PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM
Governance Committee Meeting Minutes
ED Office Conference Room – Kearney, NE
March 8-9, 2011

Tuesday, March 8, 2011

Executive Director's Office (ED Office)
Jerry Kenny – Executive Director
Bridget Barron
Chad Smith
Beorn Courtney
Jason Farnsworth
Bruce Sackett
Justin Brei
Steve Smith
Sira Sartori

Governance Committee (GC)
Jim Schneider – Nebraska DNR (Chair)
Don Ament – State of Colorado
Brian Barels – Nebraska Public Power District
Alan Berryman – Northern Colorado Water Conservancy District
Mark Czaplewski – Central Platte Natural Resources District
Deb Freeman – Colorado Water Users
John Heaston – The Nature Conservancy
John Lawson – Bureau of Reclamation
Don Kraus – Central Nebraska Public Power and Irrigation District
Mike Purcell – State of Wyoming
Dennis Strauch – Pathfinder Irrigation District
Bill Taddicken – Audubon Rowe Sanctuary
Michael Thabault – U.S. Fish and Wildlife Service

Participants
Brock Merrill – Bureau of Reclamation
Jennifer Schellpeper – Nebraska DNR
Cory Steinke – CNPPID
Mike Drain – CNPPID
Mike Farrell – NET
Mike Forsberg – Photographer
Harry LaBonde – State of Wyoming
Mike Besson – State of Wyoming
Mike George – USFWS
Matt Raabe – USFWS
Bob Mussetter – TetraTech
Suzanne Sellers – State of Colorado
Kevin Urie – Colorado Water Users

Diane Hoppe - Consultant

Welcome & Administrative

Schneider called the meeting to order and the group proceeded with introductions. Schneider asked for agenda modifications; none offered. Taddicken moved to approve the December 2010 GC minutes; Strauch seconded. **Minutes approved.**

Program Committee Updates

Land Advisory Committee (LAC)

Czaplewski provided an update on the latest LAC activities. The LAC met on February 9 and discussed an offer by the Nebraska Game and Parks Commission (NGPC) to administer recreation on Program lands. The LAC noted several items that needed clarification and asked the EDO to work with the NGPC to bring back a revised proposal for further action. The LAC recommended several land management plans to the GC for approval. There was a LAC conference call on February 22, they passed a motion that the TAC form a sub-committee to address wet meadow restoration and grassland restoration targets for Program lands. The LAC recommended the GC approve appraisal and negotiation on Tract 1019 and decline Tract 1018. The LAC also recommended a Land Plan language amendment. The next LAC meeting is April 6.

Water Advisory Committee (WAC)

Steinke provided an update on the latest WAC activities. The WAC met on February 1 via conference call and was provided an update from the EDO on Water Plan projects. Data collection for the groundwater recharge project is now caught up according to the consultant's plan. The WAC discussed the EA as a possible source for a groundwater recharge pilot project and the USFWS is open to that idea. The WAC also discussed NPPD canal operations. Purcell addressed the Pathfinder lease agreement. Schneider delivered the Nebraska Depletions Plan. Steve Smith gave a presentation on the North Platte choke point and capacity changes at Kearney. The next WAC meeting is April 26.

Technical Advisory Committee (TAC)

Besson provided an update on the latest TAC activities. The TAC met on January 13 and February 15-16. The January meeting focused on the sediment augmentation feasibility analysis and steps for developing a sediment augmentation pilot project. The February 15 meeting focused on the wet meadows information review and results from the Whooping Crane Trust project. The TAC asked the Trust to develop a working definition of wet meadows and then submit a final draft of the information review for further TAC comment. The TAC will host a wet meadows definition and design workshop in late spring or early summer. The afternoon of February 15 and February 16 was a workshop on the 1-D model. Taddicken asked how Felipe and Enrique not being at the Trust any longer would affect receiving the second draft of the wet meadows information review. Besson said he is not worried about receiving that final project.

Finance Committee (FC)

Purcell provided an update on the latest FC activities. The FC met on February 17 and approved the groundwater recharge contract, the third year of the water quality monitoring contract, a revised 1-D model contract amendment, the Newark sandpit contract, a revised AMP permitting contract amendment, and the Elm Creek Complex RFP.

Program Outreach Update

PRESENTATIONS

- Jerry Kenny and Jason Farnsworth presented on the Program to the Nebraska First Board meeting on December 14, 2010.
- Jerry Kenny and Dennis Strauch presented on the Program at the 4 States Irrigation Council in Fort Collins, Colorado on January 13, 2011. John Lawson also presented a Bureau of Reclamation Wyoming Area Office update. At the Awards Banquet that evening, Dennis Strauch received the Nebraska Headgate Award, Jon Altenhofen received the Colorado Headgate Award and Norm DeMott received the Ditch Rider Award.
- Jerry Kenny gave a Program overview and status report as part of the Endangered Species Workshop at the Colorado Water Congress Annual Conference on January 26, 2011.
- Jerry Kenny presented on the Program to the South Platte Natural Resources District Board of Directors in Sidney, Nebraska on February 8, 2011.
- Beorn Courtney presented on the Program to the Water Resources and Management in the US West class at the University of Colorado in Boulder, Colorado on February 17, 2011.
- Chad Smith presented on the Program and Adaptive Management to the Environmental Policy and Management class at the University of Nebraska Omaha on February 22, 2011.

UPCOMING PRESENTATIONS/EXHIBITS

- Dave Baasch will have a poster presentation at the joint meeting of the Association of Field Ornithologists, Cooper Ornithological Society and Wilson Ornithological Society in Kearney, Nebraska March 9-13, 2011. The Program will also be exhibiting at the meeting.
- Dave Baasch will be presenting on Central Platte terns and plovers at the Missouri River Natural Resources Committee Conference on March 9, 2011 in Nebraska City, Nebraska.
- The Program will be exhibiting at the joint meeting of the North American Crane Working Group and The Waterbird Society taking place in Grand Island, Nebraska March 12 - 16, 2011.
- The Program will be exhibiting at the Rivers and Wildlife Conference in Kearney, Nebraska on March 18 & 19, 2011.
- The Program will have PRRIP informational materials at both Rowe Sanctuary and the Nebraska Nature and Visitor's Center throughout migration season.
- David Freeman will be doing a book signing and a presentation about his Platte River book at the Nebraska Nature and Visitor's Center on March 13, 2011.

EXHIBITS/SPONSORSHIPS

- The Program exhibited at the Colorado Water Congress Annual Convention in Denver, Colorado January 26 - 28, 2011. We made 374 contacts over the course of the three days.
- The Program exhibited at the Rainwater Basin Joint Venture Informational Seminar on February 2, 2011 in Hastings, Nebraska. We made 219 contacts during that event.
- The Program is a sponsor of the joint meeting of the North American Crane Working Group and The Waterbird Society taking place in Grand Island, Nebraska March 12 - 16, 2011.
- The Program is sponsoring the Collaborative Adaptive Management Network (CAMNet) rendezvous on April 16, 17, & 18, 2011 in Keene, New Hampshire. The PRRIP is one of the river recovery programs on the agenda for discussion.
- The Program is sponsoring the Summer Orientation About Rivers (SOAR) program this June, 2011. SOAR is also sponsored by Rowe Sanctuary and teaches 2nd through 5th graders about the Platte River ecosystem by getting them out on the land and in the water.

MEDIA/PRESS COVERAGE

- The Program has an ad in the February, March, and April editions of Prairie Fire. The February issue has a pull-out section, "Prairie Fire's Field Guide to Nebraska Birding".
- The March issue of Prairie Fire will have a review of David Freeman's book "Implementing the Endangered Species Act on the Platte Basin Water Commons".
- The Program will have an article on Program Accomplishments in the April issue of Prairie Fire.

OTHER

- 2009 & 2010 Accomplishments Report.

Barron discussed the 2009-2010 PRRIP Accomplishments Report. Freeman asked about seeing a copy of the report. Barron said the file is too large to share electronically. Kenny said a hard copy can be sent. A number of hard copies of the final report will be sent to Ted Kowalski for potential use during upcoming trips to Washington, DC.

PRRIP Budget Items

Kenny discussed the latest Program financial status report and the Program budget spreadsheet with final 2010 numbers. The larger number of unliquidated obligations from 2010 is the result of activities under LP-2. Those funds will be invoiced and dispersed this month. Barels asked what the numbers in the yellow line represent. Kenny said that is a total figure for Program expenditures during the First Increment (past, current, and projected). Kenny discussed budget graphs showing Program budgets versus expenditures for 2007-2010 as well as projections for the rest of the First Increment. Kenny then discussed the GC action item table for the March meeting. There is an RFP on the street now for work at the Elm Creek Complex, and the EDO is working with HDR/Flatwater to scope the next phase of the sediment augmentation project. The last item is the proposal for Program funding for a time-lapse photography project. Kenny discussed the proposal from Mike Forsberg and Mike Farrell and showed several still images and time-lapse videos from a camera on loan from the USGS that has been placed at the Elm Creek Complex for the past year. The time-lapse proposal would be associated with IMRP-2 (AMP-related research). There are remaining funds in that line item that are not yet allocated to specific projects and this would be a good use of $50,000 in Program funding. There are plans for 30-40 cameras throughout the basin with at least two specifically in the central Platte.

Purcell asked about the annual budget to maintain it. Kenny said $50,000 in 2011. Forsberg and Farrell said they would come back to the Program for a similar amount in future years. Czaplewski asked about the project length. Forsberg said the current project is for two years but they are seeking major funding to extend the project for many years. Barels asked about the number of cameras that would be placed in the Program activity area. Kenny said activity areas in the central Platte where cameras would be capturing Program work or associated habitat images, it would be 2-4 cameras. Forsberg said this is a basin-wide project and it is a partnership with the Program. There will be 45 camera systems deployed in total up and down the basin. Czaplewski said the GC has a policy encouraging folks to write up and publish reports from Program data. How much review and control will the Program have, especially if it goes into multiple forums for use (school curricula, etc.)? Kenny said there would be an agreement but he is not sure how much control would be associated with the messages coming from the images. Czaplewski said he is asking about the narrative and would like to see the Program have some review capacity over that narrative. Kenny said the discussion thus far has been good in terms of potential camera locations, uses, and messages. $50,000 does not buy the Program control but rather input into locations and the associated message. Because this is being treated as science-oriented by the Program and university, that

tempers the message that can be associated with this project. Farrell said the purpose is to tell a balanced story about the questions around the Platte River and how it is being used. The Program will be asked to provide extensive input on matters of fact. It is not the intention to provide a forum for a particular point of view, but instead education about the Platte.

Strauch asked if Kenny is just asking for $50,000 for this year. Kenny said yes. Kraus asked what the repository will be for the images. Farrell said at UNL servers, likely at NET television. Forsberg will retain some intellectual property rights but the images will be made available at no cost. Taddicken said this project will be a powerful tool for the Program's education and outreach. We can put bar graphs and data in front of people all day but they will turn away quickly. These images will really tell the story. Ament asked if we are seeking a 10-year commitment. Kenny said no, he is only asking for one year of funding at this point. There have been discussions about a 2-3 year timeframe, but that will be addressed through future Program budget discussions.

Heaston moved to approve the $50,000 for funding the time-lapse project; Taddicken seconded. Barels said he would like to see some kind of plan so this information is tied to the WAC, LAC, and adaptive management process. Schneider said the advisory committees should be involved in this discussion. **Motion approved.**

Program RFPs

Farnsworth discussed the Elm Creek Complex FSM Proof of Concept RFP and requested the GC appoint a Proposal Selection Panel.

Ament moved to approve the panel; Strauch seconded. **Proposal Selection Panel approved:** Farnsworth (EDO), Steve Smith (EDO), Jenniges (NPPD), Hallum (Nebraska DNR), Besson (State of Wyoming), Sellers (State of Colorado), Rabbe (USFWS), Steinke (CNPPID)

Sediment Augmentation Feasibility Analysis

Chad Smith introduced the contractor team for the sediment augmentation feasibility analysis and the status of the project. The results of the analysis were discussed with the TAC earlier this year and also with the TAC and ISAC at the AMP Reporting Session in Denver on March 2-3. Pat Engelbert (HDR), Tom Riley (The Flatwater Group), and Bob Mussetter (Tetra Tech) delivered a presentation on the results of the analysis and potential next steps for a sediment augmentation pilot project. Schneider asked what next steps are anticipated for this project. Smith discussed developing the scope for Phase II, which would be a pilot project introducing 100,000 tons of material into the river in late 2011/early 2012. Kraus asked if Phase II was part of the original contract. Smith said yes, the contract said the scope for Phase II would be developed at the conclusion of Phase I and that process has begun. Schneider asked if the Finance Committee would review a contract amendment and scope. Smith and Kenny said yes, that would be presented to the FC during their next meeting.

2010 Tiered Platte River Biological Opinions

Rabbe discussed USFWS consultation activity related to the Program in 2010. No questions asked.

Pathfinder Lease Agreement

Purcell discussed the latest version of the Pathfinder lease agreement and associated pricing options, which includes updated after WAC input. Purcell said Lawson asked if there is a possibility if Wyoming would allow for pre-payment of water. Purcell said yes, and if so the water would be $51/ac-ft. Purcell

said he is obligated under a BOR contract to not profit from the water, which would allow a sales price of $92/ac-ft. Prices below that would simply allow more consistent cash flow. Kenny asked if the Program chooses option 2 ($65/ac-ft.), is that option locked into the rest of the First Increment? Purcell said you pick one pricing option for the remaining eight years of the First Increment; that includes the pre-payment option. Taddicken asked if we pay only for the water the Program gets. Purcell said that is correct. Sellers asked how much water would be available in an average water year. Purcell said 9,600 acre-feet. Lawson said that is average yield. Purcell said there should be no demand for the water in an average water year so that amount should be available. In a drought or below average water year, he would have to assume all municipalities would be under regulation and water would be needed for the NvW settlement and there likely would be no water available to the Program. Berryman asked about timing on when the water would be available. Purcell said the contract recommends the Program not take water until September. Thabault asked about the differences between option #1 and #2. Purcell said under option #1 ($92) the Program has all the flexibility and can take none or all of the water available. For option #2, the Program would have to take a certain amount of water (at least 4,800 acre-feet or whatever is available, whichever is the smaller amount). Ament asked what happens if Lake McConaughy is full and the Program has to take water – where does the water go? Purcell said as the water would be delivered in September there should be space available in the EA in Lake McConaughy or the Program bypass it for other Program purposes.

Lawson said it seems to him that from a Program standpoint he is not sure you can say anything other than you have an option to buy water each year but you have not guaranteed how much. That makes option #1 hard to help make any determination as to what the Program gets relative to its water goal. Option #2 provides more certainty in this regard. For the Program, option #2 could reasonably say it acquired 4,800 acre-feet toward the 50,000 acre-feet goal. For option #3, that represents 4,800 acre-feet a year at present value which gets you to $51/ac-ft. The Program has cash on hand right now that might not be as available in the future to pre-pay for the water, plus that would be progress toward the annual water goal as opposed to just feasibility studies. Thabault asked about water in excess of 4,800 ac-feet. Purcell noted the excess water would be available to the Program at the established price. Purcell said the agreement will set the price and conditions for the transaction. The instrument that authorizes delivery of the water is a Temporary Water Use Agreement through the Wyoming State Engineer. The Temporary Water Use Agreements have been authorized by the Wyoming Legislature.

Schneider said if there is support for the pre-payment option, there needs to be more work done to hammer out the details. Thabault asked Lawson when the Program should pull the trigger on pre-payment given the federal budget situation. Lawson said by the end of the federal fiscal year or the calendar year. The final agreement will have to include only one option and then go back to the GC to consider supporting. Berryman likes the pre-payment option and the EA subcommittee should discuss how to handle the water in terms of flow management. Barels asked if the water is available in water year 2011. Purcell said no, it would begin in water year 2012. Lawson said the reason for that is the Pathfinder modification will not be completed until 2012. Water could be stored in that project for water year 2012, but not 2011. Purcell said the hope is the project will be completed by the end of the year. **Ament said the GC should ask Purcell to change the agreement to reflect just the pre-payment option and then come back at the June meeting to discuss and approve. Schneider agreed that seems to be the way the GC is leaning. The GC agreed.** Kenny said assuming we go with the pre-payment option, when would the Program need to cut a check? Purcell said on or before July 1, 2012. Kenny asked Lawson if that works for the federal dollars. Lawson said yes.

Nebraska Depletions Reporting

Courtney discussed recent WAC discussions about Nebraska's depletions plan report. It is possible that once the Nebraska depletions plan deliverables that are due by the end of this year are complete, it might be helpful to pull all of those items together into one report and then have another discussion with the WAC. The WAC also discussed when the Nebraska DNR will be able to identify and establish an interest in the various Water Action Plan projects. Schneider asked Courtney if the GC received the original submission from the Nebraska DNR that was developed last December. Courtney and Kenny said no. Schneider said that should be provided to the GC in the near future, but that may be a good thing because it might be confusing to start with that document like it did at the WAC meeting. The memo provided by the Nebraska DNR in response to the ED Office memo on this issue is probably the best place for the GC to start.

Groundwater Recharge Pilot Project Permit

Courtney provided a status update on seeking a temporary water supply permit for use of EA water for the groundwater recharge pilot project. A permanent project water supply would be excess to target flows, but the pilot project needs a temporary water supply. CNPPID filed a temporary permit application in late 20100 to use excesses to target flows for this purpose, but there should also be a backup plan incase excesses are not available. Use of the EA water was identified as an alternative The main issue is that the existing EA permit shows water going through Central's system and returning at the J-2 return, whereas the recharge project would return water through the ground in dispersed locations below the J-2 return. Discussions with Nebraska DNR indicate the Program will have to secure a temporary permit to allow use of the EA water in this manner; Steinke is drafting a permit application now. Nebraska DNR also indicated that it would be beneficial for the Program to submit letters of support from existing Nebraska permit holders, so Kenny will be contacting several GC members in the upcoming weeks to solicit such support letters.

Schneider also presented information on a concept NDNR is developing to investigate canal recharge. He said this grew in part out of discussions related to the amount of water coming through Nebraska this year and issues related to reaping benefits from that water and also flood mitigation. The Nebraska DNR has been talking to irrigation districts above and below Lake McConaughy and has been talking to NPPD, CNPPID, and the NGPC. Strauch asked if anyone that diverts will have to secure a temporary permit. Schneider said yes. Kenny asked if the Nebraska DNR is asking for anything specifically from the Program (money, effort, etc.). Schneider said no dollars, but they might want to collaborate on some of the analysis. Barels said that as you fill canals in the first instance of the year, seepage losses will be higher than during or after the irrigation. The groundwater recharge will be different than typical.

Barels said it wouldn't hurt if Lawson gave the group the latest info on North Platte River inflows. Lawson said there is a "perfect storm" setting up – snowpack of 136% of average, and it is uniform at upper and lower elevations; reservoir system that is 146% of average; 300,000 acre-feet more water in system than last year. This could mean something like 1983-1984, and then there is a wildcard as to how much inflow there will be in the lower basin which is already completely full.

Meeting adjourned at 5:25 p.m. Central time.

Wednesday, March 9, 2011

Welcome and Introduction

Schneider called the meeting to order and the group proceeded with a roll call.

North Platte Choke Point Update

Kenny provided an update on activities and conveyance issues at the North Platte River choke point. Purcell asked if we are seeing a reduction in stages all the way up and down the river, and is this still the bottleneck of concern. Kenny said Kearney is showing diminished capacity, but the North Platte choke point is still the primary choke point of concern. Purcell asked if the 8,000 cfs pulse is still possible. Kenny said at Kearney we would violate flood stage at 7,000 cfs, although in 2008 we had 12,000 cfs and there was no major flooding except for flow going in channel areas where it is not normally seen – no property damage or residential/commercial property inundation. Part of the issue is the NWS definition of flood stage. High flows this year and vegetation spraying and removal in areas like Kearney mean we are in a position for natural pulse flows to do some of its own capacity improvements. Thabault asked if anything leads us to believe the problem is not the bridge itself. Kenny said the bridge has directed water in certain directions and that led to the thought that if we put culverts on the north side some flow could pass through that area and keep the north channel active – otherwise, we need a pilot channel downstream of the bridge to get water heading back north. The shortening of the Highway 83 bridge certainly had an impact on this area.

Heaston asked if we are in contact with the Department of Roads and Union Pacific with future plans for other structures or construction. Kenny said no contact has been initiated at this point. We want to get some modeling completed to gather more facts before that happens. Heaston said it would probably be helpful to talk to them sooner rather than later. Kenny said we continue to stay in touch with the City of North Platte to keep them informed and let them know the Program is being a good neighbor. Drain asked about modifications to the current work contract and what that means. Kenny said that he wants to modify the modelers contract to look at all possibilities. The vegetation work has been accomplished in the choke point area and we are not looking at additional work there. The Program will continue to look at vegetation spraying and removal in other areas. Drain said it is good to try to understand better what is going on even if there are things happening that the Program has no control over. Kenny said that is particularly important. Drain said we previously concluded box culverts in the north approach would get gummed up and that it seemed like there would be conflicts with private property owners. Kenny said that generally seems to be the case. Ament said he is worried about the railroad. Kenny said he knows the Program will need to present compelling evidence to work with them. We do not plan to propose dealing with the railroad grade or issues like that, but he knows the railroad will be concerned. Drain asked if it is an issue of blockage under the railroad bridge. Kenny said there does seem to be a blockage but it may be out of their right-of-way.

Land Plan Amendment

Farnsworth discussed the proposed Land Plan language amendment that deals with a tiered approach to land plans. Changes were kept as minimal as possible and have been discussed several times with the LAC. Barels moved to adopt these modifications to the Land Plan as presented; Thabault seconded. **Motion approved.**

Land Agreements

Sackett discussed guidance for land plan agreements influenced by "other interests" language and agreements related to potential Program water projects. Agreements with landowners at the Elm Creek Complex have been developed with legal counsel and with the PRRIF, and were developed to ensure the Program can accomplish its goals. The Program is spending dollars on the work but not with any of the landowners involved in the agreements. Kenny said the Program has oversight. The areas and activities are vetted through the LAC and TAC and have specific reasons and direction from those Advisory Committees. Barels asked about how these will be handled in the future in terms of GC involvement. Sackett said at this point the tracts and agreements that do not have dollars involved – if they fit with the individual tract or complex land plan and don't cost the Program any dollars, then we will pursue these like those in the past. If any of them become a lease or in some way require Program dollars, then they would be brought through the normal land interest acquisition process that includes the LAC and GC. Kenny said the GC would be kept informed but we would not request specific approvals for management agreements that do not involve money. The issue of whether this land counts is something that requires GC discussion and approval. Sackett said these agreements are specifically listed in the land plans that the GC ultimately approves. Thabault asked if the GC is being asked to do anything today. Sackett said this is just an update and follow-up from previous GC discussion about these management agreements during the December 2010 GC meeting.

Czaplewski said it seems like the GC has not taken action to count or not count these agreements and Program acres, so the GC should do that. Kenny said at some point that should happen, either now or as part of the land motions. Thabault said philosophically he is in favor of counting, but he is concerned about the fluidity or permancy of whatever we do. These kinds of agreements don't seem to fall into the same category as other acquisitions – they seem more like exceptions. Kenny said the discussion of counting or not counting the acres is better addressed in Executive Session and then could be a part of the motions coming out of Executive Session. Barels said he does not have a problem with the GC delegating its responsibility to approve all management agreements with money or not. Even if we are not spending money, the Program is accepting responsibilities and the GC needs to be made aware of when these agreements are being entered into. At a minimum, they need to be reported to the GC so we know what agreements we are entering into and why they exist. Kenny said that could easily be added as a part of the regular land discussion during each GC meeting. Sackett said all agreements have been written so that the landowner or the Program can cancel them with a 60-day notice. Besson asked if we are paying for improvements on the land. Sackett said we pay for things like tree removal or grass seeding. Thabault said Sackett's comment on the 60-day notice issue reinforces his concern about relying on this mechanism to achieve Program land goals. Strauch asked how many acres are under current management agreements. Sackett said 392 acres, which is only the area of land where the Program is doing work – the landowners own additional land where the Program does not do work.

Strauch asked when the GC would approve these agreements. Sackett said it could be part of motions coming out of Executive Sessions as a follow-up to previous LAC work and inclusion in relevant land management plans. **Kenny said his understanding is the use of management agreements is legitimate but that the EDO will include reporting on these agreements as part of routine land reporting during GC meetings. For those worthy of consideration of counting toward habitat land goals, they will follow the normal process of a LAC recommendation brought to the GC for approval of those acres. GC agreed.**

Sackett said for water agreements, those land rights may include payment for a landowner for access for things like pilot groundwater recharge projects. If these agreements are within budget and scope and tied to projects in the Program Document, the EDO feels these do not need to come back for additional GC approval. These agreements are developed with legal counsel and with the PRRIF. Kenny said the level of current oversight is: 1) budgeting – Water Action Plan projects approved through the FC and GC; 2) additional FC involvement when these projects go out through a RFP; 3) RFPs are vetted extensively through the WAC and likely through a WAC working group; 4) the LAC is informed of what is happening because these agreements involve landowners; 5) the land agreements themselves are vetted through outside legal counsel; 6) if money is involved, it is generally a nominal amount that falls within Procurement Policy guidelines; and 7) Diane Wilson of the PRRIF signs all agreements. Barels asked if when RFPs are taken to the FC there is an estimate of the land that will be included. Sackett said that for the groundwater recharge pilot project, there was an estimate of one or two sites. It is a general parameter and sometimes not a specific acreage number. Kenny said in the RFP it was general area and general size and not a specific point on the map. To the degree we can, we report what we know and what we are likely to need. Courtney said we have learned that we need the flexibility for Sackett to work with landowners, WAC work group, and consultants because specifics have to be worked out as the project gets underway and the fieldwork plans gets better defined.

Lawson said he is not sure that Barels' concerns from earlier have been fully addressed. He thought he heard that when these management agreements are entered into, the GC should be informed. At this point, the GC does not have a list of management agreements like we have for acres purchased, leased, or held in easement. Sackett said we did not talk about that because we have been proactive and the total acre update provided to the GC at each meeting now includes a specific agreement category. Barels said he is not concerned about acres, but instead is concerned about what the Program is doing on each property and wants a descriptor of what is happening under each agreement. Purcell said he is concerned about micro-managing small agreements that are being entered into for things like water project boring holes. He draws the line on agreements that are entered into for the life of a project like the groundwater recharge pilot project. This is just part of doing business and the EDO needs to retain the flexibility to complete this work in the most efficient way possible. Of course, if there are extenuating circumstances that would be budget busters then the GC would need to know that. Barels said he does not want to micro-manage but he wants a report during the usual land reporting on what these agreements are for. GC members can then look to the land management plans for additional details. Purcell said he agrees on long-term land management agreements, but the short-term agreements for water projects like boring holes are different and the GC does not need reporting for that.

Kenny said he understands that on the land side, management agreements need to be part of the regular reporting process including a brief description of what the Program will be doing. Water projects are different and the EDO will provide a short and concise update as part of the land reporting process. Barels said he wants an update provided at each quarterly GC meeting.

<u>Land Management Activities Report & Land Plan/Review Approval</u>

Sackett provided an update on 2009 and 2010 land management activities. Lawson asked on the 2009 review and that overview was by tract, while the 2010 overview was by complex. Sackett said we only had individual tracts in 2009 and now we have complexes in place and the GC just agreed to amend the Land Plan to adopt the complex approach with individual tract plans tied back to the overall complex management plan. Besson asked about the large amount of revenue at the Ft. Kearny Complex. Farnsworth said it is a combination of good cropland income and gravel mining royalties. Purcell asked

if Wyoming is getting any income from the Wyoming property. Farnsworth said there was about $42,000 in income for Wyoming in 2010.

Sackett said the LAC recommends the GC approve the land plans for Tracts 2009006, 2009007, 2009008, and 2010001. Czaplewski moved to approve the four land plans; Heaston seconded. Motion approved.

Sackett said the LAC recommends the GC approve ceasing further pursuit of Tract 1018.

Sackett said the LAC recommends the GC approve allowing the EDO to seek appraisal of and begin negotiations for acquisition of Tract 1019. Thabault asked about the potential for disturbance at this site. Czaplewski said there is a conservation-minded landowner; it is close to the interstate, but given trees and the sand barrier that should not be a problem; there is a lot of potential to build non-complex tern and plover nesting habitat there; and the site lends itself to the paired design approach with riverine nesting islands on the river on nearby Trust property. If the landowner proceeds with current mining approaches, there will not be nesting habitat on site. But, if the Program proceeds, we can work with the landowner to enhance the site for non-complex tern and plover nesting habitat. Heaston said the producer on the property has tried to work with conservation partners for a long time to mine the site in as conservation-minded of an approach as possible. Czaplewski said the Program is still short on the 400 acres of non-complex nesting habitat and this site will move us closer to that goal.

Czaplewski moved that the GC decline further pursuit of Tract 1018 and further moved the GC approve allowing the EDO to seek appraisal of and begin negotiations for acquisition of Tract 1019; Strauch seconded. Purcell asked if the LAC concluded that the 71 acres at Tract 1019 counts toward non-complex acreage goals. Sackett said yes. **Motion approved.**

Public Comment

Schneider asked for public comment. None offered.

Executive Session

Heaston moved to enter Executive Session to discuss land issues; Barels seconded. **GC entered Executive Session at 10:13 a.m. Central time.**

Heaston moved to end Executive Session; Kraus seconded. **GC ended Executive Session at 12:09 p.m. Central time.**

Program Land Tracts & Issues

Strauch moved and Kraus seconded:

- **Tract 1001** – The GC authorizes the ED Office to proceed with acquisition of Tract 1001.

Heaston abstained. **Motion approved.**

Czaplewski moved that the six land management agreements totaling 392 acres associated with the Elm Creek Complex count as complex land for the term of the First Increment or until they are terminated according to the terms of the agreement and as long as they are maintained for their original purposes. The agreements are:

01 – Aten Family
02 – D. Johnson
03 – G. Hubbard
04 – NGPC
05 – WCT
06 – NPPD
Heaston seconded. **Motion approved.**

Future Meetings & Closing Business

Upcoming GC meetings:

- June 14-15, 2011 in Cheyenne, WY at the Wyoming Water Development Commission office
- September 13-14, 2011 in Kearney, NE at the ED Office
- December 6-7, 2011 in Denver, CO possibly at the Warwick Hotel in downtown Denver

Meeting adjourned at 12:15 p.m. Central time.

Summary of Action Items/Decisions from March 2011 GC meeting

1) Approved December 2010 GC minutes.
2) Approved $50,000 in funding from FY 2011 Program budget line item IMRP-2 for the time-lapse photography project.
3) Approved a Proposal Selection Panel for the Elm Creek Complex FSM Proof of Concept RFP: Farnsworth (EDO), Steve Smith (EDO), Jenniges (NPPD), Hallum (Nebraska DNR), Besson (State of Wyoming), Sellers (State of Colorado), Rabbe (USFWS), Steinke (CNPPID)
4) Requested that Mike Purcell re-draft the Pathfinder Lease Agreement to include the pre-payment option as the only pricing option and then bring that final agreement back to the GC in June 2011 for approval.
5) Approved an amendment to the Land Plan addressing a tiered approach to land management plans.
6) Agreed the use of management agreements is legitimate but that the EDO will include reporting on land management agreements and land agreements associated with water projects as part of routine land reporting during GC meetings. For those worthy of consideration of counting toward habitat land goals, they will follow the normal process of a LAC recommendation brought to the GC for approval of those acres.
7) Approved the land plans for Tracts 2009006, 2009007, 2009008, and 2010001.
8) Declined further pursuit of Tract 1018.
9) Approved allowing the EDO to seek appraisal of and begin negotiations for acquisition of Tract 1019.
10) Authorized the EDO to proceed with acquisition of Tract 1001.
11) Approved counting toward complex land for the term of the First Increment or until they are terminated according to the terms of the agreement and as long as they are maintained for their original purposes the six land management agreements totaling 392 acres associated with the Elm Creek Complex. The agreements are:
    01 – Aten Family
    02 – D. Johnson
    03 – G. Hubbard
    04 – NGPC
    05 – WCT
    06 – NPPD