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1		APPEARANCES
2		
3		CHAIRMAN:
4	ROBIN JENNISON	
5		COLORADO:
6	Randy Seaholm	
7	Matt Heimerich	
8	Colin Thompson	
9		KANSAS:
10	David Brenn	
11	Randy Hayzlett	
12	David Barfield	
13		

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.



7 Apr 2009

Kevin Salter, Kansas Div. of Water Resources



Steve Miller, Colorado Water Conservation Board

12-7-09

1 Note re status of attached exhibits

2 **EXHIBIT LIST**

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

16 **ADOPTED RESOLUTIONS**

17 Resolutions adopted by ARCA follow in the order adopted

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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21 2007-03 Honoring David Pope, Page 12
22 2007-04 2nd Extension Spec. Eng. Comm., Page 67
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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

Exh. 1.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 Helmerich

- 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	--

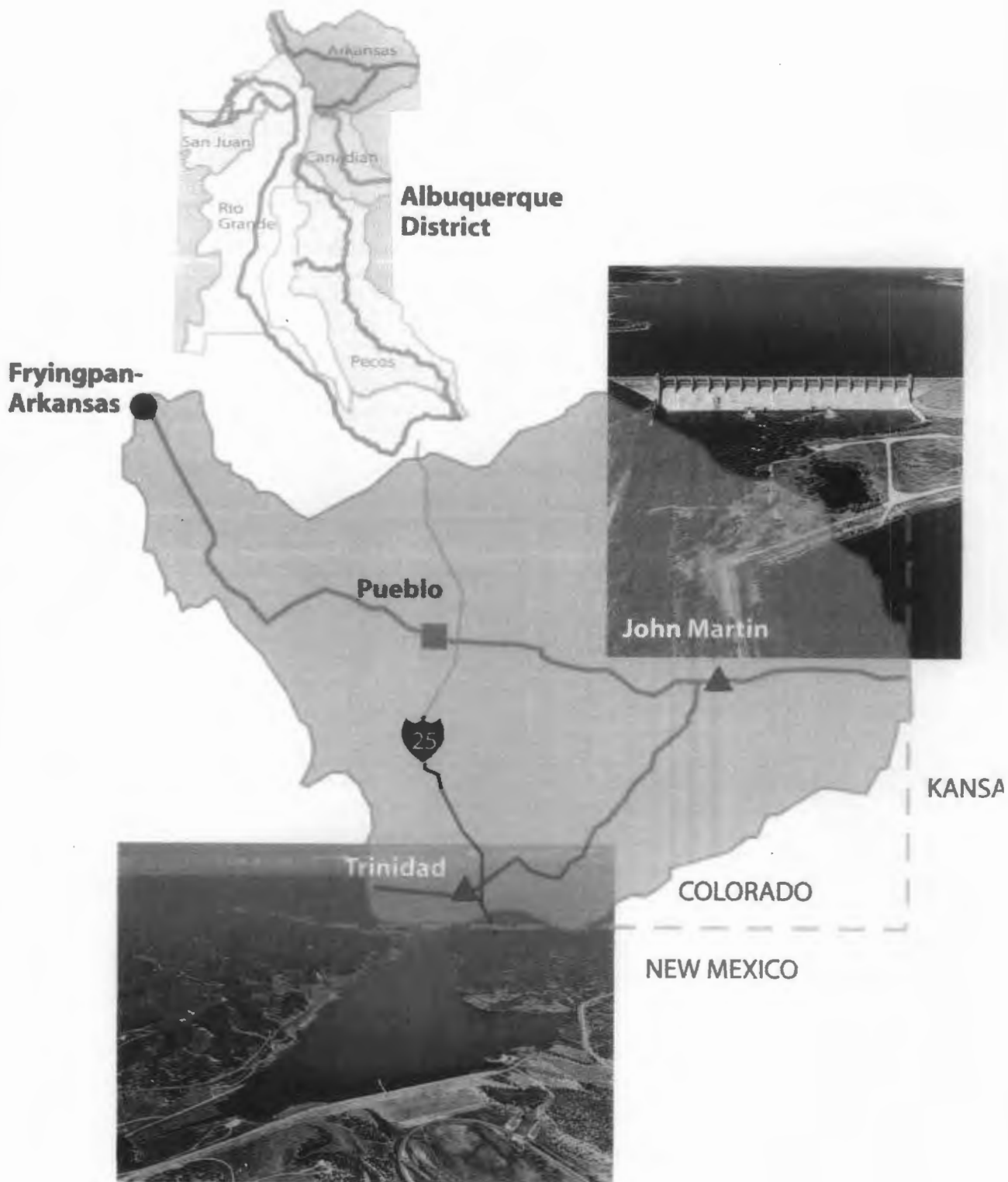
Exhibit F

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

Exhibit G

ARKANSAS RIVER COMPACT ADMINISTRATION

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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

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

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>
<u>REVENUES</u>			
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
<u>TOTAL REVENUES</u>	80,517	81,000	(483)
<u>EXPENDITURES</u>			
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)
<u>TOTAL EXPENDITURES</u>	121,691	135,100	(13,409)
NET DECREASE IN FUND BALANCE	(41,174)	(54,100)	12,926
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

<u>CASH BALANCE - July 1, 2006</u>		91,440
<u>RECEIPTS</u>		
Revenues from Assessments	80,000	
Interest	517	
Miscellaneous	<u>0</u>	
<u>TOTAL RECEIPTS</u>		80,517
<u>DISBURSEMENTS</u>		
Professional Service Contracts	13,096	
Gaging Stations & Studies	70,677	
Operating Expenses	890	
Other	<u>37,028</u>	
<u>TOTAL DISBURSEMENTS</u>		<u>(121,691)</u>
DISBURSEMENTS in EXCESS of RECEIPTS		<u>(41,174)</u>
<u>CASH BALANCE - June 30, 2007</u>		<u><u>50,266</u></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
subtotal services	\$12,600

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
subtotal gaging	\$63,200

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
subtotal operating	\$2,300

D. OTHER

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

TOTAL ALL EXPENDITURES \$80,100

II. INCOME

A. ASSESSMENTS

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

B. OTHER

1. Interest Earnings	\$1,000
2. Miscellaneous	\$0
subtotal other	\$1,000

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 2007-1

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

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
Colin Thompson, Holly
Matt Heimerich, Olney Springs

Robin Jennison
Healy, Kansas

David Barfield, Topeka
Randy Hayzlett, Lakin
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

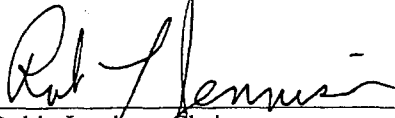
WHEREAS, while diligently representing the State of Kansas and its constituents, David has reached out to the State of Colorado to compile the most accurate accounting possible of the waters of the Arkansas River, to identify issues in dispute, and to reach fair and reasonable solutions to the many issues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

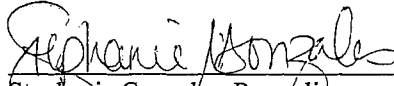
WHEREAS, David's vast knowledge of hydrology and water law, positive attitude, friendly personality, and congenial temperament have been an asset to ARCA and the State of Kansas.

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 10th and 11th 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.

Robin Jennison, Chairman

Arkansas River Compact Administration

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 releases¹ and (2) concurrent releases from the Kansas transit loss account and the Kansas account.²

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.³

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

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

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

³ 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...

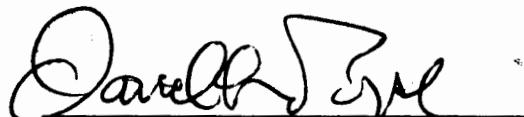
Therefore, it is recommended that ARCA incorporate these recommendations through amendments to the 1980 Operating Plan.

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.

Robin Jennison, Chairman
Arkansas River Compact Administration

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.¹

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.

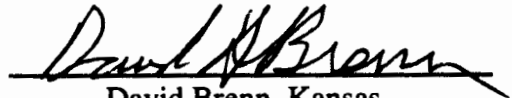
¹ This issue has been referenced as Issue #51 in the "Matrix" document, JMR Accounting Issues, dated April 2005.

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