



**PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM (PRRIP or PROGRAM)
Governance Committee (GC) Conference Call Minutes**

Thursday, April 6, 2017
12:00 PM – 1:00 PM Central Time

Governance Committee (GC)

State of Wyoming

Harry LaBonde – Member

Bureau of Reclamation (Reclamation)

Chris Beardsley – Member (2017 GC Chair)
Brock Merrill – Alternate

State of Colorado

Don Ament – Member
Suzanne Sellers – Alternate

U.S. Fish and Wildlife Service (Service)

Michael Thabault – Member
Eliza Hines – Alternate
Matt Rabbe – Alternate

State of Nebraska

Jeff Fassett – Member

Environmental Entities

Rich Walters – Member
Bill Taddicken – Member

Upper Platte Water Users

Dennis Strauch – Member
Bob Mehling – Alternate

Colorado Water Users

Alan Berryman – Member
Kevin Urie – Alternate

Downstream Water Users

Mark Czaplewski – Member
Don Kraus – Member
Brian Barels – Member
Kent Miller – Member

Executive Director's Office (EDO)

Jerry Kenny, ED
Jason Farnsworth
Bruce Sackett
Chad Smith

**Welcome & Administrative**

Kenny listed everyone on the call. Beardsley called the meeting to order at 12:03 PM Central Time. Farnsworth said the EDO would like to take five minutes to talk about the Program web site and database at the end of the meeting.

Broad-Scale Recharge (BSR)

Farnsworth talked about the HDR agreement for the broad-scale recharge project at the Cottonwood Ranch Complex and details of the project. Kenny said part of the property that is part of the BSR project is NPPD and the EDO is in discussions with NPPD to either modify the existing management agreement or add a supplemental agreement to incorporate BSR activities as it would impact NPPD property in the construction and the operation of the project. The concept now is to deliver water to this site via pipeline from the CNPPID canal. Negotiations are now underway for design, construction, and operation of the pipeline and wheeling water to the site. Current concepts include adjacent private property and discussions are underway with those landowners. There is also a conservation easement associated with the property that is under discussion. Kenny reports the EDO is optimistic that all these issues will be resolved so it is important to get HDR underway designing the project to add bearing to all these discussions.

LaBonde said with regarding the negotiations with Central, if those negotiations don't work out do we have other options. Kenny said there is a back-up plan for water delivery through headgate wells or directly from the river. Having a design firm on board to help advance these concepts if necessary would be beneficial. LaBonde asked if we have a schedule on when we might be seeing the Phelps canal agreement to supply water. Kenny said it should be distributed to the GC in early May for action the June 2017 meeting. Kraus agreed this is a reasonable schedule. Ament asked if we have any idea of a ballpark figure for how much Central might charge the Program for water. Kraus said the answer is the water service charge on Phelps canal water for recharge is a standard rate that has been used on other projects. For this project, there will be a significant capital investment for the pipeline so we are proposing a rate to the EDO that includes costs for the capital investment. Discussions on this rate continue.

Ament said his fiduciary responsibility is to look into this further and he would like to understand Kenny's perspective on costs for Plan A because we need to be as efficient with costs as we can. Kenny said Central currently charges irrigators about \$34/acre for water for 9 inches, which translates into about \$43/acre-foot. There is a discounted rate of \$30/acre-foot for Phelps canal recharge water. In this case, we would need a two-mile-long pipeline. Capital costs for this are estimated at \$1 million. That should get us 65 cfs delivery capacity which allows delivery to the BSR project and other anticipated water storage projects downstream of this location. Kenny has been talking with Kraus about having Central design, construct, and own the pipeline so the Program would pay for the pipeline up front but they would charge a discounted rate of about \$15/acre-foot until such time that a half or 75% of the pipeline costs are covered. At that point, Central would begin charging the full water rate (about \$30/acre-foot) with an escalation of 3% of those rates. Right now, we are looking at a charge of about \$250,000 per year plus escalation over time. Plan B would likely be higher because of direct pumping costs. Sellers asked if the \$15/acre-foot reduced rate includes the Program paying for the pipeline up front. Kenny said yes.

Beardsley said this is not really a discounted rate, it is more that Central will be reimbursing us for our payments for the pipeline. Kenny said it is Central's contribution via a discounted rate. Merrill asked if Kenny could pencil out average annual deliveries of water to help the GC look at long-term costs. Farnsworth said our original thought is it would be 9,500-10,000 acre-feet on average annually. The score back out of that will depend on many factors but will likely be 40-70% of that number. Farnsworth said the way we set up this contract is time and materials not to exceed. We only will pay the contractor for the time they spend on the work. If something happens, we can terminate the contract with 10-15 days' notice for



no reason if we need to. For now, we will direct the contractor to focus on design issues that are important no matter how or how much water is delivered to the site. Beardsley asked if this will buy us enough to get to the June GC meeting and allow for more time for the EDO and Central to keep working on the water deliver piece. Farnsworth said yes.

GC Decision – *LaBonde moved to approve the HDR agreement for the BSR project; Thabault seconded. Agreement approved.*

Executive Session

Ament moved to enter Executive Session; Czaplewski seconded. GC entered Executive Session at 12:33 PM Central Time.

Ament moved to end Executive Session; Taddicken seconded. GC ended Executive Session at 12:39 PM Central Time.

PRRIP Executive Session Motions

GC Decision – *Thabault moved to authorize acquisition of Tract W1703; LaBonde seconded. Motion approved.*

Future Meetings & Closing Business

Upcoming GC meetings:

- GC Quarterly Meeting – **June 6-7, 2017** @ Cheyenne, WY
- GC Quarterly Meeting – **September 12-13, 2017** @ Kearney, NE
- GC Pallid Sturgeon Workshop – **September 13-14, 2017** @ Kearney, NE
- 2017 AMP Reporting Session – **October 17-19, 2017** @ Omaha, NE
- GC Special Session (FY18 Budget) – **November 14, 2017** @ Denver, CO
- GC Quarterly Meeting – **December 5-6, 2017** @ Denver, CO

Farnsworth discussed the status of the Program web site and database. We need to update both because of changing technology. We are starting to have several issues with the web site and database because they are operating on legacy software that is being transitioned out. The EDO is thinking about finding a Special Advisor to the EDO to take a hard look at our current system and providing options for updating and revamping. We don't have money in our Special Advisor line item for this but we have ample funds in other line items to provide funding for this. Beardsley asked who maintains the current web site. Farnsworth said RTI out of Ft. Collins, CO. The issue we are having is our systems are built on Microsoft SharePoint but Microsoft is jettisoning that and moving to something that is more cloud-based. Kenny said while RTI might have thoughts on the direction, we would like independent input from people with more knowledgeable on this to assess whatever advice and counsel we might get from RTI. Beardsley asked when the next action item for this will be. Farnsworth said likely in the budget discussions for FY18. Kenny agreed.

Meeting adjourned at 12:45 PM Central Time.

Summary of Action Items/Decisions from April 6, 2017 GC Conference Call

- 1) Approved the HDR agreement for the broad-scale recharge project.
- 2) Authorized acquisition of Tract W1703.