PLATTE RIVER RECOVERY IMPLEMENTATION PROGRAM
Finance Committee Conference Call Minutes
May 26, 2011

Attendees

Mike Purcell, Chair – State of Wyoming
Jerry Kenny – ED
Chad Smith – ED Office
Jason Farnsworth – ED Office
Beorn Courtney – ED Office
Bruce Sackett – ED Office
Larry Schulz – ED Office Consultant
Don Kraus – CNPPID
John Lawson – Bureau of Reclamation
Suzanne Sellers – Colorado Water Conservation Board
Jennifer Schellpeper – State of Nebraska

Welcome and Administrative

Finance Committee Chair Purcell called the meeting to order at 10:04 a.m. Central time. No agenda modifications offered. Schellpeper moved to approve the May 5, 2011 FC minutes; Kraus seconded. **May 5, 2011 minutes approved.**

Purcell asked about Governance Committee polling for the habitat availability analysis sole-source contract. Kenny said we received unanimous approval, but asked if we need a motion and a second. Purcell said the FC approved subject to the polling of the GC. The ED Office should put the results of the polling into the minutes of the June 2011 GC meeting to document what happened.

Purcell asked about the status of the new Program vehicle. Kenny said the NCF will not hold title to the vehicle. The PRRIF vehicle could be amended to hold title. The truck has not been purchased and this will be an agenda item for the GC.

CNPPID Reregulating Reservoir

Courtney discussed the contract amendment. Kenny said the amendment includes a verbal commitment from CNPPID to cover $30,000 of the total costs, making the Program obligation $1,951. Sellers asked if Item #2 should say $1,951. Kenny said the purpose of the language is to avoid making CNPPID having to enter into a separate contract with the consultant. Courtney said that is similar to the structure of the First Amendment to this contract. Kenny said the original contract was for geotechnical work and the second amendment was for feasibility studies now underway. Sellers said the contract should indicate that the contractor will be billing CNPPID for their share or somehow show how that transaction will happen. Kenny said we could add a sentence to #2 to describe that. Kraus said CNPPID is committed to the $30,000 but formal action would be approval by his Board and an amendment to the existing agreement between the Program and CNPPID. Kenny agreed and said we will have to amend that contract to include this activity and extend the date.

Sellers moved to approve the contract amendment subject to the other contract document between the Program and CNPPID and this second amendment being presented to the GC for approval. Courtney asked if that means we need to wait to alert the contractor. Kenny said the FC could approve moving

forward but ask that the documents be brought before the GC in June. Sellers said she is OK with that approach. Kraus said Board approval could be sought a week from this coming Monday. Schellpeper said it seems to her we should present the CNPPID contract and this contract at the same time as one package. Kenny said sometimes you have to move forward and Kraus is on the call to ensure the CNPPID commitment. We thought since the commitment on the part of the Program is small, an expedited process was in order. In addition, this is the procedure that has been followed in the past when agreements between the Program and partners at the table were

Purcell asked for the motion again. Sellers said the motion is to approve the contract amendment provided Kenny adds a sentence explaining the CNPPID commitment and that both contracts are submitted to the GC at the June 2011 meeting. Purcell asked if everyone shares the concerns about waiting until the GC meeting. Sellers said another option is to have an e-mail poll if the CNPPID Board can approve their portion of the contract by tomorrow. Kraus said it would not be addressed in writing until a week from Monday.

Sellers moved to approve the contract amendment subject to introduction of the new language that outlines the requirement for the CNPPID amendment and also with the understanding there will not be a Notice to Proceed unless and until there is a CNPPID Board approved and signed amendment to the original contract between the Program and CNPPID that formalizes CNPPID's contribution; Lawson seconded. Kraus abstained. **Motion approved.**

Purcell asked for the full package when issues like this come before the FC next time. Kenny stated that procedure will be followed in the future.

Sediment Augmentation Pilot Management Action

Chad Smith discussed the contract amendment. Purcell said the expenditure tracking document is precisely what he requested. In the future, you may want to track right in the front-end scope the entire history of the contract. Lawson asked about the Second Amendment with no expenditures. Kenny said we have had meetings with the Corps but HDR has not billed the Program for their involvement in those meetings yet. An individual permit application has been submitted for Elm Creek and Cottonwood Ranch. Lawson asked about the supplemental data collection. Kenny said that has not been fully completed yet. Lawson asked if Amendment 3 is dependent on Amendment 2. Smith said we need a permit to augment sediment, but these activities need to occur in parallel processes. Kraus asked about the costs of actually augmenting sediment into the river. Smith said the contract amendment includes costs for the Flatwater/HDR/Tetra Tech team to provide oversight, but costs for actually putting sand in the river will be a separate item to be addressed later.

Lawson asked if this would be the last amendment to the contract. Smith said no – the sediment augmentation pilot-scale management action is a two-year project and this amendment only covers Year 1. Year 2 budget and scope will be evaluated through the normal GC budget process for 2012, and the ED Office will seek approval from the FC of a fourth amendment in early 2012 to cover the Year 2 budget (if the budget line item is approved by the GC in December 2011). Lawson asked if we know what the budget estimate is for Year 2. Smith said roughly $220,000.

Kraus moved to approve the contract amendment; Sellers seconded. **Contract amendment approved.**

Whooping Crane Monitoring RFP

Chad Smith discussed the RFP. Purcell asked about the terms of the RFP/contract. Smith said four years through the spring 2015 monitoring period. At that point, the ED Office will ask for FC approval of another four-year RFP and contract to complete the First Increment. Kraus asked if there were any issues with this RFP discussed at the TAC meeting. Smith said no, but there was agreement to make the term of the RFP/contract four years. Lawson moved to approved the RFP; Kraus seconded. **RFP approved.**

Sediment Augmentation

Smith discussed some of the latest work estimating costs for augmenting sediment in the river and available sand and gravel mining operators that could do the work. Sackett has had initial discussions with a few local operators and it seems like there may be only one willing and able to do the work at the Program's Cook/Dyer property. Farnsworth said many folks would be cut out of consideration because it is only economical for them if there is a market for the larger-grained material that we would not augment. Smith asked the FC their opinion on the best way to proceed with securing an operator to augment sediment at the Cook/Dyer property. Purcell said he would go out and request rates for manpower and equipment so we could get quotes from interested contractors and then from that point in time enter into a CPTM contract so we direct the work at those hourly rates. At least the Program would have gone out to see what is available in terms of contractor services. Lawson said we have a procurement process in place that allows sole-source if justified, but just follow the procurement process. Don't vary from that process, even a little bit. Purcell said it is important to play by the rules.

Closing Business

The next FC meeting will be a conference call on July 8, 2011 from 2:00-4:00 p.m. Central time.

FC meeting adjourned at 10:58 a.m. Central time.

Summary of Action Items/Decisions from May 26, 2011 FC meeting

1) Approved May 5, 2011 FC minutes.
2) Approved CNPPID reregulating reservoir contract amendment subject to introduction of the new language that outlines the requirement for the CNPPID amendment and also with the understanding there will not be a Notice to Proceed unless and until there is a CNPPID Board approved and signed amendment to the original contract between the Program and CNPPID that formalizes CNPPID's contribution.
3) Approved the sediment augmentation contract third amendment.
4) Directed the ED Office to follow the Procurement Policy when seeking contractor service for augmenting sediment.