS 67850

Dear Mr. Jennison,

Since the June 2007 retirement of Rod Kuharich as Director of the Colorado Water Conservation Board (CWCB), I have designated Dan McAuliffe to serve as Acting Director of the CWCB, with the full authority and responsibilities of that position as previously performed by Mr. Kuharich. As you know, one of Mr. Kuharich's responsibilities, by virtue of his position as Director and pursuant to the Arkansas River Compact, was to represent the State of Colorado on the Arkansas River Compact Administration (ARCA). Therefore as a result of my appointment of Mr. McAuliffe as Acting Director, he is entitled to represent Colorado at ARCA until January 1, 2008 when Jennifer Gimbel will assume her position as the new Director of the Colorado Water Conservation Board. Due to other commitments Mr. McAuliffe will not be able to attend the 2007 ARCA Annual Meeting on December 10-11, 2007, and in consultation with him I am designating Randy Seaholm, from Dan's staff at the CWCB, to represent the State of Colorado at the 2007 meeting.

Sincerely,

Harris Sherman  
Executive Director  
Colorado Department of Natural Resources  
1313 Sherman Street, Rm. 718  
Denver, CO 80203

cc: Ms. Stephanie Gonzales, Recording Secretary and Treasurer Arkansas River  
Compact Administration PO Box 1106, Lamar, CO 81052

*Exhibit C*

# **Exhibit D**

**Annual Meeting**

**December 11, 2007**

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# **ARKANSAS RIVER COMPACT ADMINISTRATION**

**Lamar, Colorado 81052**

For Colorado  
Dan McAuliffe (Acting), Denver  
Colin Thompson, Holly  
Matt Heimerich, Olney Springs

Chairman and Federal Representative  
Robin Jennison, Healy, Kansas

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

## **NOTICE & AGENDA 2007 ANNUAL MEETING ARKANSAS RIVER COMPACT ADMINISTRATION**

**TUESDAY, DECEMBER 11, 2007,  
8:30 A.M. (MST)**

**LAMAR COMMUNITY BUILDING  
610 SOUTH SIXTH STREET  
LAMAR, COLORADO**

The 2007 Annual Meeting of the Arkansas River Compact Administration ("ARCA") will be held in Lamar, Colorado, on **Tuesday, December 11, 2007**, commencing at **8:30 A.M. (MST)**. The Lamar Community Building is located at 610 South Sixth Street, in Lamar. The meeting will be recessed for lunch at about 12:00 P.M. and reconvened for the completion of business in the afternoon as necessary. Meetings of the Administration are operated in compliance with the federal Americans with Disabilities Act. If you need a special accommodation as a result of a disability please contact Stephanie Gonzales at 719-734-5367 at least three days before the meeting. The tentative agenda for the Annual Meeting, which is subject to change, is set out below.

The Engineering, Operations, and Administrative/Legal Committees of the Administration will meet on **Monday, December 10, 2007**, at the **Prowers County Annex**, 1001 South Main St, in Lamar, beginning at **2:00 P.M. (MST)** and continuing to completion at approximately 6:00 P.M. Tentative agendas for the Committee meetings are also set out below. The public is welcome to attend the Committee meetings, but time for comments may be limited.

**ENGINEERING COMMITTEE MEETING**  
**MONDAY, DEC. 10, 2007, 2:00 P.M. (MST)**  
**Prowers County Annex**  
**TENTATIVE AGENDA (subject to change)**  
**Presiding: Matt Heimerich**

- 1. Review committee agenda and procedure for minutes and/or committee report preparation**
  
- 2. Status review of items currently before Committee (a listing of items for review purposes only, no presentations or actions proposed, unless listed elsewhere on this agenda)**
  - A. Livingston transit loss study between JMR and Stateline**
  - B. Colorado request for new water source for John Martin Reservoir ("JMR") permanent pool**
  - C. City of Lamar request for account at JMR**
  
- 3. Old business**
  - A. Review Livingston transit loss study between JMR and Stateline**
  - B. Colorado request for new water source for John Martin Reservoir ("JMR") permanent pool**
  - C. City of Lamar request for account at JMR, receipt of Engineering Report**
  
- 4. New business and other matters**
  - A. USGS report on status of gaging efforts in Kansas and Colorado and consideration of resolution on streamgage support for NISP**
  - B. USGS overview of water quality studies in basin**
  - C. Presentation by Tri-State Generation re Amity Change of Water Right**
  - D. Presentation Colorado proposed irrigation efficiency rules**
  - E. Review future of Special Engineering Committee**
  
- 5. Summary of action items / Committee assignments to staff**
  
- 6. Future Meetings**
  
- 7. Adjourn**

**OPERATIONS COMMITTEE MEETING**  
**MONDAY, DEC. 10, 2007, 4:00 P.M. (MST)**  
**Prowers County Annex**  
**TENTATIVE AGENDA (subject to change)**  
**Presiding: Colin Thompson**

- 1. Review committee agenda and procedure for minutes and/or committee report preparation**
- 2. Status review of Items before Committee (a listing of Items for review purposes only, no presentations or actions, unless listed elsewhere on this agenda)**
  - A. Water Issues Matrix – accounting and operations issues tracking**
  - B. Retroactive accounting proposal**
- 3. Reports of Operations Secretary and Assistant Operations Secretary**
  - A. Operations Secretary, Steve Witte**
  - B. Assistant Operations Secretary, Kevin Salter**
  - C. Action Item: Committee recommendations concerning CY2007 Operations and Assistant Operations Secretaries' Reports**
- 4. Offset Account Operations Annual Report, Colorado Div. of Water Resources**
- 5. Old Business**
  - A. Accounting and operations issues from prior years (Water Issues Matrix)**
  - B. Retroactive accounting proposal**
- 6. New business and other matters**
  - A. Review of Special Engineering Committee Recommendation (E) on Clarification of procedures for making up deficits on deliveries of Kansas Account release and Concurrent releases from the Kansas transit loss account and the Kansas account (Matrix Issues #31 and 32)**
  - B. Review of Special Engineering Committee Recommendation (F) on Clarification regarding evaporation charges when water is in the flood control space of John Martin Reservoir (Matrix Issue #51)**
  - C. Review future of Special Engineering Committee**
- 7. Summary of action items / Committee assignments to staff**
- 8. Future Meetings: April and/or mid-Summer meeting(s)**
- 9. Adjourn**

**ADMINISTRATIVE & LEGAL COMMITTEE MEETING**  
**MONDAY, DEC. 10, 2007, 5:00 P.M. (MST)**  
**Prowers County Annex**  
**TENTATIVE AGENDA (subject to change)**  
**Presiding: Randy Hayzlett**

- 1. Review committee agenda and procedure for minutes and/or committee report preparation**
  
- 2. Status review of items before Committee (a listing of items for review purposes only, no presentations or actions proposed, unless listed elsewhere on this agenda)**
  - A. Financial matters**
    - 1. Audit Report**
    - 2. Treasurer Report**
    - 3. Budget**
  - B. ARCA Transcripts**
  - C. Annual Reports**
  - D. Nomination of ARCA Officers & Committees**
  - E. ARCA Special Engineering Committee created by Resolution 2005-01**
  - F. Review of ARCA duties with Stephanie Gonzales, organization of ARCA Office and equipment needs, Prowers County lease and records retention**
  
- 3. Review Agenda for 2007 Annual Meeting**
  
- 4. Recording Secretary Report**
  
- 5. Financial Matters**
  - A. Audit Report, review and approval of FY 2006-07 Report (7/1/06-6/30/07)**
  - B. Treasurer Report**
  - C. Budget review and adoption**
    - 1. Review of current fiscal year (FY) 2007-08 budget**
    - 2. Review of previously adopted FY 2008-09 budget**
    - 3. Colorado Satellite System contract**
    - 4. Approval of USGS Cooperative Agreements for gaging network**
    - 5. Adoption of FY 2009-10 budget and assessments**
  
- 6. Old Business**
  - A. Status of Transcripts and/or Summaries from Prior Meetings**
    - 1. Annual Meetings: 1993, 1998, 1999, 2000, 2001, 2002, May 2003, Dec. 2003, 2004, 2005 and 2006**
    - 2. Special Meeting Minutes**

- B. Annual Report Preparation**
  - 1. Status of uncompleted reports from 1994-2006**
  - 2. Process to complete backlog and for future years**

**7. New business**

- A. Nomination of Officers**
  - 1. Vice-Chairman**
  - 2. Recording Secretary and Treasurer**
  - 3. Operations Secretary**
  - 4. Assistant Operations Secretary**
- B. Recommendation on appointment of Committee chairs**
- C. Review of Resolutions to adopt Recommendations of Special Engineering Committee**
- D. Consideration of Resolution on Streamgage support for NISP**
- E. Review future of Special Engineering Committee**
- F. Resolutions honoring David Pope, Rod Kuharich, Hal Simpson, Felix Sparks**
- G. Recognize Bev Lohery, retired Court Reporter**

**8. Summary of action items / Committee assignments to staff**

**9. Future Meetings**

**10. Adjourn**

**ARKANSAS RIVER COMPACT ADMINISTRATION  
2007 ANNUAL MEETING  
TUESDAY, DEC. 11, 2007, 8:30 A.M. (MST)  
LAMAR COMMUNITY BUILDING  
TENTATIVE AGENDA (subject to change)**

- 1. Call to Order: Chairman and Federal Representative, Robin Jennison**
  - A. Review of representatives credentials
  - B. Instructions for reporter
- 2. Introductions of Representatives and Visitors**
- 3. Review and Revision of Agenda**
- 4. Reports of Officers for Compact Year 2007**
  - A. Chairman: Robin Jennison
  - B. Vice-chairman: vacant
  - C. Recording Secretary and Treasurer: Stephanie Gonzales [defer to item 11]
- 5. Kansas v. Colorado Status Update**
  - A. Status of litigation
  - B. Colorado compliance efforts
- 6. Reports of Federal Agencies**
  - A. U.S. Geological Survey
  - B. U.S. Army Corps of Engineers
  - C. U.S. Bureau of Reclamation
- 7. Reports from Colorado Water Conservancy Districts**
  - A. Southeastern Water Conservancy District [not available]
  - B. Lower Arkansas Valley Water Conservancy District [invited]
  - C. Purgatoire River Water Conservancy District
- 8. Report of Engineering Committee (from Dec. 2007 Committee Meeting)**
  - A. Committee report and recommendations from Dec. 2007 Committee Meeting
    1. Tri-State Generation change of water rights
    2. John Martin Reservoir permanent pool new water source
    3. Colorado Efficiency rules
    4. City of Lamar request for account at John Martin Reservoir
  - B. Continuation of Special Engineering Comm. for 2008
- 9. Report of Operations Committee**
  - A. Committee report and recommendations from Dec. 2007 Committee Meeting
  - B. Reports of Operations Secretary and Assistant Operations Secretary for CY2007
  - C. Continuation of Special Engineering Comm. for 2008

- 10. Report of Special Engineering Committee (created by Resolution 2005-01)**
  - A. Review resolution on Special Engineering Committee Recommendation (E)
  - B. Review resolution Special Engineering Committee Recommendation (F)
  - C. Continuation of Special Engineering Comm. for 2008
  
- 11. Report of Administrative and Legal Committee**
  - A. Committee report and recommendations from Dec. 2007 Committee Meeting
  - B. Recording Secretary and Treasurer Report: Stephanie Gonzales
  - C. Continuation of Special Engineering Comm. for 2008
  
- 12. Old Business**
  
- 13. New Business**
  - A. Assignments to and action on recommendations from Engineering Committee
  - B. Assignments to and action on recommendations from Operations Committee
  - C. Assignments to and action on recommendations from Special Engineering Committee
  - D. Assignments to and action on recommendations from Administrative and Legal Committee
    - 1. Election of Officers
    - 2. Appointment of Committee chairs
    - 3. Approval of Audit Report
    - 4. Budget review and adoption
    - 5. Approval of minutes from previous meetings
    - 6. Annual reports
    - 7. Resolutions honoring
      - a. David Pope
      - b. Rod Kuharich
      - c. Hal Simpson
      - d. Felix Sparks
    - 8. Recognition of Bev Lohery, Court Reporter
  - E. Action on other recommendations from Administrative and Legal Committee
  
- F. Future Meetings**
  - A. Spring and/or mid-Summer meeting(s) of Operations Committee
  - B. Special Meeting(s) of the Administration
  - C. 2008 Annual Meeting
  
- G. Adjourn**

# **Exhibit E**

**Annual Meeting**

**December 11, 2007**

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**Report of U.S. Geological Survey Water-Resources Activities  
in the Arkansas River Basin of Colorado to the  
Arkansas River Compact Administration**

**December 12, 2007**

In 2007, 10 streamflow gages were operated under the USGS/ARCA cooperative program; eight in Colorado and two in Kansas. Final annual flows for WY2007 are shown in the following table

In 2007, the USGS proposes to continue operation of the 10 streamflow gages at a cost to ARCA of \$48,890 of which \$42,940 is for operation of the eight gages in Colorado; and \$7,400 is for operation of one gage in Kansas. The gage at Frontier Ditch is now totally funded by the National Streamflow Information Program (NSIP). Beaver dams at the Arkansas the Big Sandy Creek near Lamar gage continues to be a major problem affecting the accuracy of the record.

**Summary of Mainstem and Tributary Flows,  
Water Years 2006 and 2007**

Station Name	WY2007 Annual Flow, in Acre Feet	WY2006 Annual Flow, in Acre Feet	2007 as % of 2006	2007 as % of Average
Arkansas River at Las Animas	215,600	132,400	134	68
Purgatoire River near Las Animas	23,860	91,400	26	51
Arkansas River below John Martin Reservoir	154,300	178,300	87	76
Arkansas River at Lamar	36,580	63,800	57	43
Big Sandy Creek near Lamar	3,310	4,350	76	30
Baseflow	2,540	3,810	--	--
Above Baseflow	770	540	--	--
Arkansas River near Granada	40,500	76,930	53	29
Wildhorse Cr. above Holly (Oct, Nov, Apr-Sept)	5,790	--	--	--
(April - Sept, 2006)	2,400	2,100	114	41
Arkansas River near Coolidge	53,340	90,060	59	34
Frontier Ditch near Coolidge	8,080	6,310	128	--

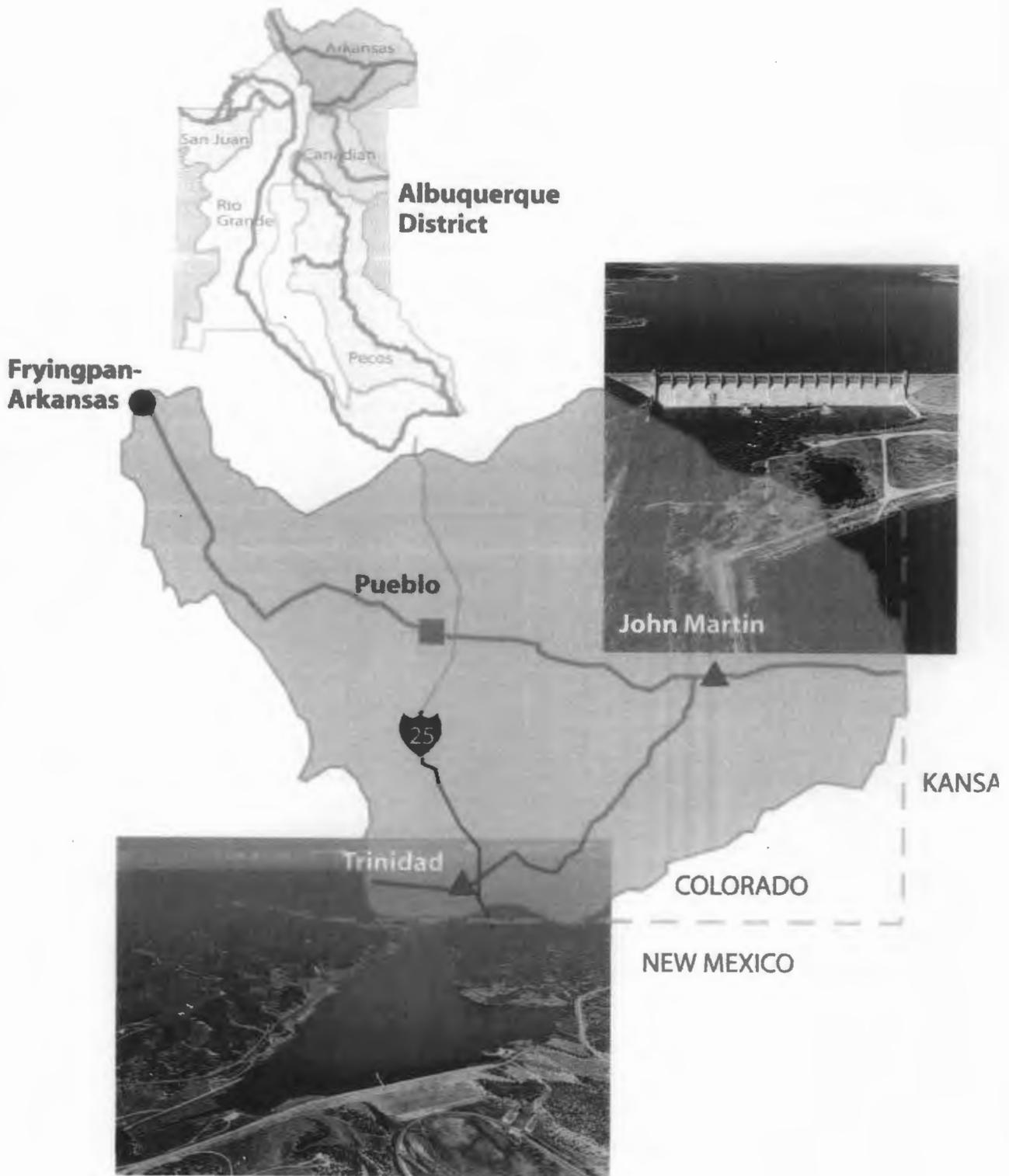
# **Exhibit F**

**Annual Meeting**

**December 11, 2007**

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# Arkansas River Basin



US Army Corps  
of Engineers.  
Albuquerque District

## Report of Civil Works Activities for 2007

1. **General** During 2007, activities of the U.S. Army Corps of Engineers, Albuquerque District (Corps) in the Arkansas River Basin consisted of reservoir regulation, flood-control related studies, flood plain management services, regulation under Section 404 of the Clean Water Act, and emergency assistance.

2. **Flood Control Operations** The Arkansas River Basin snowmelt runoff was slightly below normal throughout the upper basin, and slightly above normal in the southern sub-basins.

The upper Arkansas basin in terms of snow pack, was 88% of average, while the southern sub-basins were at 103% of average.

There were no Corps flood-control operations at Trinidad, John Martin, or Pueblo Reservoirs.



Trinidad Lake, 2005. USACE photograph.

### John Martin Reservoir

**Sediment Deposits** - An accumulation of sediment deposits on the upstream face of the dam in front of the sluicing conduits are hindering scheduled routine maintenance and inspection of the emergency sluicing gates. In order to alleviate this problem, the Corps will be conducting a small scale hydraulic dredging operation to remove the sediment deposits. The operation is scheduled to take place during the winter months of FY08.

**Stilling Basin Inspection** - The Corps is currently conducting a small scale core sampling operation on sediment deposits within the stilling basin below the reservoir. The sediment will be removed once the stilling basin has been drained in order to conduct a proper inspection of the entire concrete apron and stilling basin works. The sediment removal and inspection is scheduled to take place during the winter months of FY09.

### Trinidad Lake

**Secondary Gaging Station** - In the spring of 2005, the Corps and the United States Geological Survey (USGS) completed the installation of a secondary gaging station located downstream from the existing outlet works. The need for a secondary gaging station became evident during flood operations in August of 2004, when heavy rains produced flows in excess of 4,500 cfs on the Purgatoire River above the reservoir, and releases in the range of 1,000 cfs were required. During attempts to execute these releases, it became apparent that the outlet works gaging station becomes unreliable for flow measurements of this magnitude.

The secondary gaging station will be used for all stage readings when future releases exceed 800 cfs below the reservoir. The USGS frequently monitors both gages and continues to gather measurements in order to establish and update a rating table for the second location.

Trinidad Downstream Capacity Study - The Corps, along with the United States Bureau of Reclamation (USBR) and other state and local agencies are pursuing efforts to combine resources to conduct a study to definitively determine the existing hydraulic capacity of the Purgatoire River below Trinidad.

Pending funding, all mapping and data required for the study be collected in FY08, with the completion of the study in FY09.

### Pueblo

Fountain Creek Flooding - In the early hours of Monday, May 7, 2007 heavy rains fell on the upper Fountain Creek drainage basin and produced peak flows in excess of 3,000 cfs down Fountain Creek. These flows breached an abandoned WPA levee embankment in the northern part of the City of Pueblo, east of I-25 and just north of Colorado State Road 47. Although there were no reported injuries, several homes and businesses were inundated with several feet of flood water and had to be evacuated. Local officials cut the lower end of the levee to allow flows to return back into Fountain Creek and alleviate ponding and additional flooding. Van Truan of the Corps' Regulatory Office, coordinated with local emergency leaders to try and determine the origin of the levee, and conducted the issuance of an emergency permit to re-establish the levee where the breach occurred.

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

There are no new or ongoing studies in the Arkansas Basin under the Planning Assistance to States Program.

**4. Continuing Authorities Program** There are three active Continuing Authorities Program projects in the Arkansas River basin.

**a. Section 205** Under Section 205 of the 1948 Flood Control Act, as amended, the Corps is authorized to plan and construct small flood damage reduction projects that were not authorized by Congress.

A Section 205 feasibility study at Florence along the Oak Creek, a tributary to the Arkansas River, is in the feasibility stage. The project was being designed to fulfill both flood control and water supply objectives. However, the dam costs have increased substantially. The sponsor is currently evaluating whether to continue with the study and change the scope from a dam to channel work, to bring construction costs back within the original cost.



Arkansas River, 2001. Photograph  
Van Truan, USACE.

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

There is currently one active Section 206 project in the Arkansas River Basin, the Arkansas River Fisheries Habitat Restoration project. The Project Cooperation Agreement was signed with the City of Pueblo in April of 2002. The project will improve fish and riparian habitat along ten miles of the Arkansas River downstream of Pueblo Dam. Stream habitat and channel enhancement structures, and some riparian/bank plantings were completed in FY06. Exotic vegetation removal and replantings are scheduled through FY08.

There is one potential Section 206 feasibility study being developed to determine Federal interest in removing exotic vegetation and replanting with native vegetation at John Martin Reservoir. The sponsors are Colorado State Parks and Colorado Division of Wildlife. The project is currently unfunded.

**c. Section 14** Under Section 14 of the 1946 Flood Control Act, as amended, the Corps provides emergency streambank protection works to prevent damage to public facilities.

Currently, there are no active Section 14 projects in the Arkansas River Basin.

**d. Section 1135** The 1986 Water Resources Development Act authorized the review of completed water resources projects to implement modifications that improve the quality of the environment, when environmental degradation resulted from the Corps project.

Currently, there are no active Section 1135 projects in the Arkansas River basin.

**5. General Investigations** The Corps' General Investigations program provides for large comprehensive solutions to complex problems that can explore solutions on a watershed scale.

A study is currently underway at Fountain Creek, which began in 2002 and will be ongoing through FY08. The study will identify a suite of projects to address issues on the Fountain in the areas of flood damage reduction, ecosystem restoration, and channel stability. As a watershed study, this General Investigation will not directly construct specific projects, but will identify implementation strategies/project delivery mechanisms for each. Baseline conditions have been completed for the environment, hydrology, and hydraulics of the watershed. The Corps and sponsors are completing general recommendations on management practices and have prioritized 46 potential projects, delineating 13 for more detailed study. The study will be completed in FY08 if federal funding of \$149,000 is obtained.

**6. Flood Plain Management Services** The Corps Flood Plain Management Services (FPMS) Program authority stems from Section 206 of the Flood Control Act of 1960 (PL 86-645), as amended. The objective of the Flood Plain Management Services Program is to support comprehensive flood plain management with technical services and planning guidance at all appropriate governmental and community levels. These services are provided to State, regional, and local governments and Indian tribes at no cost. Section 321 of the Water Resources Development Act of 1990 requires recovering the cost of services provided to federal agencies and to private entities. A fee schedule has been established.

Section 202 of the Water Resources Development Act of 1999 (PL 106-53) authorizes the Secretary of the Army to collect funds contributed voluntarily from State, regional, and local governments, Indian tribes, and other Non-federal public agencies for the purpose of recovering the cost of providing services pursuant to Section 206.

Services available include assistance relating to the interpretation and evaluation of basic flood-hazard data, guidance in preparation of floodplain regulations, advice on the use of data regarding possible alternative developments in flood-prone areas, guidance on structural and nonstructural measures that might be employed to reduce flood hazard, and in some cases, development of basic flood-hazard data.

Governmental agencies or persons having a need for these services should contact the U.S. Army Corps of Engineers, Hydrology and Hydraulics Section, 4101 Jefferson Plaza NE, Albuquerque, New Mexico 87109-3435, telephone 505-342-3333, or consult the FPMS web page at:  
<http://www.spa.usace.army.mil/fpms>.

Under authority of an *Interagency Agreement* with the Federal Emergency Management Agency Region VIII, the Corps initiated in 2004 a Flood Insurance Study for a portion of Black Squirrel Creek and 5 tributaries in El Paso County, Colorado. The digital topographic mapping for the study area, developed by the El Paso County Department of Transportation and funded by the Corps, was completed in 2005. The study was submitted to the Federal Emergency Management Agency (FEMA) for review and publication in July 2007.

In addition to this study, the Corps received approximately ten requests for technical services at specific sites within the Arkansas River Basin, including a request for a Levee Certification Study for the Templeton Gap Floodway Project in Colorado Springs. Also, preliminary discussions have been held with the sponsor regarding a Levee Certification Study for the Pueblo Levee and Floodwall, Fountain Creek, in Pueblo, Colorado.

**7. 404 Permits** Section 404 of the Clean Water Act prohibits discharges of dredged or fill materials into waters of the United States, including wetlands, without a permit from the Corps.

In 2007, 13 individual permits were issued in the Arkansas River Basin. An additional 99 activities in the Basin were reviewed during the period and most were covered under nationwide permits.

*Rapanos v. United States* Supreme Court Decision: Implementation of the Rapanos decision and guidance requires the Corps and Environmental Protection Agency (EPA) to conduct a more thorough and robust analysis when determining jurisdiction (whether a water body is a jurisdictional "*Water of the United States*") under the Clean Water Act.

The agencies are concurrently providing a public comment period to solicit input on early experience with implementing the guidance. Public comments are due by January 21, 2008. The agencies will re-issue, revise, or suspend the guidance after carefully considering the public comments received and field experience with implementing the guidance.

The Corps' Albuquerque District, which is the lead District for Regulatory issues in Colorado, along with Sacramento and Omaha Districts, conducted implementation workshops with EPA in Colorado as well as a Regulatory roundtable which included state and federal representation.

To increase agency accountability, the Army-EPA Rapanos guidance calls for more transparency and public accessibility. All relevant materials associated with the guidance will be published on the internet for public access. Information on the Army-EPA Rapanos guidance may be found at:  
<http://www.usace.army.mil/cw/cecwo/reg/> or <http://www.epa.gov/owow/wetlands/>.

Persons or agencies who are planning to conduct fill or excavation activities in any waterway are advised to contact the Southern Colorado Project Office, 720 North Main, Suite 205, Pueblo, Colorado 81003, (719) 543-9459. Information, including all public notices, is also available on our web home page at: <http://www.spa.usace.army.mil/reg/>.



USACE Emergency Management employee. Waveland, MS USACE photograph.

#### **8. Emergency Management Coordination**

Public Law 84-99 gives the Corps of Engineers the authority to assist state and local governments before, during and after flood events. The Corps' Emergency Management Branch works with Local governments to inspect numerous flood control projects throughout the Arkansas River Basin to ensure that these facilities are in proper operational condition for the next flood season.

During years with high snow pack, the Corps works with the Colorado Water Conservation Board to prepare for flood fight activities that may be required.

Under the Rehabilitation and Inspection Program, the Corps is preparing a Project Information Report (PIR), to determine if the Corps can rehabilitate the damage caused by a flash flood to the Pueblo Fountain Creek Floodway Project. The PIR is currently under Independent Technical Review (ITR). The report should be signed by the Corps' District Engineer and submitted to higher Headquarters no later than December 30, 2007. Contract award is expected in early May of 2008, with construction to be completed by December of 2008.

**9. Flood Risk Management Program (FRMP)** The Corps established the National Flood Risk Management Program in May of 2006; for the purpose of integrating and synchronizing USACE flood Risk Management programs and activities, both internally and with counterpart activities of the Department of Homeland Security, FEMA, other Federal agencies, state organizations and regional and local partners and stake holders.

The Corps is currently conducting an inventory and assessment of 13,000 miles of levees nationwide that are part of a Corps project or are inspected as part of a Corps program. Levee certification is required before levees can be accredited by FEMA as providing base flood protection. Once a levee is accredited by FEMA, it can be incorporated into the Flood Insurance Rate Maps. Although the Corps is the primary federal agency that certifies levees, certification can also be done by other federal agencies that possess the necessary technical disciplines.

Additionally, certification can be done by licensed professional engineers working in the private sector.

Inspection of Completed Works (ICW) and recently mandated, Levee Safety Program is currently working on the following:

A revised Maintenance Deficiency Correction Plan (MDCP) has been submitted by the City of Granada, Colorado. The MDCP has been approved and corrective actions are scheduled to commence upon sponsor's receipt of funding and be completed in June 2008.

# **Exhibit G**

**Annual Meeting**

**December 11, 2007**

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**ARKANSAS RIVER COMPACT ADMINISTRATION**

*Audited* Financial Statements

June 30, 2007

**ARKANSAS RIVER COMPACT ADMINISTRATION**

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June 30, 2007

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Statement of Revenues and Expenses with Budget Comparison	3
Changes in Cash Balance - Statement of Receipts and Disbursements	4
Notes to Financial Statements	5



Members  
NSA  
PASC

Certified Public Accountants

Gary L. Anderson, C.P.A.  
Cynthia S. Anderson, A.B.A., A.T.P.  
Howard Hampson, P.A.  
Ronald D. Anderson, P.A., Retired

INDEPENDENT AUDITOR'S REPORT

November 28, 2007

To the Representatives of  
Arkansas River Compact Administration  
Lamar, Colorado 81052

We have audited the accompanying statements of assets, liabilities and equity - cash basis - of the Arkansas River Compact Administration as of June 30, 2007, and the related statements of revenue collected and expenses paid for the year then ended. These financial statements are the responsibility of the Administration's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our examination was made in accordance with generally accepted auditing standards and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As described in Note 1a, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities - cash basis - of the Arkansas River Compact Administration as of June 30, 2007 and its revenue collected and expenses paid during the year then ended, on the basis of accounting described in Note 1a.

  
Anderson & Company, P.C.

**ARKANSAS RIVER COMPACT ADMINISTRATION**

**STATEMENT of ASSETS, LIABILITIES, and FUND BALANCE - CASH BASIS**

	<b><u>June 30</u></b> <b><u>2007</u></b>	<b><u>June 30</u></b> <b><u>2006</u></b>	<b><u>June 30</u></b> <b><u>2005</u></b>
<b><u>ASSETS</u></b>			
Cash	<u>50,266</u>	<u>91,440</u>	<u>100,639</u>
<b>    TOTAL ASSETS</b>	<b><u>50,266</u></b>	<b><u>91,440</u></b>	<b><u>100,639</u></b>
<b><u>LIABILITIES</u></b>			
None	0	0	0
<b><u>FUND BALANCE</u></b>			
Unexpended Fund Balance	<u>50,266</u>	<u>91,440</u>	<u>100,639</u>
<b>    TOTAL FUND BALANCE</b>	<b><u>50,266</u></b>	<b><u>91,440</u></b>	<b><u>100,639</u></b>

**ARKANSAS RIVER COMPACT ADMINISTRATION**

**STATEMENT OF REVENUES and EXPENSES**  
**with BUDGET COMPARISON**

For the Budget Year July 1, 2006 to June 30, 2007

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>OVER (UNDER)</u>
<b><u>REVENUES</u></b>			
Revenues from Assessments:			
Colorado 60%	48,000	48,000	0
Kansas 40%	32,000	32,000	0
Interest	517	1,000	(483)
Miscellaneous	0	0	0
<b><u>TOTAL REVENUES</u></b>	<b>80,517</b>	<b>81,000</b>	<b>(483)</b>
<b><u>EXPENDITURES</u></b>			
Professional Service Contracts:			
Treasurer	2,000	2,000	0
Recording Secretary	2,000	2,000	0
Operations Secretary	6,096	6,100	(4)
Auditor Fee	700	500	200
Court Reporter (transcripts)	2,300	2,000	300
Gaging Stations & Studies:			
U.S. Geological Survey - Colorado District	50,327	45,000	5,327
U.S. Geological Survey - Kansas District	9,850	11,000	(1,150)
State of Colorado Satellite System	10,500	10,500	0
Operating Expenses:			
Treasurer Bond	100	100	0
Printing Annual Report	0	2,000	(2,000)
Telephone	0	500	(500)
Miscellaneous Office Expense	0	100	(100)
Postage/Copying/Supplies	190	200	(10)
Meetings	0	500	(500)
Travel	0	0	0
Rent	600	600	0
Other:			
Equipment	0	0	0
Contingency	0	2,000	(2,000)
Litigation	0	0	0
Special Projects & Studies	37,028	50,000	(12,972)
<b><u>TOTAL EXPENDITURES</u></b>	<b>121,691</b>	<b>135,100</b>	<b>(13,409)</b>
<b>NET DECREASE IN FUND BALANCE</b>	<b>(41,174)</b>	<b>(54,100)</b>	<b>12,926</b>
Fund Balance at Beginning of Year	91,440		
Fund Balance at End of Year	50,266		

*See Accountant's Audit Report.*

**ARKANSAS RIVER COMPACT ADMINISTRATION**

**CHANGES IN CASH BALANCE**  
**STATEMENT OF RECEIPTS AND DISBURSEMENTS**  
**For the Year Ended June 30, 2007**

---

<b><u>CASH BALANCE - July 1, 2006</u></b>		91,440
<b><u>RECEIPTS</u></b>		
Revenues from Assessments	80,000	
Interest	517	
Miscellaneous	0	
	<hr/>	
<b><u>TOTAL RECEIPTS</u></b>		80,517
<b><u>DISBURSEMENTS</u></b>		
Professional Service Contracts	13,096	
Gaging Stations & Studies	70,677	
Operating Expenses	890	
Other	37,028	
	<hr/>	
<b><u>TOTAL DISBURSEMENTS</u></b>		(121,691)
DISBURSEMENTS in EXCESS of RECEIPTS		<hr/> (41,174)
<b><u>CASH BALANCE - June 30, 2007</u></b>		<hr/> <u>50,266</u>

**ARKANSAS RIVER COMPACT ADMINISTRATION**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2007

**NOTE 1**      **Summary of significant accounting policies:**

a. The Arkansas River Compact Administration (the Compact) maintains financial records using the cash basis of accounting. By using the cash basis of accounting, certain revenues are recognized when received rather than when earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

b. The *Statement of Receipts and Disbursements* is shown only to reconcile the beginning and ending cash balances. It is not intended to reflect *income* and *expense* recognition. Income and expenses are reflected in the *Statement of Revenues and Expenses with Budget Comparison*.

# **Exhibit H**

**Annual Meeting**

**December 11, 2007**

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# ARKANSAS RIVER COMPACT ADMINISTRATION

For Colorado  
 Dan McAuliffe (Acting), Denver  
 Colin Thompson, Holly  
 Matthew Heimerich, Olney Springs

Lamar, Colorado 81052  
Chairman and Federal Representative  
 Robin Jennison; Healy, Kansas

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

## FY 2009 - 2010 BUDGET

(July 1, 2009 - June 30, 2010)

### I. EXPENDITURES

#### A. PROFESSIONAL SERVICE CONTRACTS

1. Treasurer	\$2,000
2. Recording Secretary	\$2,000
3. Operations Secretary	\$6,100
4. Auditor Fee	\$500
5. Court Reporter Fee	\$2,000
<b>subtotal services</b>	<b>\$12,600</b>

#### B. GAGING STATIONS & STUDIES

1. U.S.G.S. Colorado District Joint Funding [3/4of2009, 1/4of 2010]	\$44,000
2. U.S.G.S. Kansas District Joint Funding [3/4of2009, 1/4of 2010]	\$8,000
3. State of Colorado Satellite System [7/1/09 - 6/30/10]	\$11,200
<b>subtotal gaging</b>	<b>\$63,200</b>

#### C. OPERATING EXPENSES

1. Treasurer Bond	\$100
2. Annual Report Printing	\$500
3. Telephone	\$100
4. Miscellaneous Office Expense	\$100
5. Postage/Copying/Supplies	\$400
6. Meetings	\$500
7. Travel	\$0
8. Rent	\$600
<b>subtotal operating</b>	<b>\$2,300</b>

#### D. OTHER

1. Equipment	\$0
2. Contingency	\$2,000
3. Litigation	\$0
4. Special Projects and Studies	\$0
<b>subtotal other</b>	<b>\$2,000</b>

**TOTAL ALL EXPENDITURES \$80,100**

### II. INCOME

#### A. ASSESSMENTS

1. Colorado (60%)	\$57,600
2. Kansas (40%)	\$38,400
<b>subtotal assessments</b>	<b>\$96,000</b>

#### B. OTHER

1. Interest Earnings	\$1,000
2. Miscellaneous	\$0
<b>subtotal other</b>	<b>\$1,000</b>

**TOTAL ALL INCOME \$97,000**

### III. CASH RESERVE BALANCE

A. ESTIMATED BALANCE JULY 1, 2009	\$72,250
B. DECREASE FROM PRIOR BALANCE	
C. ADDITION TO BALANCE	\$16,900
D. PROJECTED BALANCE JUNE 30, 2010	\$89,150

Adopted by the Arkansas River Compact Administration at its Dec 11, 2007 Annual Meeting.

Stephanie Gonzales,  
 Recording Secretary and Treasurer

Date

*Exhibit H*

# **Resolution No. 2007-01**

**Annual Meeting**

**December 11, 2007**

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# ARKANSAS RIVER COMPACT ADMINISTRATION

Lamar, Colorado 81052

For Colorado  
Dan McAuliffe (Acting), Denver  
Colin Thompson, Holly  
Matt Heimerich, Olney Springs

Chairman and Federal Representative  
Robin Jennison, Healy, Kansas

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

## RESOLUTION 2007-*cl*

### ARKANSAS RIVER COMPACT ADMINISTRATION Honoring Mr. Rod Kuharich

**WHEREAS**, Rod Kuharich, as Director of the Colorado Water Conservation Board, represented the State of Colorado on the Arkansas River Compact Administration from 2000 until his retirement from state service in June 2007; and

**WHEREAS**, Rod spent the majority of his career working in and for the Arkansas Valley of Colorado, advocating for the wise use of the Valley's water resources; and

**WHEREAS**, Rod Kuharich's knowledge of water policies and requirements have been valued and relied upon by the Administration; and

**WHEREAS**, Rod Kuharich provided dedicated, informed service to the Administration with courtesy and a desire to promote interstate cooperation; and

**WHEREAS**, the success of the Administration is of vital importance to water users throughout the Basin and Rod strove to make it an effective organization; and

**WHEREAS**, Rod recognized the importance of the natural environment and the recreation resources of the Basin, in particular the protection of the permanent pool at John Martin Reservoir.

**NOW, THEREFORE, BE IT RESOLVED** by the Arkansas River Compact Administration that it does hereby express its sincerest gratitude and appreciation to Mr. Rod Kuharich for his service, dedication, and courtesy to this Administration.

**BE IT FURTHER RESOLVED** that the Administration honor Rod by including this Resolution, his picture, and appropriate dedicatory remarks in the Administration's Annual Report for Compact Year 2007, and instructs the Recording Secretary to send a copy of the Resolution, and its fond wishes for a fulfilling retirement to Rod.

**ENTERED** this 11th day of December, 2007, at the Annual Meeting of the Arkansas River Compact Administration held in Lamar, Colorado.

---

Robin Jennison, Chairman  
Arkansas River Compact Administration

---

Stephanie Gonzales, Recording Secretary  
Arkansas River Compact Administration

# **Resolution No. 2007-02**

**Annual Meeting**

**December 11, 2007**

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# ARKANSAS RIVER COMPACT ADMINISTRATION

Lamar, Colorado 81052

For Colorado  
Dan McAuliffe (Acting), Denver  
Colin Thompson, Holly  
Matt Heimerich, Olney Springs

Chairman and Federal Representative  
Robin Jennison, Healy, Kansas

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

## RESOLUTION 2007 ~~02~~

### ARKANSAS RIVER COMPACT ADMINISTRATION

#### Honoring Mr. Hal D. Simpson

**WHEREAS**, Hal D. Simpson has served as the State Engineer and the Director of the Colorado Division of Water Resources for fifteen years; and

**WHEREAS**, Mr. Simpson worked diligently to ensure that Colorado's obligations under the Arkansas River Compact were met and will continue to be met in the future; and

**WHEREAS**, Mr. Simpson faithfully served as a member of the Special Engineering Committee pursuant to Resolutions of the Administration during Compact year 2006 and 2007; and

**WHEREAS**, Mr. Simpson provided leadership, excellent foresight and guidance which contributed to reaching agreements regarding the resolution of several longstanding issues related to administration and operation of John Martin Reservoir;

**NOW, THEREFORE, BE IT RESOLVED** that the Arkansas River Compact Administration hereby expresses its gratitude and appreciation to Hal Simpson for his devoted service to the people of the State of Colorado and the State of Kansas and extends its best wishes to Mr. Simpson in all his future endeavors.

**BE IT FURTHER RESOLVED** that the Administration honor Hal by including this Resolution, his picture, and appropriate dedicatory remarks in the Administration's Annual Report for Compact Year 2007, and hereby instructs the Recording Secretary to send a copy of this Resolution, and its fond wishes for a long and happy retirement to Hal and his family.

**ENTERED** this 11th day of December, 2007, at the Annual Meeting of the Arkansas River Compact Administration held in Lamar, Colorado.

\_\_\_\_\_  
Robin Jennison, Chairman  
Arkansas River Compact Administration

\_\_\_\_\_  
Stephanie Gonzales, Recording Secretary  
Arkansas River Compact Administration

# **Resolution No. 2007-03**

**Annual Meeting**

**December 11, 2007**

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# ARKANSAS RIVER COMPACT ADMINISTRATION

Lamar, Colorado 81052

For Colorado

Chairman and Federal Representative

For Kansas

Jennifer Gimbel, Denver

Robin Jennison

David Barfield, Topeka

Colin Thompson, Holly

Healy, Kansas

Randy Hayzlett, Lakin

Matt Heimerich, Olney Springs

David A. Brenn, Garden City

## RESOLUTION 2007- 03

### HONORING

**Mr. DAVID L. POPE**

**WHEREAS**, David L. Pope of Topeka, Kansas, resigned his position as Kansas Chief Engineer and, therefore, as Kansas ex-officio member to the Arkansas River Compact Administration (ARCA) after having served faithfully in that position for over 24 years; and

**WHEREAS**, as Vice-Chairman of ARCA, one of the three Kansas members to ARCA, the Kansas representative to the Arkansas River Engineering Committee and the ARCA Special Engineering Committee, and the Chief Engineer of the Kansas Department of Agriculture's Division of Water Resources, David has diligently represented the Compact interests of the State of Kansas and its residents of the Arkansas River valley; and

**WHEREAS**, while diligently representing the State of Kansas and its constituents, David has reached out to the State of Colorado to compile the most accurate accounting possible of the waters of the Arkansas River, to identify issues in dispute, and to reach fair and reasonable solutions to the many issues associated with the Arkansas River Compact; and

**WHEREAS**, David's vast knowledge of hydrology and water law, positive attitude, friendly personality, and congenial temperament have been an asset to ARCA and the State of Kansas.

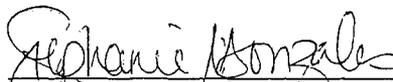
**NOW THEREFORE, BE IT HEREBY RESOLVED** that the Arkansas River Compact Administration does hereby express its sincerest gratitude and appreciation to David L. Pope for his dedicated service to ARCA in his position as Kansas ex-officio member.

**BE IT FURTHER RESOLVED** that ARCA honor Mr. Pope's service by including this resolution and appropriate dedicatory remarks in ARCA's annual report for Compact year 2007 and hereby instructs the Recording Secretary to send copies of this resolution to the Pope family and the Governor of the State of Kansas.

**ADOPTED** by the Arkansas River Compact Administration on this 11th day of December, 2007, at the annual meeting of ARCA held in Lamar, Colorado.



Robin Jennison, Chairman  
Arkansas River Compact Administration



Stephanie Gonzales, Recording  
Arkansas River Compact Administration

December 27, 2010

Mr. David Pope  
825 S Kansas Ave  
Topeka KS 66612

RE: ARCA Resolution

Dear David ,

The 2007 Arkansas River Compact Administration annual meeting was held December 10<sup>th</sup> and 11<sup>th</sup> in Lamar, Colorado. At the meeting, it was decided that the enclosed Resolution would be signed honoring you for your years of service to the Compact Administration. By signing this Resolution, the commissioners are expressing the high regard in which you are held. In our preparations for this year's annual meeting, we discovered that the resolution had not sent to you. Sorry for the delay.

I trust that by this Resolution you know that you have our heartfelt appreciation and gratitude.

Sincerely yours,



David W. Barfield, P.E.  
Chief Engineer

DWB: spf

Enclosure

pc: Honorable Governor Mark Parkinson

# **Resolution No. 2007-04**

**Annual Meeting**

**December 11, 2007**

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# ARKANSAS RIVER COMPACT ADMINISTRATION

Lamar, Colorado 81052

For Colorado  
Dan McAuliffe (Acting), Denver  
Colin Thompson, Holly  
Matt Heimerich, Olney Springs

Chairman and Federal Representative  
Robin Jennison, Healy, Kansas

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

## RESOLUTION 2007-04

### **Arkansas River Compact Administration Regarding Second Extension of the Term of the Special Engineering Committee**

**WHEREAS**, pursuant to Bylaw Article V.5., the Arkansas River Compact Administration by Resolution created the "Special Engineering Committee" at its December 2005 Annual Meeting to resolve certain accounting and interpretation issues arising from the Resolution Concerning an Operating Plan for John Martin Reservoir ("1980 Operating Plan"); and

**WHEREAS**, the Special Provisions of the 2005 Resolution creating the Committee specify that: "Term: The Special Engineering Committee shall be authorized for a period expiring on Dec. 31, 2006. ARCA may extend this period by Resolution adopted at any regular or special ARCA meeting prior to such date"; and

**WHEREAS**, on December 12, 2006 at the 2006 Annual Meeting the Administration adopted Resolution 2006-07 extending the term of the Special Engineering Committee until December 31, 2007; and

**WHEREAS**, at the 2007 Annual Meeting Special Engineering Committee has again reported to the Administration on its successful resolution of several additional disputed issues and the potential for further agreement; and

**NOW THEREFORE, BE IT RESOLVED** that the Arkansas River Compact Administration does hereby extend the term of the Special Engineering Committee for one full year to expire on December 31, 2008. All other Special Provisions of the 2005 Resolution shall remain unchanged and govern the actions of the Special Engineering Committee during this second extension throughout 2008.

Adopted by the Arkansas River Compact Administration at its 2007 Annual Meeting on December 11, 2007 in Lamar, Colorado.

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Robin Jennison, Chairman  
Arkansas River Compact Administration

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Stephanie Gonzales, Recording Secretary,  
Arkansas River Compact Administration

# **Resolution No. 2007-05**

**Annual Meeting**

**December 11, 2007**

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# **ARKANSAS RIVER COMPACT ADMINISTRATION**

**Lamar, Colorado 81052**

For Colorado  
Dan McAuliffe (Acting), Denver  
Colin Thompson, Holly  
Matt Heimerich, Olney Springs

Chairman and Federal Representative  
Robin Jennison, Healy, Kansas

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

## **RESOLUTION 2007-05**

### **ARKANSAS RIVER COMPACT ADMINISTRATION**

#### **Acceptance of Special Engineering Committee Recommendation "E"**

**BE IT RESOLVED** that the Arkansas River Compact Administration hereby approves the attached Recommendation "E" of the Special Engineering Committee entitled: "Clarification of procedures for making up deficits on deliveries of Kansas account releases and Concurrent releases from the Kansas releases from the Kansas transit loss account and the Kansas account", dated April 11, 2007. Note the heading on the attached Recommendation "E" incorrectly indicates that it is from the "Special Operations Committee", however the text and approval block are clear that the recommendation is from the Special Engineering Committee.

**BE IT FURTHER RESOLVED** that the Administration directs that this recommendation be implemented for all subsequent operations and that this recommendation shall be incorporated into any future amendment of the Resolution Concerning an Operating Plan for John Martin Reservoir, adopted April 24, 1980 as amended.

Entered this 11th day of December 2007, at the Annual Meeting of the Arkansas River Compact Administration held in Lamar, Colorado.

\_\_\_\_\_  
Robin Jennison, Chairman  
Arkansas River Compact Administration

\_\_\_\_\_  
Stephanie Gonzales, Recording Secretary  
Arkansas River Compact Administration

**Recommendation E**  
**Special Operations Committee**  
**April 2007**

**Clarification of procedures for making up deficits on deliveries of Kansas account releases  
and  
Concurrent releases from the Kansas transit loss account and the Kansas account**

The Arkansas River Compact Administration (ARCA) created a Special Engineering Committee by means of Resolution No. 2005-1 and directed said committee to develop recommendations to ARCA which will reduce or eliminate disputes between the States. ARCA extended the charter for the Special Engineering Committee by means of Resolution No. 2006-7.

Pursuant to said Resolutions, Rod Kuharich and Hal Simpson, for Colorado; David Brenn and David Pope for Kansas; and Robin Jennison, Federal member, ex-officio, were appointed members of the Special Engineering Committee.

Two issues related to provisions of the 1980 Operating Plan affecting accounting and operations associated with deliveries from the Kansas account have been disputed: (1) accounting procedures for making up deficits on deliveries of Kansas account releases<sup>1</sup> and (2) concurrent releases from the Kansas transit loss account and the Kansas account.<sup>2</sup>

The first of these issues has effectively been resolved through an informal agreement between the Operations Secretary and the Assistant Operations Secretary concerning an interpretation to reconcile apparent inconsistencies within the 1980 Operating Plan and the second issue has also been addressed/resolved as part of an agreement between the Colorado State Engineer and the Kansas Chief Engineer.<sup>3</sup>

To fully implement these agreements, the Special Engineering Committee recommends that Subsection II E (4) of the 1980 Operating Plan be amended as follows:

- (4) Releases of Kansas account water shall be measured at the Stateline as provided in Compact Article V E (3) allowing appropriate travel times. Water available within the Kansas transit loss account may be released concurrently with a release from the Kansas account in a manner consistent with agreements between Colorado and Kansas officials governing such releases, for the purpose of preventing transit losses. If

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<sup>1</sup> This issue has been referenced as Issue #31 in the "Matrix" document, JMR Accounting Issues, dated April 2005.

<sup>2</sup> This issue has been referenced as Issue #32 in the "Matrix" document, JMR Accounting Issues, dated April 2005.

<sup>3</sup> See paragraph E. of Agreement on Determination of Transit Loss under the provisions of Section II E (4) of the Resolution Concerning an Operating Plan for John Martin Reservoir, October 2006, revised December 2006

transit losses occur, those losses shall be determined by the Colorado Division Engineer and a representative of the Kansas Division of Water Resources and shall be replenished from the Kansas transit loss account to the Kansas account. In the event that such losses at the end of the delivery are greater than the total remaining in the Kansas transit loss account, then the deficit shall be made up to the Kansas account from the next available transfers of other water under Subsection III D.

Furthermore, the Special Engineering Committee recommends that Section III D of the 1980 Operating Plan be amended as follows:

... First, transfers from deliveries shall make up deficits, if any, ~~in the Kansas transit loss account~~ which result from Subsection II E (4), herein, and shall then also fill the Kansas transit loss account to the amount of 1,700 acre-feet...

Therefore, it is recommended that ARCA incorporate these recommendations through amendments to the 1980 Operating Plan.

Special Engineering Committee Approval



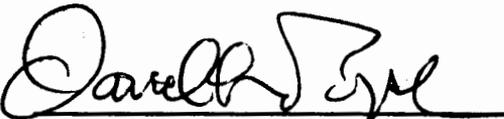
Rod Kuharich, Colorado



David Brenn, Kansas



Hal Simpson, Colorado State Engineer



David Pope, Kansas Chief Engineer

Date: 4.11.07

3 of 4 originals

# **Resolution No. 2007-06**

**Annual Meeting**

**December 11, 2007**

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## **ARKANSAS RIVER COMPACT ADMINISTRATION**

**Lamar, Colorado 81052**

For Colorado  
Dan McAuliffe (Acting), Denver  
Colin Thompson, Holly  
Matt Heimerich, Olney Springs

Chairman and Federal Representative  
Robin Jennison, Healy, Kansas

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

### **RESOLUTION 2007-06**

#### **ARKANSAS RIVER COMPACT ADMINISTRATION**

#### **Acceptance of Special Engineering Committee Recommendation "F"**

**BE IT RESOLVED** that the Arkansas River Compact Administration hereby approves the attached Recommendation "F" of the Special Engineering Committee entitled: "Clarification regarding evaporation charges when water is in flood control space in John Martin Reservoir", dated April 11, 2007. Note the heading on the attached Recommendation "F" incorrectly indicates that it is from the "Special Operations Committee", however the text and approval block are clear that the recommendation is from the Special Engineering Committee.

**BE IT FURTHER RESOLVED** that the Administration directs that this recommendation be implemented for all subsequent operations and that this recommendation shall be incorporated into any future amendment of the Resolution Concerning an Operating Plan for John Martin Reservoir, adopted April 24, 1980 as amended.

Entered this 11th day of December 2007, at the Annual Meeting of the Arkansas River Compact Administration held in Lamar, Colorado.

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Robin Jennison, Chairman  
Arkansas River Compact Administration

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Stephanie Gonzales, Recording Secretary  
Arkansas River Compact Administration

**Recommendation F**  
**Special Operations Committee**  
**April 2007**

**Clarification regarding evaporation charges when water is in flood control space  
in John Martin Reservoir**

The Arkansas River Compact Administration (ARCA) created a Special Engineering Committee by means of Resolution No. 2005-1 and directed said committee to develop recommendations to ARCA which will reduce or eliminate disputes between the States. ARCA extended the charter for the Special Engineering Committee by means of Resolution No. 2006-7.

Pursuant to said Resolutions, Rod Kuharich and Hal Simpson, for Colorado; David Brenn and David Pope for Kansas; and Robin Jennison, Federal member, ex-officio, were appointed members of the Special Engineering Committee.

At issue are the provisions of the 1980 Operating Plan related to the most appropriate procedures to account for evaporation charges when water is in the flood control space of John Martin Reservoir.<sup>1</sup>

Section II F of the 1980 Operating Plan currently states:

Evaporation charges shall be made against water stored in the accounts, including those established in Section III, herein, and the Kansas transit loss account, using formulas and procedures approved by the Colorado Division Engineer and a representative of the Kansas Division of Water Resources and using, when available, pan evaporation data provided by the Corps of Engineers. The evaporation charges shall be prorated amongst conservation storage and the accounts according to the amounts in them.

However, this language has proven inadequate to prevent disputes regarding implementation and is inconsistent with the principle of prorated distribution of evaporation among the entire reservoir content that is utilized at all other times. Therefore, after comprehensive analysis involving operational studies of alternative evaporation distribution methodologies applied to recent spill events, it is recommended that the provisions of Section II F of the 1980 Operating Plan should be amended, to read as follows:

**Evaporation charges shall be prorated among water stored in flood control storage and conservation storage including all accounts established herein or otherwise established by the Administration, according to the amounts in them using formulas and procedures approved by the Colorado Division Engineer and a representative of the Kansas Division of Water Resources.**

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<sup>1</sup> This issue has been referenced as Issue #51 in the "Matrix" document, JMR Accounting Issues, dated April 2005.

Therefore, it is recommended that ARCA incorporate this recommendation through an amendment to the 1980 Operating Plan.

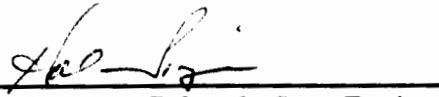
Special Engineering Committee Approval



Rod Kuharich, Colorado



David Brenn, Kansas



Hal Simpson, Colorado State Engineer



David Pope, Kansas Chief Engineer

Date: 4/11/07

2 of 4 originals