

ARKANSAS RIVER COMPACT ADMINISTRATION

COMPACT YEAR 2011

ANNUAL MEETING

December 8, 2011

HELD AT THE
LAMAR COMMUNITY BUILDING
LAMAR, COLORADO

Randy L. Zhyff
Dec 6, 2012

Reported By:

ADVANCED COURT REPORTING SERVICES
Lee Ann Bates, CSR, RPR, CRR
27113 W. Mills Avenue
Plevna, Kansas 67568
(620) 793-6555 or (620) 664-7230

APPEARANCES

COLORADO:

Matt Heimerich

Colin Thompson

Jennifer Gimbel

KANSAS:

David Barfield

Randy Hayzlett

Dave Brenn

P R O C E E D I N G S

MR. HAYZLETT: We're ready to call the meeting to order. Good morning. My name is Randy Hayzlett. I'm the Vice-Chairman. We are absent the Chairman again this year. I'll just have a few instructions for the audience to --

(Audience noise too loud to hear over.)

MR. HAYZLETT: Start again. Call the meeting to order. We're a little bit late getting started this morning, so we'll move along here. For our court reporter, please come to the podium, state your name, talk plainly for her and for those of us who have hearing problems. Please speak up if you have something from the audience to say. Try to say your name first, so she can capture that. If you have a business card, you might bring your business card for her as well. If you have exhibits, be sure and get those to us; preferably four, if you can. That way, it would help out quite a little bit.

With that, I guess we're ready for introductions. I think we'll start at the end of the table down here and work our way around the room.

MR. GRIGGS: Burke Griggs, legal counsel

1 to the Division of Water Resources, Kansas.

2 MR. BRENN: Dave Brenn, Kansas
3 commissioner on the Compact from Garden City,
4 America.

5 MR. BARFIELD: David Barfield. I'm Chief
6 Engineer with the Division of Water Resources and a
7 Kansas commissioner.

8 MR. HAYZLETT: Randy Hayzlett from Lakin,
9 Kansas commissioner.

10 MS. GIMBEL: Jennifer Gimbel, Colorado
11 Water Conservation Board, Colorado commissioner; and
12 Mr. Chairman, if you'll allow me the luxury, what
13 I'd like to do is introduce John Stulp, who is
14 the -- who is the Governor's Water Policy Advisor
15 and also the director of our -- of the Inter-basin
16 Compact Committee, and we're glad to have you here,
17 John. Thanks for joining us.

18 MR. STULP: Thank you.

19 MR. HEIMERICH: Matt Heimerich, Olney
20 Springs, Colorado; Colorado commissioner Colin
21 Thompson, District 67.

22 MS. McDONALD: Eve McDonald from the
23 Colorado Attorney General's office.

24 MR. VAN OORT: John Van Oort, Division of
25 Water Resources.

1 MR. MILLER: Steve Miller, Colorado Water
2 Conservation Board.

3 MR. VAUGHAN: Roy Vaughan, Bureau of
4 Reclamation, Pueblo Field Office.

5 MR. WITTE: Steve Witte. I'm the
6 Colorado Division 2 Engineer. I'm also the
7 Operations Secretary for the Compact Administration.

8 MS. DURAN: Rachel Duran, the Division of
9 Water Resources for Kansas, Garden City Field
10 Office.

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

13 MS. SCHENK: Angela Schenk with Spronk
14 Water Engineers.

15 MR. NEWMAN: Brent Newman, Colorado Water
16 Conservation Board.

17 MR. BEIGHTEL: Chris Beightel, Kansas
18 Division of Water Resources, Topeka.

19 MS. COLE: Brandy Cole, Kansas Division
20 of Water Resources.

21 MR. DANIELSON: Jeris Danielson,
22 Purgatoire District.

23 MS. SPADY: Beverly Spady, Purgatoire
24 District.

25 MR. SALTER: Kevin Salter, Kansas

1 Division of Water Resources. I'm also the Assistant
2 Operations Secretary for the Administration.

3 MR. VERHOEFF: I'm nobody.

4 MR. SALTER: Go ahead and introduce
5 yourself.

6 MR. VERHOEFF: Oh, I'm just a farmer.
7 I'm Ronnie Verhoeff; a farmer. Just a local farmer.

8 MR. KEHM: Heath Kehm, Colorado Parks &
9 Wildlife, Trinidad Lake State Park.

10 MS. CISNEROS: Bernadine Cisneros,
11 U. S. Army Corps of Engineers, Trinidad Project
12 Field Office.

13 MS. ROBB: Traci Robb, U. S. Army Corps
14 of Engineers, Trinidad Lake.

15 MAJ. COLLINS: Major Richard Collins,
16 Commander of Albuquerque District, U. S. Army Corps
17 of Engineers.

18 MR. GARCIA: Dennis Garcia, U. S. Army
19 Corps of Engineers, Albuquerque District.

20 MR. SIDLOW: Marc Sidlow, Albuquerque
21 District, U. S. Army Corps of Engineers.

22 MR. STEERMAN: Don Steerman, Shinn,
23 Steerman & Shinn, attorneys for District 67, Amity
24 and several other ditches.

25 MR. HOWLAND: Terry Howland, Amity Canal.

1 MR. MILLER: I can see the court reporter
2 straining to get every name, and there's a written
3 attendance list. Did you already send that around?

4 MR. HAYZLETT: I haven't, but I'm taking
5 care of that next.

6 MR. MILLER: So we'll have all these
7 names for you on the list.

8 MR. STULP: John Stulp.

9 MR. RUDE: Mark Rude, Southwest Kansas
10 Groundwater Management District.

11 MR. HINES: Steven Hines, Frontier Ditch.

12 MR. SCHEUERMAN: Hal Scheuerman, Kearny
13 County Farmers Irrigation Association.

14 MR. BRASE: Leroy Brase, Tri-State Ag
15 Consultants.

16 MR. YUSKA: Mark Yuska, U. S. Army Corps
17 of Engineers, Albuquerque District.

18 MS. DOWNEY: Karen Downey, U. S. Army
19 Corps of Engineers, John Martin Reservoir Field
20 Project.

21 MR. TRUAN: I'm Van Truan. I'm with the
22 Corps of Engineers in Pueblo.

23 MR. HECKMAN: Fred Heckman, farmer in
24 McClave.

25 MR. HACKNEY: Slade Hackney, U.S.

1 Geological Survey, out of the Hays Field Office.

2 MR. PAYNE: Bill Payne, USGS, Pueblo.

3 MR. MAU: David Mau, USGS, Pueblo.

4 MS. GONZALES: Stephanie Gonzalez, ARCA
5 Recording Secretary and Treasurer.

6 MR. WOODKA: I'm Chris Woodka with the
7 Pueblo Chieftain.

8 MR. GILMORE: Andrew Gilmore with
9 Reclamation in the Eastern Colorado Area office in
10 Loveland, Colorado.

11 MS. HALSTEAD: Mary Halstead, Colorado
12 Division of Water Resources out of Denver.

13 MR. SULLIVAN: Mike Sullivan, Colorado
14 Division of Water Resources, Denver.

15 MR. WOLFE: Dick Wolfe, Colorado State
16 Engineer.

17 MR. GRASMICK: Bill Grasmick, Lower
18 Arkansas Water Management Association.

19 MR. NYQUIST: Karl Nyquist, GP Resources.

20 MS. RATZLAFF: Clarice Ratzlaff with
21 Congressman Scott Tipton's office out of Pueblo.

22 MR. McELROY: Brady McElroy, Natural
23 Resources Conservation Service.

24 MS. MYERS: Jeanette Myers, Division of
25 Water Resources out of La Junta.

1 MR. KASPER: Josh Kasper, Division of
2 Water Resources out of Lamar.

3 MR. REYNOLDS: Phil Reynolds, Division of
4 Water Resources, Pueblo.

5 MR. HAYZLETT: Thank everybody for their
6 attendance. I do have a -- I'm going to start it
7 right here at the end of the table, I think. I do
8 have an attendance list here, and we'll make that as
9 an exhibit once it gets circulated around the room.
10 Be sure and get your name on that, so -- and then
11 we'll pass that around.

12 Next item is review and revision of the
13 agenda. I think what I have is the Southeastern
14 provided their report that was scheduled or slated
15 for Item 7-A, so that would be one that I believe
16 would be removed from the agenda here. Are there
17 any other reviews or revisions of the agenda?

18 MR. SALTER: Kevin Salter. That marked
19 up agenda then would be another exhibit, Exhibit B
20 to the transcript then.

21 MR. HAYZLETT: Okay. We'll make that an
22 exhibit then. We'll get all the exhibits to --
23 we've got two gentlemen taking care of the exhibits
24 over here, Chris and Brent, so we'll get the
25 exhibits to them.

1 MR. BEIGHTEL: Okay. So the original
2 notice and agenda will still be an exhibit and then
3 the amended agenda is another exhibit; is that
4 correct?

5 MR. HAYZLETT: Just the amended agenda, I
6 think, is probably all we'll need.

7 MR. BEIGHTEL: Okay.

8 MR. HAYZLETT: Is there a motion to
9 accept the agenda?

10 MS. GIMBEL: So moved.

11 MR. HAYZLETT: Is there a second?

12 MR. BARFIELD: Second.

13 MR. HAYZLETT: Any more discussion? If
14 not, all in favor of working off this agenda, say
15 "Aye."

16 (Response.)

17 MR. HAYZLETT: Opposed, same sign.

18 (No response.)

19 MR. HAYZLETT: Okay. Work off the --
20 like Item 4, I don't see any reports there. We'll
21 move right along to Item 5. Most of them on Item 4
22 will be deferred to a later time in the agenda
23 there.

24 Summary of the by-laws revision that occurred
25 in a September 27, special meeting. We have a

1 report on that from Burke?

2 MR. GRIGGS: Yes. Burke Griggs. By a
3 special meeting on September 27th, 2011, the
4 Administration agreed to change the by-laws of the
5 Administration to accommodate Colorado's need to
6 avoid occasional scheduling conflicts with meetings
7 dedicated to the Colorado River Compact. These two
8 changes are limited to Article IV, Paragraphs 1 and
9 10.

10 Article IV, Paragraph 1 maintains the second
11 Tuesday of December as the standard annual meeting
12 date, but now allows for the Administration to
13 change the date of the meeting. If the
14 Administration does agree to change that date, it
15 must so agree at a meeting at least 60 days before
16 the new meeting date or 60 days before the standard
17 date, whichever comes first.

18 Article IV, Paragraph 10 was changed
19 accordingly. In the event the Administration agrees
20 on an annual meeting date other than the standard
21 date, then a public notice of the new date must be
22 provided at least 45 days before the new date.
23 Despite this change, the Administration does not
24 anticipate changing the date of its annual meeting
25 more than one week before or after the standard

1 date. That's it.

2 MR. HAYZLETT: Okay. Any questions?

3 MR. MILLER: I did bring some copies of
4 the revised by-laws. They're on the end of the
5 table here, if you would like to pick up a copy.

6 MR. HAYZLETT: Okay. I assume we should
7 make those an exhibit then as well.

8 MR. MILLER: Good. I'll grab four
9 copies.

10 MR. HAYZLETT: Okay. I guess we're ready
11 for reports from the federal agencies. USGS, David
12 Mau.

13 MR. SALTER: Just for clarification, you
14 just provided the court reporter with some copies of
15 your report. Would you like that to be made an
16 exhibit to the transcript?

17 MR. MAU: That would be fine. My name is
18 David Mau. I'm with the U. S. Geological Survey in
19 Pueblo, Colorado. Thank you, Mr. Chairman and
20 members of the commission. I'm passing around a
21 report of our annual flow conditions at the ARCA
22 gages.

23 What is most noticeable that I wanted to point
24 out is the extreme low flow conditions throughout
25 the watershed area at these gages; in particular,

1 the Purgatoire River near Las Animas. 2011 flows
2 were about 22% of 2010 flows, and that was at the
3 Purgatoire River near Las Animas, extreme low flow.
4 Arkansas River near Granada is running about 35% of
5 the average, or 63% of last year, and the Arkansas
6 River near Coolidge is running at about 42% of
7 average.

8 The other issue I'd like to mention is that we
9 continue to have beaver problems at the Sandy gage
10 near Lamar. That is an ongoing problem and
11 continues to force us to rate that gage as poorly
12 rated. That issue is going to have to be resolved
13 at some point, either through trapping or
14 eradication of those beavers.

15 I was asked to summarize very quickly a few of
16 our projects that we have going on in the Arkansas
17 Basin. We are currently measuring 290 wells in the
18 Arkansas Basin, and 120 of those wells are in
19 Pueblo, near the Colorado-Kansas Stateline, and
20 they're measured twice per year.

21 We completed -- USGS completed two reports,
22 they're in draft right now, looking at water quality
23 conditions in the Arkansas Basin area. Two areas in
24 particular, we're working with Arkansas Basin
25 Resource, a regional resource planning group, which

1 consists of seven entities: Aurora, Colorado
2 Springs Utilities, Pueblo Board of Water Works,
3 Upper Arkansas Water Conservancy District, Southeast
4 Conservancy District, and Lower Arkansas Valley
5 Water Conservancy District. This is a multiyear
6 project looking at the potential for additional
7 water quality problems related to population growth,
8 storm water concerns, as growth continues in the
9 basin.

10 We are also doing a project, USGS is, on
11 Fountain Creek, a hydraulic study looking at the
12 potential to reduce peak flows during storm events
13 in Fountain Creek. This is a follow-up to the
14 URS study that was done by the Corps of Engineers.
15 I believe it was completed in 2007, and that study
16 is using the models that they created and looking at
17 creating side detention channels or using side
18 detention channels and detention ponds and side
19 channels and perhaps dams. That study has just
20 started. We are just now on the calibration mode
21 for that model.

22 Finally, we are doing an Upper Arkansas water
23 budget study to look at potential for increased
24 groundwater storage for additional water supplies.
25 This is based on a study that CWCB completed in 2007

1 that determined that by 2030, there would be a
2 shortage of about 6,000 Acre Feet per year of water
3 needs in that area between Salida and Buena Vista,
4 so that is an ongoing study. We hope to have that
5 completed by 2013.

6 The last thing I want to mention is regarding
7 the discussion we had yesterday on the USGS
8 invoices. That issue, I'm working with Stephanie
9 Gonzalez and that is being resolved, and it appears
10 it was an anomaly in the audit based on the year
11 that was done. It was just 2010. The 2011 invoices
12 are all very consistent and much easier to follow.
13 I'll be working with her.

14 MR. HAYZLETT: Thank you for working on
15 that.

16 MS. GIMBEL: Mr. Chair, that's what I
17 wanted to say, too. Thank you very much for working
18 on that. I understand when you're changing systems,
19 how that works, so we appreciate you doing that.

20 MR. MAU: Thank you.

21 MR. HAYZLETT: Is there any questions
22 from the audience or from the table here?

23 MR. HEIMERICH: Just one question.
24 David, the study that the USGS is doing on Fountain
25 Creek --

1 MR. MAU: Yes.

2 MR. HEIMERICH: -- what's the -- is there
3 a timeline right now?

4 MR. MAU: Yes. We're planning to have
5 the calibration completed by February-March and then
6 we'll start the model scenarios. I will be working
7 with the technical advisory committee to develop 14
8 different management scenarios. Our goal is to have
9 a draft report completed by December, 2012.

10 MR. HEIMERICH: Very good. Thank you so
11 much.

12 MR. HAYZLETT: Any other questions?

13 MR. THOMPSON: On your study, are you
14 just looking primarily at water quantities; not
15 necessarily priorities?

16 MR. MAU: Priorities will come into play
17 on those. The TAC (technical advisory committee)
18 will have to determine that and will have to provide
19 us with those recommendations as to how the model,
20 how we can handle that within the model, those water
21 rights issues that we're dealing with.

22 MR. HAYZLETT: Other questions?

23 MR. BARFIELD: I do have a couple
24 questions. So on the Fountain Creek then, they're
25 looking at a variety of off-channel storage or dams

1 and that sort of thing?

2 MR. MAU: Yes.

3 MR. BARFIELD: And looking at how they
4 would reduce peaks and looking at -- what other
5 factors are you looking at besides flow duration
6 changes that may occur within the detention
7 structures?

8 MR. MAU: Yes, and we're also looking at
9 transport, the erosional impacts. That's part of
10 what's being built into the model, so we understand
11 that looking at the design flows, whether it's a
12 two-year, five-year, 25-year, we'll be looking at
13 what is the most effective way to reduce that peak
14 flow. The TAC will have to determine what they
15 consider what's most important. I mean, that's a
16 cost benefit analysis they'll have to do. USGS will
17 not be involved in that, so --

18 MR. BARFIELD: On the groundwater storage
19 in the upper basin, so that's a multiyear study?

20 MR. MAU: Yes.

21 MR. BARFIELD: Okay. What's the source
22 of the water for -- that you'd be storing, looking
23 at storing?

24 MR. MAU: That was -- that's, that's --
25 we're looking at what the available -- what can that

1 basin sustain, what is the -- looking at -- 'cause
2 very little is known about the hydraulic
3 conductivities, the specific yields of that basin,
4 so our data is collected looking at groundwater
5 level measurements. Water budgets is what we're
6 really doing in here and just what the potential is
7 for that. As far as where they're going to get
8 their water from, that's an issue that Upper Ark
9 will have to deal with.

10 MR. BARFIELD: So it's essentially a
11 groundwater modeling sort of task?

12 MR. MAU: Yes. We will be using MODFLOW
13 in this next year.

14 MR. BARFIELD: Okay. Thank you.

15 MR. HAYZLETT: Any other questions?
16 Hearing none, thank you, David.

17 MR. MAU: Thank you.

18 MR. HAYZLETT: U. S. Army Corps of
19 Engineers, Major Collins. Good morning.

20 MAJ. COLLINS: Good morning. Mr. Vice
21 Chairman and members of the commission, as
22 previously introduced, I'm Major Richard Collins,
23 Deputy Commander, U. S. Army Corps of Engineers,
24 Albuquerque District. Lieutenant Colonel Jason
25 Williams, who's the Commander, once again had

1 scheduling conflicts that came up at the last
2 minute, so he's unable to attend this meeting, but
3 he does send his regrets. He would most definitely
4 like to be here.

5 I thank you for the opportunity to present key
6 topics for our report for this year and also current
7 items of interest. Joining me from the District
8 Office is Mark Yuska, our Operations Division Chief;
9 and Dennis Garcia, our Reservoir Control Branch
10 Chief. Also we have Marc Sidlow, our Arkansas River
11 Basin Coordinator; Van Truan from the Pueblo
12 Regulatory Office; and from Operations Projects here
13 in Colorado, we have Karen Downey from John Martin
14 and Traci Robb from Trinidad. Joining Traci is
15 Bernadine Cisneros.

16 The Upper Arkansas Basin in terms of snowpack
17 this year reached 132% of average, while the
18 southern subbasins were about 33% of average. This
19 led to no Corps flood control operations required at
20 either Trinidad, John Martin or Pueblo dams this
21 year.

22 Work on studies and projects within the basin,
23 with basin sponsors under the Corps mission areas of
24 flood damage reduction, ecosystem restoration, Clean
25 Water Act compliance continued in 2011, which I will

1 highlight. The Arkansas River Fisheries Habitat
2 Restoration, a Section 206 Aquatic Restoration
3 project, is comprised of a 10-mile mainstem stretch
4 below the Pueblo Dam. This project, sponsored by
5 the City of Pueblo and initiated in 2002, will
6 improve fish and riparian habitat. Stream habitat,
7 channel structures, and some riparian/bank plantings
8 were completed in 2006, and exotic vegetation
9 removal and replanting were completed in 2011.

10 On the regulatory business lines, Albuquerque
11 District issued three individual Section 404 Clean
12 Water Act permits in the basin in 2011, and 176
13 additional activities were reviewed and covered
14 under our national nationwide permits.

15 Some items of interest that the commission
16 will be interested in, the Corps, in cooperation
17 with Bureau of Reclamation and other state and local
18 agencies, we combined resources in Fiscal Year 2008
19 in an effort to definitively determine the existing
20 hydrologic capability of the Purgatoire River
21 channel downstream of Trinidad Lake. Aerial mapping
22 and survey data were collected and the hydrologic
23 model development and final report were completed in
24 2010. The collaborative effort undertaken for this
25 study was instrumental for the success of this

1 project. A letter reporting the findings of this
2 study was sent to the commission and the
3 collaborating agencies on January the 12th, 2011,
4 detailing flood response operations at or below
5 5,000 cubic feet per second.

6 The Pueblo Conservancy District requested
7 deviation from normal operations at the Pueblo
8 Reservoir in February of 2011 to extend by one month
9 the joint-use pool from April 15th, 2011 to
10 May 15th, 2011. The deviation was approved by the
11 U. S. Army Corps of Engineers; all conditions to
12 implement the deviation were met; and the deviation
13 allowed for approximately 10,100 Acre Feet to be
14 stored in the joint-use pool, which was eventually
15 evacuated by April 18th, 2011.

16 Another item of particular local interest was
17 in April, a fire broke out in southeast Colorado
18 that included an area in and around the John Martin
19 Reservoir project. About 15,000 acres of Corps
20 property was burned on the west and north shores of
21 the project. Our staff, I'm happy to say, following
22 their normal duty day, would go and fight on the
23 front lines with the volunteers, supporting that
24 fire-fighting effort that eventually was contained
25 with no damage or impact to our facilities, although

1 I am told that we had a temporary improvement in
2 some of the undergrowth in the area, which allowed
3 for the native vegetation to, at least for a year,
4 to re-establish itself, but it looks like we're
5 going to be fighting that battle of invasive species
6 for several years out yet.

7 Another significant activity occurred near
8 Trinidad Lake on August 22nd and 23rd, where we had
9 an earthquake swarm, a series of six to 10
10 earthquakes, with the largest measuring about 5.3
11 magnitude. We sent a team of dam safety engineers
12 up to view Trinidad and we are happy to report that
13 there was no signs of distress or impacts of our
14 facilities there, due to that earthquake swarm.

15 Like the John Martin fire, neither of these
16 natural disaster events have any impacts upon our
17 project operations or our ability to monitor flood
18 or mitigate flood risk and provide irrigation water
19 as ordered under the Compact.

20 As you're all aware, we have some important
21 activities going on around the country and the
22 world. I want to conclude with a few words about
23 some of these priority missions for the Corps of
24 Engineers. First is our support for the Overseas
25 Contingency Operations, formerly the Global War on

1 Terrorism. While I'm frequently reminded by our
2 Corps employees, Department of Army Civilians,
3 they're not soldiers, I'm happy and proud to say
4 that over this last year, we had 10 who volunteered
5 to go into harm's way in Afghanistan and Iraq to
6 support our war fighters there.

7 Additionally, in response to the natural
8 disasters that we've had across the nation this
9 year, we had 19 of our district employees deployed
10 to support debris removal missions and other flood
11 fighting efforts in Missouri, Alabama and Minnesota.

12 Also this year, we maintained our National Ice
13 Team, National Ice Planning and Response Team, one
14 of two within the Corps, prepared and standing by to
15 deploy 24/7/365 in support of FEMA directed National
16 Ice Missions in the event of national disasters.
17 Although on days like this here in Colorado, it does
18 not seem like ice is a critical commodity, certainly
19 down in and along the south coast and so forth, in
20 the middle of summer, ice becomes a critical
21 commodity for those needing to keep the medicines
22 cool, along with food supplies and other things.

23 In conclusion of my report, I will provide
24 four copies of our written report to the commission
25 as an exhibit and would like to conclude my report

1 and would take any questions, should there be any.

2 MR. HAYZLETT: Very good report and
3 interesting report. Any questions? Jennifer?

4 MS. GIMBEL: Well, first of all, I have a
5 copy here of the letter January 12th, 2011, that the
6 Major referred to in his comments, and I thought it
7 would probably be appropriate to enter these into
8 the record, so here's four copies also of that, if
9 the Corps is okay with that.

10 MAJ. COLLINS: Yes.

11 MS. GIMBEL: And then, Mr. Chair, if I
12 may, I said this to you privately and I wanted to
13 say it on the record, and that is I've had a long
14 working relationship with the Corps in the
15 Albuquerque office, and you have a great team there,
16 and I think that the professionalism that your staff
17 shows has always been wonderful to see. They've
18 been great to work with. I found -- I think you've
19 shown the cooperative projects that come together on
20 that, and I just want to thank you.

21 MAJ. COLLINS: Thank you.

22 MR. HAYZLETT: Well said, Jennifer. And
23 I think we all appreciate your services. Any
24 questions from this end of the table?

25 MR. HEIMERICH: Mr. Chairman, Major,

1 could you just -- this is maybe more for my own
2 personal edification at some level, but Items 5 and
3 6, where you talk about the Corp's specifically
4 Flood Plain Management Services Program and Flood
5 Risk Management Program, is there a point person in
6 the district that is the lead on those particular
7 projects?

8 I mean, we've just heard a report from USGS of
9 some movement or some analysis of Fountain Creek.
10 Obviously, I think we're all sensitive to the
11 flooding along Fountain Creek and the improvements
12 that are actually in place now to protect downstream
13 property and persons and things of that nature, but
14 I'm just kind of curious. Is there somebody in the
15 district that, if there's a question that relates to
16 both your inspection services and some of your
17 management services program, who that person would
18 be?

19 MR. GARCIA: Dennis Garcia, Corps of
20 Engineers. We do. Her name is Tamara Mazong.
21 She's the -- Tamara Mazong. She's the Chief of our
22 Hydrology and Hydraulic section.

23 MR. HEIMERICH: And she's out of the
24 Albuquerque office?

25 MR. GARCIA: Yes, she's out of the

1 Albuquerque office.

2 MR. HEIMERICH: Very good. Thank you,
3 Dennis.

4 MAJ. COLLINS: We'd also like to note
5 that while Tamara is the lead for that activity,
6 should anyone have any questions or want to contact
7 anyone, you can contact anybody, to include our
8 operations field side, and they'll get you phone
9 numbers and contact information and point you in the
10 right direction.

11 MR. HEIMERICH: Very good. Thank you,
12 Major.

13 MR. HAYZLETT: Thank you again, Major,
14 for your report. U. S. Bureau of Reclamation,
15 Andrew Gilmore.

16 MR. VAUGHAN: First, I have a couple
17 things to say.

18 MR. HAYZLETT: Okay.

19 MR. VAUGHAN: This is the Power Point,
20 less pictures. My name is Roy Vaughan. I'm the
21 facility manager in Pueblo. I'm going to kind of go
22 highlight our water operations last year, including
23 imports and some of the special things that went on
24 during that Water Year.

25 So anyway, I'm pleased to report we

1 experienced well above average yield this year on
2 the Fry-Ark. The May 1st forecast projected 94,200
3 Acre Feet. While the snowpack in the collection
4 system usually reaches its maximum in mid-April,
5 this year, snowpack finally reached its peak in late
6 May, about three weeks later than normal. Continued
7 wet and cool weather combined to delay any
8 significant melting into early June. This resulted
9 in a total of about 99,000 Acre Feet of imports for
10 2011. That's about 180% of our 30-year average, and
11 a lot of that was because of the way it came off.
12 It didn't come off hard and fast and it just
13 continued to come, so -- and this is just our
14 Boustead Tunnel at its max capacity. Go ahead.

15 This is kind of an interesting slide for me,
16 anyway. It might not be for anyone else, but we ran
17 Boustead at its max capacity for over 30 days this
18 year, so it was a pretty significant year for the
19 Fry-Ark Project.

20 This just shows the blue line there, and I
21 don't know how well that comes out on the graphs.
22 Hopefully it will, but the blue line is 2010, the
23 purple line is 2011, and the darker line there is
24 the average, so you can see what happened in July.
25 It was pretty impressive.

1 Our forecast has continued to go up. 72
2 thousand six (72,600 Acre Feet) in February;
3 75-three (75,300 Acre Feet) in March; 82-five
4 (82,500 Acre Feet) in April; and 94-two (94,200 Acre
5 Feet) in May, and this is kind of the current status
6 of our reservoirs. The gray line is last year. The
7 lighter blue line is this year, where we're at, and
8 the black line is average, so Turquoise is right
9 about average. You can see Twin Lakes is a little
10 below average and Pueblo is above average. Just the
11 next slide kind of summarizes that. Turquoise is at
12 100% of average; Twin Lakes is at 97% of average;
13 and Pueblo is 118% of average.

14 This is last Water Year, or for 2011, so the
15 blue line is 2010, the gray line is 2011, and then
16 the black line again is the average, so you can look
17 at your graphs, kind of compare what the Water Year
18 was as far as reservoir storage last year. This is
19 Twin. Go ahead, Bill. Pueblo.

20 Currently, we're moving them 150 Acre Feet
21 (sic) of project water down from the upper reservoir
22 to make space for next year's runoff. We'll
23 continue to move it until we have space between
24 about 60,000. That's probably another 52,000 more
25 that we'll have to move down, and then depending on

1 what the forecast does, we'll adjust the water
2 accordingly.

3 The mussels, the facility assessment for
4 Fry-Ark, all reservoirs were completed. We have
5 action plans in place. To date, we have found no
6 adults on substrate samples, but we continue to find
7 mussel larvae in Pueblo Reservoir but no adults. We
8 actually did some work where we actually removed
9 trash racks at the -- about the whole elevation of
10 the dam, and we inspected those and saw no
11 indication of any adults. There's also a report
12 available. That's the -- that's the Internet link
13 of the assessment that was done, as far as the
14 mussel's ability to reproduce in Pueblo.

15 The Southern Delivery System (SDS), the excess
16 capacity contracts were signed. The construction
17 began in late May, and SDS is a \$1.1 billion project
18 proposed by Colorado Springs, Security, Fountain and
19 Pueblo West to build a 62-mile pipeline, five feet
20 in diameter, and it will deliver 96 million gallons
21 a day; and once again, the web site for project
22 updates is included on the slide.

23 I brought some pictures. I didn't include
24 them in, so anyway, this is looking downstream at
25 Pueblo Dam. This is the river outlet. They've

1 actually built a diversion dam to separate the
2 stilling basin from the river outlet works, so work
3 has begun with that.

4 This is looking upstream towards the dam.
5 They actually poured a massive concrete block for
6 the valve house to set on, and that's what you can
7 see them working on now. Here's the valve house
8 from another angle. Go ahead. This is looking
9 downstream, down to the cofferdam.

10 We had an ARRA (American Recovery and
11 Reinvestment Act) project we completed this year.
12 Richard Phillips was the -- Marine was the
13 contractor. Just some of the work, it was on the
14 south outlet works. It was to replace the
15 actuators. Go ahead. It's just pulling the trash
16 rack that I talked about earlier, replacing the
17 actuator. Go ahead.

18 Okay. They talked a little bit earlier about
19 the waiver, so I just wanted to briefly touch on
20 this with some slides, kind of to show you what work
21 was going on, so go ahead. Here's the flood levy.
22 Go ahead. And what they were doing is there was
23 some sloughing of the concrete. There was some
24 voids beneath it. Go ahead. We'll see that here.
25 So this is -- this is what they were working on.

1 We, you know, we appreciate the Corps' effort and
2 the State's effort and, you know, we didn't have a
3 big role in it, but it allowed the work to continue.
4 So one more. You can see some of the issues they're
5 having there, so anyway, questions for me?

6 MR. THOMPSON: Are you in charge of the
7 graffiti?

8 MR. VAUGHAN: No, absolutely not.

9 MR. HEIMERICH: I'm just kind of curious.
10 When you run the tunnel that hard for that long and,
11 you know, in the Colorado Canal we've got some
12 siphons and different things like that in our
13 system. Do you now go in and inspect that for
14 damage and see if there's anything that needs to be
15 done?

16 MR. VAUGHAN: Absolutely, and we have an
17 ongoing maintenance schedule. There's relief holes
18 behind that that actually drain the water out, so
19 yeah. Yeah, we have a routine schedule for all of
20 our facilities, as well as Boustead Tunnel.

21 MR. HAYZLETT: Any more questions?

22 MR. VAUGHAN: Andrew Gilmore is going to
23 go ahead and speak to Trinidad and AVC and the
24 Master Contract. Thank you.

25 MR. HAYZLETT: Thank you.

1 MR. GILMORE: Mr. Vice Chair and members
2 of the Administration, in the interest of time I
3 gave a presentation on this yesterday. I would just
4 invite any questions before that clarifying, if
5 anybody had second thoughts overnight, after hearing
6 what I said, and also say that Mr. Jim Broderick did
7 an excellent job describing the AVC EIS in way less
8 words than I would have, so if there's no questions
9 on that.

10 Certainly the message there, if you're
11 interested in that, the AVC project obviously covers
12 the Arkansas down to Lamar and has perhaps all the
13 way to the Stateline, depending on how the Master
14 Contract dryup works. The web site is
15 usbr.gov/avceis, and if you've got any other
16 questions on that, I'll entertain those now, but I
17 don't have any more presentation to make, other than
18 what I did yesterday.

19 MS. GIMBEL: No questions, just a
20 comment, that the State of Colorado is very
21 supportive of the Arkansas Valley Conduit Project
22 and we appreciate your partnership with that, USBR's
23 partnership. The Colorado Water Conservation Board
24 has loaned a significant amount of money to
25 Southeastern in order to get this project moving, so

1 I wanted to let folks know about that and, you know,
2 I didn't say this with USGS, and it's not a slight
3 on you guys, but again, Bureau of Reclamation, the
4 folks we work with in your office here down in
5 Pueblo, we really appreciate all that you do and the
6 fact that you're so interactive with us. It's very
7 nice, and I mean that for USGS, too.

8 MR. GILMORE: Great.

9 MR. BARFIELD: We don't have any
10 questions. We're aware of the project and the
11 opportunity to monitor it and provide comments, and
12 we will be doing that.

13 MR. GILMORE: Great. Thank you.

14 MR. HAYZLETT: Thank you, Andrew. I
15 think we're ready for the reports from the local
16 water users agencies. Item A was taken care of
17 before, so it would be Lower Ark Valley Water
18 Conservancy District, Jay Winner.

19 MR. WINNER: Thank you for having me.
20 For the record, my name is Jay Winner. I am the
21 general manager of the Lower Arkansas Valley Water
22 Conservancy District. I feel like I was just here.
23 Yesterday as I was talking to someone, they
24 mentioned I need to talk about our motion to dismiss
25 against our lawsuit against Bureau of Reclamation,

1 and they said "What, that's really important. You
2 need to talk about that tomorrow."

3 So on Monday, we did file a motion to dismiss
4 with the Bureau of Reclamation. Our lawsuit was on
5 challenging the excess capacity contract that Aurora
6 had in Pueblo Reservoir, so we're hoping that that
7 will be dismissed. What I saw as a big benefit out
8 of that, the most important part, is for years, I
9 didn't know Roy Vaughan's name. I always called him
10 Mr. Defendant, so now I finally know who he is and I
11 no longer call him Mr. Defendant.

12 Steve Miller asked me to come and talk about
13 what the Lower District has been up to, and I was
14 talking to Steve and I said, "I have no idea why
15 these guys would be interested. The only thing
16 we've been doing is Rule 10 Plan, Fountain Creek and
17 the Super Ditch. Why would anybody have an interest
18 in stuff like that?"

19 So I will start with the Super Ditch. We did
20 a presentation yesterday that we are, after five
21 years, starting a pilot program on the Super Ditch.
22 It's going to consist of 500 Acre Feet of water
23 transferred to Pueblo Reservoir. Those contracts
24 are not in place yet. We are in the process of
25 trying to get those contracts in place. When we're

1 doing this project, many people said it would take
2 20 years to get the farmers to agree to something.
3 It's taken us about five years. Now if we get
4 people to agree to these contracts and we are able
5 to transmit its water, I think I will call the first
6 phase very, very successful.

7 Fountain Creek, and as you'll see, Fountain
8 Creek is down on your agenda a little bit farther.
9 I can talk about that right now also, if you'd like.

10 MR. HAYZLETT: Why don't we take it
11 later.

12 MR. WINNER: Take it later? Okay. Rule
13 10 Plan. The Rule 10 Plan has been implemented.
14 What we have done primarily in District 67 is what I
15 will cover right now. 89 individuals, 67
16 sprinklers, 9,669 acres is what we've covering under
17 Rule 10 Plan. The first year has gone very smooth
18 for us. We are anticipating quite a growth in the
19 Rule 10 Plan over the next 15 to 20 to 30 years, so
20 that will cover my report. Anything else?

21 MR. HAYZLETT: Any other questions?

22 MR. WINNER: Be nice, now.

23 MR. BARFIELD: No questions, just a
24 comment, and I will be nice. Appreciated the
25 presentation yesterday on the Super Ditch and

1 understand the project, you know, what you're trying
2 to accomplish, and appreciate the transparency that
3 you have in that process and the opportunities for
4 us to try and understand what you're doing. It's
5 obviously a very complex undertaking and a pretty
6 complex system and so I think that transparency is
7 very appropriate and, you know, Kansas needs some
8 certainty that its interest in this whole thing is
9 going to be protected, and so I just ask you to keep
10 us informed, as you are, as you move through the
11 three-year pilot, while you're trying to work out
12 all this complexity.

13 MR. WINNER: One year.

14 MR. BARFIELD: Well, one year at a time.

15 MR. WINNER: One year at a time.

16 MR. BARFIELD: Right. But I mean, you're
17 envisioning a three-year pilot is my understanding,
18 right, so you can sort of work out all the
19 accounting that needs to be worked out?

20 MR. WINNER: It's very, very complicated.
21 Like I said yesterday, I do appreciate you guys
22 letting Kevin Salter come to the meetings, and we
23 always invite Kansas to the meetings. We're very,
24 very transparent. I think that this project for
25 leasing-fallowing, I never envisioned it would get

1 as big as it has gotten, and the Governor likes it,
2 the State likes it and the western United States, so
3 hopefully it can be an alternative to the normal buy
4 and dry that we see happening to agriculture
5 throughout the western United States, so thank you.

6 MR. HAYZLETT: Thank you. One more
7 question, Jay.

8 MS. GIMBEL: Actually, I have just a
9 comment, and Jay is right. We are very supportive
10 in Colorado of looking at unique ways to deal with
11 our urban needs in the future, and so this pilot
12 project to us is very important to see if it's going
13 to work, and LAWMA (sic) or Lower Arkansas has done
14 a great job on that.

15 As you know, David, Western States Water
16 Council has been doing some different workshops on
17 this and we continue to be involved with that, and
18 this is one of the projects that they've looked at;
19 and I, too, would like to thank Kansas for having
20 Kevin be involved in the process, because we don't
21 have anything to hide. We just want to see if this
22 works or not.

23 MR. WINNER: I do want to thank Kevin.
24 Kevin is a valuable asset to the farmers in
25 Colorado, because he is a Colorado farmer. Thank

1 you.

2 MR. THOMPSON: A lot of the District 67
3 people have the same concerns that Kansas does,
4 obviously. We're downstream of the project area and
5 it's a pretty complicated process. I mean, you
6 know, there's multiple scenarios within multiple
7 different geographic locations under different
8 stream conditions that are going to take place, and
9 it's logical for us to be concerned about the
10 impacts to the amount of water that's going to flow
11 into our area or not, and anything that can be done
12 to make sure that that is still portrayed to
13 District 67 and the water users down here in a
14 quicker -- in a quick time frame, I think, would
15 sure be a good thing.

16 MR. WINNER: What I can do is if you give
17 me a contact in District 67, I can make sure they
18 come to the meetings, but I guess I can pretty much
19 guarantee you that there will be no injury
20 downstream. We're in the process of doing an
21 administrative tool, with the help of CWCB and the
22 State, to make sure there is no injury downstream;
23 and then the projects that I'm working on, to say
24 it's under a microscope between all three of those
25 would be an understatement. Steve and I have become

1 very, very, very good friends, and I will say if I
2 forget something, either Kansas or the State
3 Engineer definitely brings it to my attention within
4 nanoseconds of when it happens, so if you give me a
5 contact, I can make sure that we get this
6 information to everybody.

7 MR. BARFIELD: Yeah. Would you be
8 willing to come -- I mean, I do think we may want to
9 have a -- yesterday you gave us, you said, the
10 Reader's Digest version and, you know, we may want
11 to have you in Garden City or somewhere to maybe
12 meet with a larger group of people than Kevin to
13 help us understand more of what's going on.

14 MR. WINNER: I'd be more than happy to,
15 and if you'd like to coordinate that through Kevin,
16 I'd be more than happy. We take this show on the
17 road many times. There's a lot of interest in
18 trying to preserve agriculture in the western United
19 States the way that we see it, and we see this as a
20 tool, an opportunity for these municipalities and
21 farmers to do that, and hopefully next year, I come
22 back with yet another project that we may be
23 starting in the -- a very good project that we may
24 be starting in the Arkansas Valley, so anyway,
25 anything else?

1 MR. THOMPSON: That is it.

2 MR. WINNER: Are you sure? Thank you.

3 MR. HAYZLETT: Not till next time, Jay.
4 Thank you. Purgatoire River Water Conservancy
5 District, Jeris.

6 MR. DANIELSON: Thank you, Mr. Chairman,
7 members of the Administration. It's always a
8 pleasure to be in Lamar and address you on the
9 activities of the Purgatoire District.

10 First, a couple of comments. We had a late
11 arrival, Jeff Montoya, who's the Water commissioner
12 in the Trinidad area. We are extremely fortunate to
13 have Jeff, and I believe he was the Water
14 commissioner of the Year this year, so this guy puts
15 up with a lot of crap.

16 (Applause.)

17 MR. THOMPSON: Maybe he's the only one
18 left.

19 MR. DANIELSON: To this gentleman, I
20 would say, "Never apologize and say, 'I'm just a
21 farmer.'" I'm serious about that, because there
22 would be a lot fewer pot bellies around here,
23 including mine, if it weren't for what you do.

24 To the Major, as a retired bull colonel who
25 wore the "Castles", I'm proud to see the Corps here

1 today and I want to thank you for your service.

2 MAJ. COLLINS: Thank you, sir.

3 MR. DANIELSON: Okay. Now to the fun
4 part. You know, I really get tired of hearing the
5 Bureau talk about the huge snowpacks that were on
6 the mainstem of the Arkansas. Purgatoire had 35% of
7 normal snowpack this year. It was the second lowest
8 runoff in the Trinidad Reservoir in the entire
9 period of record. In 2011, we probably got water on
10 65% of the land in the district, but I would say
11 less than 30% got watered twice. It was -- it was
12 really a very, very sad year.

13 We continue doing acreage verification. We'll
14 furnish you a report, as required by the Operating
15 Principles, by the first of February.

16 The Corps mentioned yesterday the change in
17 area capacity curve at Trinidad Reservoir. This
18 resulted in a loss of a little over 1,800 Acre Feet
19 of wet water in the reservoir. We allocated that
20 pain based on the content in the accounts as of the
21 31st of October, and unfortunately, Parks took the
22 biggest hit but, you know, Parks doesn't care
23 whether it's wet water or dirt in the bottom. It
24 still keeps the level up, so whatever. He may want
25 to argue with me.

1 MR. HATAMI: No comments here.

2 MR. DANIELSON: And back to the water
3 supply that we had, I'm reminded of the time I was
4 Rio Grande Compact Commissioner as State Engineer,
5 and Steve Reynolds, some of you are old enough to
6 remember Steve, the State Engineer for New Mexico,
7 and Judge Gilmer from Texas, and we were meeting in
8 Santa Fe and Jess got off on the issue of the Pecos
9 River and how the wells in New Mexico were drying up
10 the Pecos and it was just awful and there was no
11 water in the river, and Reynolds listened and
12 listened, and those of you who knew Jess knew he
13 could go on forever and ever, and when he got all
14 done, Reynolds says, "Well, you know, Jess, the Good
15 Book says it rains on the just and the unjust, but
16 it don't never rain in Pecos, Texas," and I'm going
17 to add Trinidad, Colorado to that.

18 We continue to have a lot of litigation in the
19 district over coal methane. There are over 3500
20 producing wells now in the Raton Basin in the
21 district. It's some major, major battles over
22 impacts of dewatering those formations, and we
23 continue to litigate with the energy companies. I
24 think we're coming to closure on that, we hope. The
25 State Engineer has promulgated some rules. We don't

1 like them necessarily, but I think we'll get that
2 resolved maybe in the next couple years.

3 The issue of metrics in terms of how the
4 project operates. There's never been a gage that
5 showed or reflected return flows coming out of the
6 project area, and this year, we completed
7 installation of a gage at Fisher's Crossing, which
8 is, what, 95% below the irrigated area in the
9 district, and it's, I think, going to be very
10 valuable in, you know, studying what are the impacts
11 of the project in terms of return flows.

12 We had a great letter from the Bureau of
13 Reclamation about a year ago. They informed us that
14 at the current rate of repayment, we would fall far
15 short of our mortgage due in 2054 on repaying the
16 construction costs for the project. The original
17 contract with the Bureau had repayment on a sliding
18 scale. If we had a year like this year, we didn't
19 pay very much. If we had a huge year, we paid a
20 lot. The Bureau determined that to meet our 2054
21 obligation, we're going to have to go to a fixed
22 payment every year, and that is going to mean about
23 a 50 to \$60,000 per year impact on the ditches,
24 whether you get water or not, and that's going to
25 be, I think, interesting to see how that goes.

1 The one thing I really am excited about that
2 the District is doing is thanks to the Arkansas
3 Round Table, the Colorado Water Conservation Board,
4 we received a grant to sponsor a River Restoration
5 Program in the City of Trinidad. Those of you who
6 are familiar with the channel there know there are
7 two major obstructions. One are the jetty jacks
8 that the Corps put in a long time ago, and a lot of
9 Tamarisk and Russian olive. The purpose of this
10 project is to establish a cold water fishery through
11 the city. We'll be removing all of the Tamarisk and
12 Russian Olive and we'll be removing the jetty jacks,
13 putting in habitat structures for fish. It will
14 also include a handicapped access trail and
15 handicapped fishing points, and we're doing that in
16 conjunction with the Trinidad Community Foundation.
17 I'm really excited about it. I think it's going to
18 be a showcase for the kinds of things that can be
19 done when you get a community involved. Cost-wise,
20 the grant from the CWCB amounts to about, I think,
21 50% -- not even that much, 40% of the project. The
22 other 60% is coming from local monies people are
23 contributing, and I think it's just going to be a
24 great park. Any questions?

25 MS. GIMBEL: Jeris, I'm curious about

1 this sliding scale to fixed cost. Was the sliding
2 scale a repayment policy? Was it in the statute?
3 Was it -- I mean, how did that -- give a little
4 history on how the sliding scale --

5 MR. DANIELSON: Well, it was in the
6 original contract with the Bureau, the repayment
7 contract. We, of course, paid O & M to the Corps,
8 based on what their costs are. You can't avoid
9 that, but the construction repayment was on a
10 sliding scale, with a minimum payment as small as
11 20,000 a year and a maximum payment of 140. We've
12 been averaging about 66,000, simply because it don't
13 rain in Trinidad, okay?

14 MS. GIMBEL: Right.

15 MR. DANIELSON: And there's not enough
16 water to get us up to where we had to be to meet the
17 repayment level, so now that will go to a fixed
18 cost, 106,000 a year.

19 MS. GIMBEL: Did -- so they're rewriting
20 your contract?

21 MR. DANIELSON: Yes, we're renegotiating.
22 You know, it's hard to negotiate when the landlord
23 comes and says the rent's going up. You can either
24 move out or whatever. We had a long dialogue in our
25 board meeting, "Let's just tell the Bureau come and

1 get it," and then we had a dialogue about, "Damn it,
2 we signed a contract with the Bureau. A deal's a
3 deal, whether it's good or bad. Let 'em live with
4 it." Well, cooler heads prevailed, so we're going
5 to end up with the fixed payment.

6 MS. GIMBEL: Okay. Then a comment,
7 Mr. Chair, just to make sure everyone is aware that
8 the Bureau of Reclamation is becoming, to their
9 credit, is becoming much more transparent on how
10 they do some of these different contracts,
11 especially with marketing rates and some of the
12 repayment issues, I do believe, and they -- the, the
13 time frame for comments was the end of November, and
14 what I understand is that they are going to redo
15 these. They call them directives and standards,
16 which are the internal documents that they use for
17 these contracts. They're going to put those out
18 again in January for another comment period.

19 One of the concerns that has been expressed by
20 the State of Colorado and other folks is that they
21 kind of caught us by surprise. They don't -- they
22 didn't use to put these out so much for public
23 comment, or if they did, it was 30 days; but to
24 their credit, they heard that people, that they
25 wanted to be more transparent. They heard that

1 people wanted more time to consider it, so I just
2 wanted to put that on people's radar screen.

3 MR. DANIELSON: Any other questions?

4 MR. BARFIELD: No questions. Thanks for
5 your report. We certainly understand the inequities
6 of water supply, even in our State. We had sort of
7 the northern half of our State that got a fairly
8 plentiful water supply and the southern half of our
9 State and south, you know, shared your pain. We've
10 had a very brutal year in 2011 that we don't -- we
11 hope is not repeated, so we'll see.

12 MR. DANIELSON: Thank you. Appreciate
13 it.

14 MR. THOMPSON: Did Countrywide underwrite
15 that loan?

16 MR. DANIELSON: No, it's global, and
17 we're still --

18 (Laughter.)

19 MR. DANIELSON: We told the Bureau,
20 don't -- (inaudible.)

21 MR. HAYZLETT: Thanks, Jeris.

22 MR. DANIELSON: Thank you.

23 MR. HAYZLETT: We're ready for Jay Winner
24 again, Fountain Creek.

25 MR. WINNER: Sure. Once again, thank you

1 for having me. For the record, my name is Jay
2 Winner. I'm the general manager of the Lower
3 Arkansas Valley Water Conservancy District. I'm
4 going to talk a little bit about Fountain Creek.
5 Today, the Lower Arkansas Valley Water Conservancy
6 District, we're not as involved in Fountain Creek as
7 what we were at one time. I probably know a lot
8 about what's going on at Fountain Creek.

9 The way that this started, it actually started
10 February 4th in 2005, and that was when the Lower
11 District objected to a piece of legislation called
12 PSOP (Preferred Storage Option Plan) that was moving
13 through Congress at the time. After we objected to
14 that, we sat down with Colorado Springs Utilities to
15 try to work out some sort of settlement, some sort
16 of agreement. We couldn't agree on anything, except
17 we need to do something on Fountain Creek.

18 At that point in time, Colorado Springs
19 Utilities and the Lower District each threw in
20 \$150,000 to try to get something going, try to get a
21 master plan moving on Fountain Creek. Well, as you
22 know, whenever money is attached to anything, people
23 tend to come out of the woodworks, which happened to
24 us. The Corps of Engineers had said you guys need
25 to form a district, so we had a lot of the

1 politicians coming, saying, "Give us your money so
2 we can try to form a district," at which point we
3 said, "We are not going to give you the money to
4 form the district. What we're going to do is do a
5 master plan. You guys try to form the district."

6 So over the years, we helped to form the
7 Fountain Creek Watershed District. CWCB was very
8 involved in this. When we put together the first
9 grant for facilitation, I remember Jennifer Gimbel
10 saying, "\$67,000. Well, if you get El Paso County
11 and Pueblo County to talk to each other, that's
12 probably a good deal." Well, we did. We finally
13 formed the Fountain Creek Watershed District with
14 the master plan.

15 They're in infancy right now. They have put
16 together three small projects. These are all
17 nonconsumptive projects. One is the fish ladder in
18 El Paso County, which was funded by GOCO and
19 Colorado Water Conservation Board and Colorado
20 Springs Utilities. It was primarily for the
21 Arkansas darter and the flathead chub.

22 Another project was a Side Detention Project
23 in the City of Pueblo, right below the Wal-Mart; a
24 way to hopefully keep Pueblo from flooding the way
25 that they have been flooding. When we did this

1 project, my good friend Steve Witte said, "Well,
2 Jay, substitute water supply plan. You're detaining
3 water," so we did write the substitute water supply
4 plan.

5 The next project, and this is what I'm most
6 excited about, it's a sediment removal project. If
7 you look at Fountain Creek and the Arkansas, well,
8 the bed of the creek, it's not going down. It's
9 going up because of the sediment that goes down; so
10 the third project was a sediment removal, which was,
11 it happens, funded once again by Colorado Water
12 Conservation Board, and what this does, it takes the
13 large pieces of gravel, I'm going to call it, out of
14 Fountain Creek, and so far it's been fairly
15 successful with channelizing Fountain Creek. If
16 we're able to channelize Fountain Creek, we think
17 the water will get through Pueblo quite a bit
18 faster; hence, stopping the flooding.

19 Well, we put this project in place, and it's
20 like a 30-foot vacuum cleaner that sucks the big
21 sediment out and deposits it on the bank. Well, it
22 gets deposited on the bank, and Steve Witte, "Well,
23 Jay, that's got water on it. Substitute water
24 supply plan." Okay.

25 So once again, Fountain Creek, I think in 15,

1 20 years, it's going to be a very, very good
2 district. I think Fountain Creek Watershed District
3 will do some really good things in Pueblo, in the
4 lower Arkansas Valley. Once again, we can cause no
5 injury. The State Engineer is watching the projects
6 on Fountain Creek. They will not let us shave the
7 peaks or injure any type of junior water rights.
8 We're just starting the studies on Fountain Creek.
9 Hopefully next year at this time, we can have their
10 general manager come down and report on Fountain
11 Creek. Any other questions?

12 MR. HAYZLETT: What do you do with the
13 gravel you take out?

14 MR. WINNER: It's interesting, because in
15 Pueblo, your gravel pit is a big hefty weight of
16 sand. They can't give the stuff away 'cause there's
17 not a lot of projects going on, so right now, the
18 City is using it for some of their projects, but the
19 County is the one that funded it, so there was this
20 taffy pull of who gets the revenue and, you know, my
21 philosophy was stay out of it, you know, because you
22 might get something that you really don't want, and
23 that's a boat load of gravel. Any other questions?

24 MR. HEIMERICH: Jay, is the master plan
25 that you referred to, that's more of a way of kind

1 of controlling or putting out -- putting some
2 parameters around developing the identified
3 floodplain, I guess? Is that correct?

4 MR. WINNER: It's kind of a hodgepodge
5 of, you know, of land use that we have. Identifying
6 the floodplain; channelizing the river; bringing
7 different sinuosity within the river; kind of a
8 hodgepodge of different ideas of what you could
9 potentially do on Fountain Creek to turn it into an
10 amenity, working with the landowners as opposed to
11 the degradation that you have on the banks, trying
12 to stabilize the banks. Once again, get the water
13 through much faster.

14 MR. HEIMERICH: And then is it -- it's
15 the political jurisdictions that have authority over
16 land use within that area?

17 MR. WINNER: Just in the floodplain.

18 MR. HEIMERICH: That would -- they would
19 adopt that master plan as a planning tool?

20 MR. WINNER: Yes, and what it will be,
21 you know, this planning tool will be -- you know,
22 it's going to be a work in progress. I mean, this
23 is something that they will be using this document
24 hopefully for the next 50 to 100 years. I hope it
25 doesn't end up on a shelf, and it would be a work in

1 progress to hopefully turn it into the amenities
2 people want it turned into.

3 We've been working with landowners on Fountain
4 Creek, stabilizing the bank, because what we have
5 seen is the faster you can get the water through,
6 the less flooding you're going to have and the
7 better chance you're not going to injure any junior
8 water rights.

9 MR. HEIMERICH: Thank you, Jay.

10 MR. BARFIELD: So that will be the focus
11 is sort of moving water through, as opposed to
12 creating storage to accomplish that?

13 MR. WINNER: I saw that. You know, in
14 the master plan there's side detention. You know,
15 what could you do with side detention to slow the
16 flows down? Obviously, you cannot injure any junior
17 water rights. I will repeat that over and over
18 again, so that could be part of the plan.

19 When the Bureau of Reclamation studied
20 Fountain Creek, I think it was 20 years ago, they
21 determined that you could do a dam. I think it was
22 \$189 million before, before you move the shopping
23 center, the highway, and the railroad. Now, that
24 would be some big time obstacles, and I think
25 there's been more dams torn down in the last 20

1 years than have been put up in the last 20 years, so
2 in my opinion -- and Chris, be nice -- in my
3 opinion, I don't see a dam on Fountain Creek. I
4 think you can do other ways to get the water through
5 Pueblo faster, and I do believe that the stream side
6 system to take the sedimentation out and channelize
7 a stream is a very forward thinking way to do this.
8 I think they're using this product on the east
9 slope, channelized streams, and what we've seen in
10 the short time that it's worked, it seems to be
11 working very well.

12 MR. BARFIELD: Thanks for your report.
13 Thanks for keeping us posted.

14 MR. WINNER: You guys love me, don't you?

15 MR. THOMPSON: Well, it seems to me that
16 if you, you know, rechannelize the water going
17 through the -- shortly above the Pueblo area, that
18 in order to -- that would facilitate the sediment
19 redepositing itself on the other side at some point,
20 and if Fountain Creek Watershed doesn't extend to
21 that period, it appears that it's transferring the
22 problem from one taxable district down to a
23 nontaxable district and those lands will be flooded
24 more, rather than the other lands. Is that not a
25 scenario?

1 MR. WINNER: It's a good question. The
2 engineering that we have done on it, it's identified
3 five of these collectors would remove the sediment.
4 Most of the sediment that goes down Fountain Creek
5 into the Arkansas, you know, you start in El Paso
6 County and you go from 14,000 to 4,000 feet, so most
7 of that sediment is coming down from those
8 mountains. We feel that if you can remove that
9 sediment in the early stages, it will not continue
10 downstream into the Arkansas.

11 When the lower district got involved in this
12 in the first place, you know, what am I doing
13 getting involved in the Fountain Creek Watershed
14 District? Pueblo is in my district, but what I
15 envision is we get this district moving. You hang a
16 left and just head down the Arkansas. You know,
17 what I envisioned what would be someday, if kids
18 could hop on a bicycle in Pueblo and drive to Rocky
19 Ford, to continue this project all the way down the
20 Arkansas. That's what I envision can happen
21 someday.

22 They have a very good project up in Denver,
23 the Greenway Foundation, and the Greenway
24 Foundation, they just keep building and building and
25 going farther and farther. It's an approach that

1 will not probably happen in my lifetime, but
2 hopefully 50 years from now, as we look back and
3 say, you know, those guys back then, they weren't as
4 dumb as we thought they were. They actually had
5 programs that's going to help the Arkansas Basin.

6 MR. THOMPSON: Oh, I think they were.

7 MR. HAYZLETT: Any other questions for
8 Jay? Comments?

9 MR. WINNER: Thank you. Thanks for
10 having me.

11 MR. HAYZLETT: Thank you. We'll do Item
12 8, the Compact Compliance and Decree Issue updates.
13 Kevin.

14 MR. SALTER: I'm glad to hear the
15 discussion about a possible break. We've got some
16 housecleaning things we need to take care of, so --

17 MR. HAYZLETT: We'll try to work that in
18 here in a minute.

19 MR. SALTER: Kevin Salter, kind of
20 working in several different capacities at this
21 meeting. I now realize why Bill's agreed to do
22 these presentations yesterday and I do them today,
23 so I stand before you to give you a couple
24 presentations related to some work that the States
25 have done and are continuing to do related to the

1 recently resolved *Kansas v. Colorado* decree, or
2 recent *Kansas v. Colorado* case that resulted in the
3 decree that was issued in March of 2009.

4 One of the things that is a result of that
5 decree is a Ten-Year Compact Compliance Accounting
6 Table. It was agreed to a couple years ago that
7 that Ten-Year Compliance Table ought to be
8 monumented some place, and we feel -- we agreed or
9 ARCA agreed to include those in those annual
10 reports, so we do have four copies of that table to
11 present as an exhibit.

12 MR. HAYZLETT: Okay.

13 MR. SALTER: And I guess the other hat
14 that I wear -- what exhibit number would that be?

15 MR. BEIGHTEL: H.

16 MR. SALTER: So we would like to submit
17 that as Exhibit H to the transcript for inclusion
18 later in the ARCA Annual Report for Compact Year
19 2011.

20 This Accounting Table is for a ten-year
21 period. The ten-year period being considered is
22 calendar year 2001 through calendar year 2010. The
23 result of that Ten-Year Accounting is an accretion
24 at the Stateline of 44,000 Acre Feet. What that is,
25 is an accumulation of the results of that model for

1 that ten-year period from 2001 through 2010.

2 Individually, as far as the depletion, 2001
3 was the depletion of about 10,692 Acre Feet, and
4 then we had a accretion. The strongest accretion
5 was in 2005 of 12,745 Acre Feet, so the range of
6 accretions and depletions are between those two
7 numbers in that ten-year period.

8 For the next -- how this works is for the next
9 ten-year period, that will be 2002 through 2011, so
10 the accretion that would accrue or the depletion
11 that accrued to the river in 2001 will be dropped
12 off, and then whatever the result is of the H-I
13 Model for 2011 would be added on to the Compact
14 Compliance Table for next year. Is there -- Bill,
15 would you like to add anything to that?

16 MR. TYNER: No.

17 MR. SALTER: So is there any questions
18 from the Administration on that table?

19 MR. HAYZLETT: Any questions on the
20 table?

21 MR. HEIMERICH: This maybe could be
22 answered by both Kevin and Bill, if you wouldn't
23 mind. So if the bookends, as it were, are around
24 10,000 Acre Feet, and yesterday's testimony, if you
25 want to call it that, what I got out of it was that

1 the driver of the depletions or accretions is the
2 amount of well pumping, and well pumping is higher
3 in those years typically when there's more surplus
4 water available to provide for augmentation. Did I
5 get that? Is that -- is that oversimplified or is
6 that one scenario?

7 MR. TYNER: I think that's a correct
8 statement from what I said yesterday. I didn't add
9 yesterday, Matt, something that's important, too;
10 that the, the climate data is fairly important, too.
11 If we have a year where we have very low
12 precipitation, that can also cause there to be
13 higher, higher depletions, so --

14 MR. HEIMERICH: So in a year like this
15 year, where there's no natural precipitation, it
16 affected the stream and we all knew we were taking
17 hits and we were moving water through the system.

18 MR. TYNER: Yes.

19 MR. HEIMERICH: Okay. So I guess, and so
20 one of my questions then would be for water users in
21 Colorado, so how much is too much? Like 44,000 Acre
22 Feet is a -- that's an inconsiderate amount of
23 water, especially in a stream like the Arkansas, so
24 I'm just kind of curious if these discussions go on,
25 and I mean, I know there's some process or way that

1 adjustments are made or could be composed. I'm just
2 curious from your perspective, Kevin, perhaps, and
3 then Bill could chime in.

4 MR. SALTER: And I guess this is
5 something, too, it's a matter of building, and it's
6 building on history, so you're looking at a ten-year
7 period, so some of these strong accretions that
8 occurred were as a result of years that have dropped
9 off the Ten-Year Compliance Table, so if I remember
10 right, 1997 was a very large depletion that occurred
11 at the Stateline. That depletion was made up at a
12 later year, so when 1997 falls off, you get still
13 the effects of the accretion but lose that
14 Stateline, so we're still, I would consider, in a
15 preliminary implementation of this, so ask me in
16 about ten years from now when we have a period of
17 time where we've had more settled, because we're
18 still going to have to work through those variations
19 in depletions and accretions, as we move through the
20 system.

21 MR. TYNER: One additional comment, Matt.
22 I think you did point out something that is notable,
23 that Colorado made an adjustment right after those
24 high depletion years. By doing some evaluation with
25 the H-I Model, we recognized that the depletion

1 factor for supplemental flood pumping was perhaps a
2 little low. It was -- 30% is the depletion factor
3 in the rules for supplemental flood irrigation.

4 We did react to that shortfall that was built
5 up in those early years by increasing that depletion
6 factor up to 39% and agreed to hold it there in an
7 agreement with Kansas through 2012, and so then in
8 2013, we have the opportunity to evaluate that again
9 and see if it should go back down to a lower
10 depletion factor, so Colorado well associations have
11 put more water in the river to try to ensure they
12 moved away from that risk of a shortfall, which
13 would have required them to purchase high dollar
14 water on very short notice to make sure they could,
15 they could keep Kansas whole.

16 MR. HEIMERICH: Or curtail their own
17 pumping to a very high degree.

18 MR. TYNER: Yes, sir. So we moved away
19 from kind of the edge of that cliff and now it maybe
20 appears that we moved too far, but that was part of
21 the result.

22 MR. HEIMERICH: Well, I appreciate
23 Kevin's observations. I mean, like I said, we're
24 still early in this. I mean, I was just asking the
25 question, but I appreciate both your comments.

1 Thank you, gentlemen.

2 MR. HAYZLETT: Any other questions for
3 Kevin from the Accounting Table?

4 MR. BRENN: Just wondering, Kevin, and
5 I've talked to you about this. It's really a --
6 this is really a tool that is not only used in
7 recalibration, you talked on the 39%, but it's also
8 used by pumpers, well pumpers, as a forecast in
9 Colorado. Are there any other examples of fine
10 tuning the model, based on this? I know it's just
11 begun.

12 MR. TYNER: Do you want to --

13 MR. SALTER: Go ahead.

14 MR. TYNER: The one I was going to
15 mention, the 2011 Agreement that the two States
16 reached on the groundwater efficiencies, that
17 recognized that for some groundwater pumping in
18 Colorado, the higher efficiency sprinkler systems
19 and drip systems had been put in place that hadn't
20 originally been contemplated in the H-I Model
21 calibration, so that agreement to raise those
22 slightly goes into effect next year, and the result
23 of that will be slightly higher well pumping
24 depletions predicted in the H-I Model.

25 MR. BRENN: Thank you.

1 MR. HAYZLETT: Other questions? Okay. I
2 think we're good to move on to the Offset Account
3 then.

4 MR. SALTER: Okay. And I do want to
5 clarify this. This is different from the Offset
6 Account that comes up in the later, which Bill Tyner
7 will present on the operations of the Offset Account
8 in John Martin Reservoir.

9 This is the topic I'm speaking to now is
10 related to a joint report that's required by the
11 decree that both States are supposed to generate.
12 This was documented, a couple different appendices
13 of the decree that requires us to provide a report
14 to the Administration at the December, 2012 annual
15 meeting; and I have to give credit to Bill Tyner
16 here for developing the outline that I will speak
17 from.

18 Last year, we made a presentation to the
19 Administration talking about a timeline and how we
20 were going to get this done by the December, 2012
21 meeting. Due to some staffing challenges and
22 working on the H-I Model change in the 2011
23 Agreement that Bill referred to, we were not able to
24 make any progress on this particular report, so we
25 met with Bill and we recalculated the timeline and

1 the milestones and you have kind of a good feel for
2 what the report's going to look like, so I'll talk
3 to that this morning and you can expect to have a
4 joint report presented to you at the next Compact
5 meeting.

6 The Offset Account review joint report will
7 include sections on the Offset Account Resolution
8 and Accrediting Agreement, those things that were
9 developed. We want to provide some historical
10 background so that if someone comes into these
11 positions and wants to understand how we got to
12 where we're at, they can read through this document
13 and get that. This will be the first joint report
14 that we're going to do under this decree provision.

15 We'll look at the historical operations from
16 the inception of the Offset Account in 1997, through
17 the operations in calendar year 2010. We'll look at
18 the related operations to the Offset Account. This
19 would include transit loss on deliveries, into the
20 Offset Account as well as from the Offset Account to
21 the Stateline. Some of that will be like the
22 Highland transit loss that occurs and how it's input
23 into the H-I Model.

24 The interaction between the Offset Account and
25 the Colorado monthly accounting and the H-I Model

1 annual update, because there's kind of parallel
2 accounting that's going on within the basin. The
3 H-I Model update occurs in the year following. Then
4 Colorado, in order to maintain compliance, has
5 real-time accounting that they complete so that they
6 know in the year where they stand with the
7 replacement of depletions on the Ark and possible
8 depletions at the Stateline.

9 The section we also will kind of end with is
10 one of the suggestions and recommendation on should
11 things be tweaked within the system. If so, how?
12 Do we see something going on that really needs to be
13 changed?

14 The schedule, again, Bill and I sat down in
15 September of this year and divided assignments, so
16 each of us took one of those sections I just
17 described and said we'll complete a first draft,
18 we'll exchange those drafts, and by the end of this
19 month, maybe into January, depending how things work
20 out, we'll take a look at those. We work through
21 those drafts and then meet again in February, 2012
22 with those drafts and work through and try come up
23 with some game plan on how to complete this. We'd
24 like to see a preliminary draft report by March,
25 2012 and something that we can present to the

1 Engineering Committee for review in May, 2012.

2 That's different from last night. Last night,
3 we were really looking at what we developed a draft
4 for was to submit this to the Special Engineering
5 Committee, figuring we had the right people in the
6 room. We, the Kansas team looked at it last night
7 and decided that really, the review of that draft
8 Offset Account didn't really fit the spirit of the
9 Special Engineering Committee, so I talked to Bill
10 and Bill's agreeable that this maybe goes to the
11 Engineering Committee, if that's the
12 Administration's desire.

13 Then that gives us from May to December to
14 finalize the reports with any input from the
15 Engineering Committee, and so we can present that to
16 you in December, 2012. That's all I had on that.
17 Any questions?

18 MR. HAYZLETT: Questions?

19 MR. BARFIELD: None from Kansas.

20 MR. HEIMERICH: Colorado doesn't have
21 any.

22 MR. SALTER: Thank you.

23 MR. HAYZLETT: Thank you, Kevin. We
24 ready for the H-I Model things, Eve?

25 MS. McDONALD: Yes, Mr. Chairman. I did

1 bring a business card, as you suggested. Good
2 morning. Thank you very much. My name is Eve
3 McDonald from the Attorney General's office and I
4 agreed with Burke Griggs and the Kansas team to take
5 the pleasant job of summarizing a successful process
6 that we've gone through during Compact Year 2011,
7 which was to enter the -- what we're calling the
8 2011 Agreement to revise the H-I Model, and this is
9 a matter that came in the context of the court case,
10 *Kansas v. Colorado*.

11 ARCA is not directly involved in this matter,
12 but we're updating ARCA on this matter today. So
13 *Kansas v. Colorado*, the final decree was entered in
14 March of 2009, and under that decree, the States
15 have been cooperating very successfully already
16 under the dispute resolution procedures that are
17 provided by that decree to work out issues that have
18 arisen, and the decree allows the States to amend
19 the appendices that the court adopted, Appendices
20 A through J, with many subparts, without going to
21 the Court for permission, and it also allows the
22 States to agree to amend the H-I Model, the Compact
23 Compliance model for groundwater use, without Court
24 approval.

25 So on July 22nd of 2010, Kansas used the

1 procedures under the decree to propose that we
2 change the H-I Model to reflect the increases in
3 irrigation efficiency of groundwater supplied
4 irrigation systems, and I will just note that
5 increased consumption from improved systems that use
6 surface water is addressed by the new Irrigation
7 Improvement Rules that Division 2 and the State
8 Engineer enacted in 2009, and this change to the H-I
9 Model is a similar reflection of increased
10 consumption from systems that use groundwater.

11 As I stated at last year's annual meeting,
12 Colorado took that request and agreed that the H-I
13 Model can be more accurate by -- to represent
14 current conditions by applying weighted efficiencies
15 and adjusted tailwater factors to reflect the
16 consumption under improved groundwater systems.

17 So just after last year's annual meeting, on
18 January 24th of 2011, Colorado accepted Kansas's
19 proposed change to the model, with a modification to
20 the methodology that's intended to make it even more
21 accurate, and that modification is to rely more on
22 well pumping data than on the irrigated acres under
23 each improved system, in order to further increase
24 the accuracy of the new weighted efficiencies.

25 One month after that, Kansas indicated

1 agreement to Colorado's method change, but initiated
2 the Non-Fast Track Dispute Resolution Procedure that
3 is provided in Appendix H of the decree, in order to
4 allow the two States more time to develop an
5 agreement and the related documentation.

6 Under the Appendix H setup, the Chief Engineer
7 from Kansas and the State Engineer from Colorado
8 named experts to work on a particular issue, and
9 Appendix H lays out deadlines for those experts to
10 work together and recommend a solution to the Chief
11 Engineers. Dick Wolfe, the State Engineer from
12 Colorado, named Dale Straw and Bill Tyner, and Mary
13 Halstead has also been very involved after Dale
14 Straw retired from service for Colorado; and David
15 Barfield, the Kansas Chief Engineer, named Dale Book
16 and Kevin Salter, and Angela Schenk has also been
17 incredibly helpful in this process.

18 All of these experts have put a lot of effort
19 together, and I'm very happy to report that after
20 approximately six months, their recommendations were
21 accepted and the Chief Engineer and the State
22 Engineer were able to enter an agreement resolving
23 the matter, and that 2001 (sic) Agreement should
24 probably be made an exhibit to today's transcript,
25 and I have two copies and will obtain two more

1 during the break.

2 MR. HAYZLETT: Okay.

3 MS. McDONALD: Under the 2011 Agreement,
4 Colorado has additional data to gather and to report
5 to Kansas each March for input into the H-I Model.
6 Starting next month, for the data exchange that is
7 due in March of 2012, the Division 2 office will
8 prepare, in spreadsheets and in GIS format by farm
9 unit, data on pumped volume of groundwater from each
10 well and categorize it by the type of irrigation
11 method, gravity, sprinkler or drip, for each farm
12 unit that uses groundwater throughout the H-I model
13 domain. The Agreement sets out many details about
14 the types of data that Colorado will gather and
15 report, and the quality control process and error
16 check process that Colorado will perform on that
17 data each year.

18 The modelers from the two States cooperated to
19 revise the H-I Model code to reflect this Agreement
20 and to revise the input files, and that was quite a
21 complex process, and we also rewrote two of the
22 appendices that the Supreme Court had adopted. We
23 have modified Appendix C-1, which is the entire
24 third volume of the Special Master's Fifth Report to
25 the Supreme Court, which is the appendix that

1 describes the H-I Model code; and we have also
2 revised Appendix B-1, which covers the procedures
3 that the two States follow each year to update the
4 H-I Model and calculate accretions or depletions to
5 Stateline flow, among other topics.

6 So now we have the revised code, the amended
7 appendices, the original appendices, all the related
8 documents to the 2001 Agreement, 2011 Agreement, on
9 a DVD, which is Attachment 6.1 to Amended Appendix
10 C-1, and we have forwarded these to the United
11 States Supreme Court and they have agreed to post
12 the documents on their web site for Special Master
13 reports. So if you go to
14 supremecourt.gov/specmastrpt, s-p-e-c-m-a-s-t-r-p-t,
15 you can look at all the documents related to *Kansas*
16 *v. Colorado* that came from the Special Master. It's
17 the final case, if you scroll to the bottom. It's
18 Original Number 105, and we've also brought a few
19 extra printouts and DVD's here today that I can
20 share with anybody who's interested.

21 A final note, which is good news mainly for
22 the lawyers, we found out yesterday that the Supreme
23 Court's final decree in *Kansas v. Colorado* is much
24 easier to access. It's now published in the U.S.
25 Reporter, so instead of having to write a

1 complicated citation in a brief to the Special
2 Master's Fifth and Final Report, we are able to cite
3 simply to 556 U.S. 98 for the final decree in *Kansas*
4 *v. Colorado*, and I believe, Mr. Chairman, that Dick
5 Wolfe would like to speak on this topic to recognize
6 some of the folks that were involved in this effort.

7 MR. HAYZLETT: Very good.

8 MS. McDONALD: Thank you.

9 MR. HAYZLETT: Thank you.

10 MR. WOLFE: Good morning, Chair and
11 Administration officials. Dick Wolfe, Colorado
12 State Engineer, and thank you, Eve, for that
13 presentation. It's a great success and I'd like to
14 take this opportunity to get some thanks to a number
15 of individuals who really carried the heavy load on
16 this most recent agreement, and from my staff, Mary
17 Halstead and Bill Tyner worked vigorously on this,
18 along with Dale Straw, who preceded Mary Halstead.
19 Also from representing the State of Kansas, Dale
20 Book and Angela Schenk and Kevin Salter also worked
21 very well with us on this Agreement, and certainly
22 we couldn't have done this without the expert legal
23 advice from Eve McDonald and Burke Griggs with the
24 State of Kansas.

25 Really appreciate all their work on this, and

1 this represents the commitment by Colorado to
2 maintain Compact compliance, and we've really
3 dedicated a lot of resources to these efforts over
4 the years and provide a lot of great detail to the
5 State of Kansas on these efforts, and I think this
6 just represents and demonstrates the proactive and
7 collaborative efforts between the States and
8 reflected in this most recent agreement, and also I
9 think in the new Irrigation Improvement Rules that
10 Mr. Bill Tyner is going to present after this.

11 I recognize these collaborative efforts
12 require a lot of investment in human resources. I
13 think we all agree it's a preferred method to the
14 litigation method that we've certainly seen in this
15 basin as a result of the *Kansas v. Colorado* lawsuit
16 that was filed in 1985. I want to thank Chief
17 Engineer Barfield for his commitment to work with us
18 as well in a collaborative way to address these
19 complex matters on interstate compact compliance, so
20 thank you and your staff for your efforts.

21 Lastly, I'd be remiss if I didn't thank the
22 water users in the Arkansas River Basin and all the
23 districts that are involved: The Lower Ark
24 District, Southeast District, and the many water
25 user associations. From my perspective as the State

1 Engineer, I have the luxury, if you want to call it,
2 to see how administration occurs throughout the
3 State of Colorado, and the Arkansas River Basin has
4 faced a lot of difficult and challenging issues over
5 many years, but certainly in the last 25 years that
6 I've been involved with it, compared to a lot of the
7 other basins in the State, and I think it's a
8 testament to the users, agriculture users
9 principally in the basin, and the water user
10 organizations who have stepped up to address these
11 very complex issues in a collaborative way, working
12 with the state and the State of Kansas in trying to
13 resolve these issues, and I think what's come out of
14 that is some very innovative solutions to these
15 problems.

16 You heard Jay talk about the Super Ditch and
17 some of the things happening there, some of the
18 things we're doing with Irrigation Improvement
19 Rules. These particular efforts have really become
20 a role model for other issues that have come up in
21 other basins in the State, and it really has been a
22 birthplace for these innovative ideas, and I
23 continue to see those coming and expect they will
24 continue into the future, so thank you and thank the
25 Administration for all of your hard work that you do

1 for the basin and the two States.

2 MR. HAYZLETT: Thank you, Dick.

3 MR. THOMPSON: Usually after that many
4 thanks you's, you want something.

5 MR. WOLFE: Thank you, too, by the way.

6 MR. BARFIELD: If I might make a
7 statement, you know, I think Eve and Dick stole a
8 lot of my thunder here. I certainly as well want to
9 express my appreciation to, to the experts that
10 participated in, in this process and, and made it
11 work and, and the attorneys and all that were
12 involved. I, I think we are -- you know, this sort
13 of was identified as an issue several years ago and,
14 and it has been good to work through in a sort of
15 cooperative way. How to, how to have the model
16 reflect the reality of what's going on out there and
17 it will allow this issue to sort of be resolved in
18 this way, so anyway, I have the same sentiment.
19 Thank you.

20 MR. HAYZLETT: Bill, I think you're up
21 for the next report, Implementation of the
22 Irrigation Improvement Rules.

23 MR. TYNER: I provided a report yesterday
24 to the Operations Committee on the implementation of
25 the Irrigation Improvement Rules, and in that

1 report, I provided just a quick review. The
2 Irrigation Improvement Rules became effective in
3 Colorado on January 1st of 2011, and the types of
4 improvements that were covered by those rules
5 include things like canal and lateral lining,
6 installation of head stabilization or tailwater
7 ponds, the installation of sprinkler and drip
8 systems, as well as adjustments to existing
9 sprinkler systems or adding surface water as a
10 supply to a sprinkler that formerly was only
11 groundwater irrigated. In the Arkansas Basin, the
12 predominance of improvements that have been made
13 were center pivot sprinkler systems and drip
14 systems, served by surface water.

15 The rules allowed several ways to comply if
16 you had made an improvement to a system, and some
17 systems in the mainstem area from Pueblo to the
18 Stateline were included in the rules
19 retrospectively, so existing sprinkler and drip
20 systems installed after October of 1999 were
21 retrospectively required to comply with the rules
22 and so there was an existing population that had to
23 have a way to comply.

24 The rules allowed for compliance to be a Rule
25 8 Plan under the rules, which would have allowed

1 farmers to use their own decreed water rights to
2 manage their historic return flow maintenance, so
3 for example, a farmer under a particular canal could
4 use a portion of his canal shares and supply and
5 manage the timing of his historic return flows by
6 delivering part of his own water right back to the
7 river to ensure that there was no change in that
8 historic pattern.

9 The second form of compliance was a Rule 10
10 Plan under the rules, and that allowed farmers to
11 use a substituted supply to maintain return flows.
12 Didn't have to use their own, own water right, but
13 could use other waters to maintain return flows.

14 Then finally, there were some areas of the
15 basin where it was believed that improvements would
16 not necessarily have an impact to useable Stateline
17 flows, but we wanted to continue to be aware of
18 those improvements going in, and so there was a
19 provision in the rules made for obtaining a general
20 permit to install systems, for example, on more
21 senior water rights above Pueblo Reservoir or on
22 some of the tributary streams where a local senior
23 call generally would be the control on the stream.

24 The Rule 10 Plan ended up being the most
25 successful way to comply in the Arkansas Basin, and

1 indeed, almost all of the sprinkler systems and drip
2 systems that needed to comply with the rules chose
3 to participate in a plan that the Lower Arkansas
4 Valley Water Conservancy District sponsored, and Jay
5 Winner mentioned this a little bit and talked about
6 the fairly large number of acres served by
7 improvements that is covered by their plan, and I
8 want to commend them for stepping up and taking the
9 leadership role in helping farmers have an
10 alternative on fairly short notice.

11 The Colorado Water Conservation Board
12 contributed a significant amount of money to this
13 effort that allowed the Lower Arkansas Conservancy
14 District to pay for the engineering costs and get
15 the plan prepared in a short time frame, really, and
16 indeed, they prepared that plan and submitted it on
17 April 1st of 2011. It covered sprinkler systems and
18 drip systems on over 70 farms, around 75 farms, and
19 was submitted pursuant to the rules to interested
20 parties on the notification list system, and Kansas
21 representatives are also on that system to where any
22 of those plan applications, plan approvals,
23 amendments to plans or decisions made by the State
24 Division of Engineers are made available to those on
25 the notification list to keep them apprised of

1 what's going on.

2 We received four written comment letters from
3 Colorado parties that represented entities, five
4 different entities in the Arkansas Basin that wanted
5 to ensure certain terms and conditions were included
6 in the approval of the Rule 10 Plan, and those
7 comments were considered and incorporated, where it
8 made sense to, in an approval letter that was issued
9 on July 1st of 2011.

10 The approval that was issued on July 1st was a
11 temporary approval. There were a few things that
12 needed to be adjusted within the Rule 10 Plan, and
13 again, Lower Arkansas Valley Water Conservancy
14 District reacted to those comments and adjustments
15 and made some changes in types of return flow
16 maintenance water that they would supply and where
17 that water would be released from. And that
18 accomplished a couple of things that kept us out of
19 trouble with State statute and out of trouble with
20 some policies of the Southeastern Colorado Water
21 Conservancy District. In that some of our return
22 flow maintenance needed to be made below the Buffalo
23 Canal, the last calling ditch in Colorado, and
24 transmountain water could not be used below the
25 Buffalo, and so the Lower Ark made the adjustment to

1 provide another source to supply that need.

2 Also, some of the policies related to storage
3 in Pueblo Reservoir that Southeastern Colorado Water
4 Conservancy District has were -- issues with those
5 policies were avoided by Lower Ark managing some of
6 their return flow maintenance deliveries from Lake
7 Meredith.

8 The other part of the resubmitted plan was to
9 add some additional sprinkler systems into the plan,
10 and a final approval was issued on July 31st of --
11 excuse me -- August 31st of 2011.

12 After the final approval of the plan and as we
13 had proceeded through the operations on some return
14 flow maintenance supplies were provided through the
15 year, approximately 700 Acre Feet have been released
16 and provided to maintain return flows so far and an
17 additional thousand Acre Feet is expected to be
18 released and delivered over the duration of the
19 plan, which ends on March 31st of 2012.

20 The final plan did not include all of the
21 improvements that we had identified that needed to
22 comply with the rules, and so in the fall of 2011,
23 Steve Witte issued six orders to farmers who had
24 improvements that had not complied with the rules.
25 In one case, a sprinkler system that was the subject

1 of that order, after further review, was identified
2 as having been in place in 1999 and, pursuant to
3 those rules, was not subject to having to comply.
4 The other five farmers enrolled their improvements
5 in Lower Arkansas Valley Water Conservancy
6 District's Rule 10 Plan and they are in the process
7 of getting the final amendment for the year approved
8 for that plan.

9 The first year of operation I think went
10 pretty well for something brand new, and yet there
11 are probably some improvements that we will make
12 over the next few years, and we've had some
13 discussions with Kansas on wintertime return flows
14 and I think we've worked our way through those. And
15 so if you have any questions, I'd be glad to answer
16 those, but I think that concludes my update.

17 MR. HAYZLETT: Questions or comments?

18 MR. BARFIELD: No. Thank you.

19 MR. HAYZLETT: Thank you, Bill. Take a
20 break. This chair is getting really hard. We'll
21 take a break before the committee reports. 10
22 minutes, probably, or 20 minutes.

23 MR. SALTER: I would say 20 minutes,
24 probably.

25 (A break was then taken from

1 10:20 a.m. to 10:50 a.m.)

2 MR. HAYZLETT: We're ready for Item 9 on
3 the agenda, report from the Engineering Committee.

4 MR. BARFIELD: Okay. That would be me.
5 Matt Heimerich and I are members of the Engineering
6 Committee and I chaired it this year. I'll give a
7 brief report on sort of what we heard and then a
8 couple action items that resulted from, from our
9 meeting last night or yesterday afternoon.

10 We heard a brief report from Steve Miller on
11 the status of Colorado's development of its decision
12 support system for the Ar-kansas River. I had to
13 say that at least once. It's in the early stages of
14 development. We heard a presentation by Andrew
15 Gilmore of the Bureau on Trinidad issues, and
16 especially the efforts there underway leading up to
17 the next ten-year review. We heard a presentation
18 on the Super Ditch Pilot Program, again, focusing on
19 expected operations in this first year of the pilot
20 in 2012.

21 We heard a presentation by Ken Knox on the
22 proposed GP Lamar Canal Pipeline Project. In that
23 presentation, Mr. Knox asked ARCA to refer the
24 matter to its Special Engineering Committee for
25 evaluation, review, and recommendation to ARCA. No

1 action was taken on Mr. Knox's request. It was
2 agreed by the committee to further discuss it, what
3 to do with it, and we'll have a brief -- we've had
4 some further discussions and we'll have sort of a
5 discussion on that following my summary of the
6 entire meeting.

7 The Corps of Engineers reported on its work
8 related to capacity table updates for Trinidad and
9 John Martin and the results of its Purgatoire River
10 Channel Capacity Study below Trinidad; and Jim
11 Broderick had a report from the Southeast Colorado
12 Water Conservation District that focused on the
13 status of the need for EIS review for the proposed
14 Ark River conduit, Master Contract and interconnect.

15 In terms of action items, we had two. We
16 recognize the value of the Special Engineering
17 Committee of ARCA and recommended to ARCA that that
18 committee be extended for calendar year 2012 under
19 the current scope.

20 Secondly, after hearing a presentation from
21 the City of Trinidad regarding proposed amendments
22 that they would like to see to the Trinidad
23 Operating Principles, we agreed that Kansas should
24 provide its comments to the City by
25 February 15th and that the City should seek to

1 respond to those comments by March 15th, and after
2 that, the Engineering Committee would hold a special
3 meeting, and if there's a consensus on the matter of
4 the amendments, that we would call for a special
5 meeting of ARCA to consider it within the -- between
6 now and the coming year.

7 That's a summary of the report, Matt, unless
8 you have something to add.

9 MR. HEIMERICH: No, I think that was very
10 well done, David. Thank you.

11 MR. BARFIELD: Okay. So should we go
12 ahead and have this discussion?

13 MR. HEIMERICH: Yeah, I think we can -- I
14 think we can probably do that and keep it -- give
15 the -- give ARCA our reasoning or the process we
16 think that we should perhaps follow. Okay?

17 MR. BARFIELD: Would you like me to do
18 that?

19 MR. HEIMERICH: Why don't you go ahead.
20 I think you kind of set an idea out and I think it
21 makes sense.

22 MR. BARFIELD: Right. Okay. Well, with
23 respect to the Lamar Pipeline proposal, Mr. Knox
24 also informed us that they would be submitting their
25 proposed proposal to water court, I think he said in

1 March, or in the first half of the year. This
2 proposal, if it's going to move forward, obviously,
3 is going to have a water court process to consider
4 the change.

5 There's fairly clear language under the
6 Compact that if you're going to move water outside
7 of District 67, that certain things have to happen,
8 and there's actually a requirement under Article 5-H
9 for ARCA to find a -- to make a finding of fact
10 related to such changes, and that's to protect
11 District 67 and Kansas, so there's a pretty
12 significant burden and process that actually has
13 never been done before that needs to happen, as well
14 as maybe other considerations; so since we've never
15 done it, it isn't really clear what the process
16 should move forward. At finding of fact, we have to
17 have a lot of facts before us in doing the work and
18 so forth, some of which will be in the water court
19 process as well.

20 I guess my suggestion is for us to, you know,
21 wait for them to make that water court submittal and
22 provide us an opportunity to review that, and maybe
23 the States and the project proponents could get
24 together and discuss how do we move -- how do we
25 move forward.

1 MR. HEIMERICH: I think that pretty well
2 captures my sentiment, and Colorado's as well. I
3 mean, we believe that the Special Engineering
4 Committee was set up to handle issues that were
5 certainly more specific perhaps and hurried and
6 vetted in a sense, and that there hadn't been a way
7 to reach a conclusion, whereas this process and this
8 application, they're just in their infancy, let's
9 face it, in terms of where we are, so I think you're
10 right, David.

11 I think if we were to let the proponent start
12 their work and their engineering work and then get
13 with the Engineering -- we believe it should stay in
14 the Engineering Committee. I think at this point in
15 time, we'll kind of work as a gatekeeper, if you
16 would, or the first year of the project. Then we
17 can -- then they can -- we can work together and
18 figure out what the best process is for the, for
19 the, the applicant.

20 MR. BARFIELD: Okay. Thank you.

21 MR. HEIMERICH: Thank you, David.

22 MR. HAYZLETT: Thank you. I think that's
23 where we'd be on that, then.

24 MR. HEIMERICH: Yes.

25 MR. HAYZLETT: Then the Engineering

1 Report, that would be an item for an exhibit to the
2 transcript then?

3 MR. BARFIELD: That's correct. We signed
4 four copies and, yes, we would presume that would be
5 attached as an exhibit.

6 MR. HAYZLETT: Okay. Report of the
7 Operations Committee. That would be Colin.

8 MR. THOMPSON: Okay. Operations Report.
9 That consists of me, Colin Thompson, and Dave Brenn,
10 and we met yesterday. We heard reports from Steve
11 Witte, Kevin Salter, and we went through the Offset
12 Account Operations Report, the Ten-Year Compact
13 Compliance Accounting Table, and we went into -- we
14 also received the Irrigation Improvement Rule, an
15 update on the Irrigation Improvement Rules and
16 location update. We have a lot of updates, and on
17 the -- what else am I forgetting, Dave? Anything
18 else? I'm saving this for later.

19 MR. SALTER: Okay.

20 MR. THOMPSON: But anyway, we received
21 the report from the Operations Secretary and the
22 Assistant Secretary. We received the 2010 (sic)
23 report for the Offset Account. We discussed an
24 issue with the water issues matrix. There are 35
25 issues on the matrix. There's 10 pending. There

1 are seven that have been removed or suspended and 18
2 resolved. We encourage the resolution of the
3 remaining issues, noting that there was one issue,
4 Number 33, concerning transit loss mentioned, and we
5 think there is a possibility to resolve that in the
6 upcoming year.

7 Then we heard the presentation on the first
8 year of the Irrigation Improvement Rules, and the
9 Ten-Year Compact Compliance Accounting Tables from
10 2001 to 2010 were presented. The committee, we
11 recommended that this table be an exhibit to the
12 2010 (sic) ARCA Annual Meeting transcript and
13 included in the 2011 Annual Report.

14 We took no action on the 2006, 2007, 2008,
15 2009, 2010, 2011 Operations Secretary's Reports.
16 There are still issues between the States on those,
17 and we heard an update on the Offset Account joint
18 report by the States. The committee recommended a
19 review of this joint report by the Special
20 Engineering Committee and the committee recommends
21 to ARCA that the Special Engineering Committee be
22 extended for the calendar year 2012. On to the next
23 up, I guess if that summarizes, unless I forgot
24 something.

25 MR. HAYZLETT: Do you have anything to

1 add to the Operations Committee Report, Dave?

2 MR. BRENN: No, I think he's covered it.

3 MR. HAYZLETT: Did you want to make that
4 an exhibit, too?

5 MR. THOMPSON: Yes.

6 MR. BARFIELD: I have one question. Did
7 you say that you recommended the Offset Account
8 review go to the Special Engineering Committee? I
9 think subsequent discussions have said that the
10 Engineering Committee should essentially do the
11 review of the Offset Account. That's related to the
12 Offset Account --

13 MR. THOMPSON: (Inaudible) -- Special
14 Engineering?

15 MR. SALTER: That's something that was
16 decided after the operations.

17 MR. BARFIELD: That's right. We decided
18 that the Offset Account review is really not in the
19 purview of the Special Engineering unless we modify
20 the Special Engineering purview, so I think
21 subsequent to last night, we decided the Engineering
22 Committee ought to do that review, not the Special
23 Engineering Committee. At least that's my
24 understanding.

25 MR. SALTER: Right. That was the

1 committee's recommendation last night.

2 MR. BARFIELD: Correct. I'm just putting
3 on the record we've sort of changed our approach.

4 MR. THOMPSON: Well, we need to modify --

5 MS. GIMBEL: We're going to have to
6 modify and initial that one.

7 MR. WITTE: I would say you can leave the
8 Operations Committee action items as written,
9 because that was the recommendation of the committee
10 yesterday, so apparently there has been a subsequent
11 decision to refer that, the oversight of that Offset
12 Account review to the Engineering Committee by the
13 full body of ARCA today, so -- Steve Witte.

14 MR. BARFIELD: Yeah, I think Steve Witte
15 is correct. I mean, that's what was said last
16 night, so --

17 MR. MILLER: Steve Miller. Those action
18 items are the very first thing that we print out and
19 circulate and we actually have them on our desk
20 tomorrow and start working from them, so I would
21 suggest maybe the way to do it is for to, to create
22 an amended action items list based on today's
23 discussion, and not have an instruction that we
24 already know we don't want to follow up on out
25 there, so if there's -- I think it's within ARCA's

1 power, authority, whatever, to modify that action
2 list, and I would suggest you do that, so that we
3 have something we all agree that's what we want to
4 work on for the next year, because the minutes are
5 not available until next fall perhaps, early summer,
6 whatever, but that list is there and it gets acted
7 on fairly immediately.

8 MR. BARFIELD: Shall we just strike
9 through the word special?

10 MR. MILLER: That's what I would do and
11 have Colin and David initial that or something, or
12 we could reprint it if you don't even want it in
13 there.

14 MR. SALTER: I think it would be better
15 to strike through and initial it.

16 MR. HAYZLETT: Just strike through the
17 existing document we have and initial that that's
18 been removed. Okay. Let's do that then.

19 MR. THOMPSON: Okay. And then on, it was
20 Item 3 that we heard an update on the Offset Account
21 joint report by the States. The committee
22 recommended the review of this report, joint report,
23 by the Engineering Committee. That would be the new
24 improved version, okay.

25 Next up on my agenda, I've got an Operations

1 Secretary Report from Mr. Witte.

2 MR. WITTE: Thank you. Before I begin, I
3 would like to take the opportunity to publicly
4 acknowledge a few members of my staff, particularly
5 Bill Tyner, who assumed some of the day-to-day
6 activities. This was necessitated by a staffing
7 situation we had in our office over the course of
8 last summer. Bill stepped into the breach and
9 filled the job of coordinating with Kevin on a
10 day-to-day basis in a very admirable fashion.

11 Then recently, Mr. John Van Oort has begun
12 assuming some of those duties. I'd also like to
13 recognize Phil Reynolds is our -- is my new River
14 Operations Coordinator and will be interacting with
15 the -- with the Corps of Engineers and with the
16 Garden City office regarding day-to-day operations
17 also.

18 The water -- lead Water Commissioner for
19 Districts 17, 67, Mr. Lonnie Spady, could not be
20 with us today. However, I wanted to recognize Josh
21 Kasper, the recently appointed Water Commissioner
22 for Water District 67, and I also would like to
23 recognize Jeanette Meyers. I believe she's here
24 with us today.

25 The purpose of the Operations Secretary's

1 Report is to summarize for you some of the key
2 elements of operation related to our shared
3 reservoir, John Martin, that occurred in the past
4 year according to the procedures outlined in the
5 1980 Operating Resolution as it has been amended.

6 We began the Compact Year 2011 with a total of
7 about 32,973 Acre Feet in the reservoir. Over the
8 course of the winter storage period, a net amount of
9 23,675 Acre Feet was stored as conservation storage
10 and subsequently transferred into accounts.

11 Within that winter storage period, there's
12 also storage that occurs as a result of the
13 authorization of Section 3 of the 1980 Operating
14 Resolution. Of the total amount stored, 65% was
15 eventually transferred into Section 3 accounts and
16 the remaining 35% was distributed pursuant to the
17 provisions of Section 3 to the Transit Loss Account
18 and to Colorado and Kansas's Section 2 accounts.

19 The -- over the course of the year, there were
20 two events when water was added to the Permanent
21 Pool. The Colorado Division of Parks and Wildlife
22 purchased Colorado River water, and pursuant to
23 another resolution of this Administration that was
24 approved in 1980 which allowed use of that type of
25 water, there was an increase in storage accounted

1 for in the, in the Permanent Pool.

2 Kansas placed a call for the release of their
3 Section 2 account water in -- on June 30th. That
4 continued until it was exhausted on July the 13th.
5 The -- then immediately thereafter, there was a
6 release of water to Kansas from their Offset Account
7 on July 13th, and that continued until July the
8 24th.

9 A total of 10,247 Acre Feet was released from
10 the Kansas Section 2 account and 8,740 Acre Feet was
11 released from the Offset Account. According to the
12 accrediting procedures, it was determined that there
13 was no transit loss suffered on that delivery of
14 Section 2 water.

15 A total of 22,000 Acre Feet was released to
16 Colorado Section 2 account holders. There was one
17 event lasting two days, during which there was
18 storage of conservation storage beginning on
19 June 21st, continuing through June 22nd, which
20 totaled about 2,012 Acre Feet accretion to the
21 conservation storage, which was then subsequently
22 distributed into Section 2 accounts of Colorado and
23 Kansas.

24 There were three accounts, or three occasions,
25 excuse me, when it was determined that the Amity

1 Canal Company was entitled to store water in
2 Section -- their Section 3 account that occurred
3 outside of the winter storage period. A total of
4 2,810 Acre Feet was stored in Section 3 over those
5 three occasions and there was an accretion of 983.76
6 Acre Feet transferred then to the Kansas Transit
7 Loss Account as a result of those operations.

8 Indicative of the kind of year that it was, at
9 the end of the year, only 9,448 Acre Feet remained
10 in the reservoir. Nearly half of that was in the
11 Permanent Pool, so we -- we ended the Compact Year,
12 very low storage levels. Of course, since
13 November 1st, we've begun to rebound with storage
14 pursuant to Section 3 and to conservation storage,
15 so that the storage level has struggled back to
16 about 12,500 and will continue to increase in the
17 next Compact Year. I think that completes my
18 report, unless there are questions.

19 MR. HAYZLETT: Any questions?

20 MR. BARFIELD: Steve, just for clarity's
21 sake, the opening sentence of your report, I think
22 you failed to change the years there; is that right?
23 This is for Water Year 2011, right, this report?

24 MR. WITTE: Yes.

25 MR. BARFIELD: Okay. Mine says it was

1 for 09-10, 2010 Compact Year, unless I've got a --
2 it doesn't?

3 MR. HAYZLETT: First paragraph.

4 MR. MILLER: Good thing you found that
5 before the election of the Operations Secretary.

6 MR. WITTE: So with that change, you'll
7 be approving the report? Thank you, you're correct.
8 It was an oversight.

9 MR. BARFIELD: It's apparent from the
10 rest of it, and I -- I do things like that myself,
11 so --

12 MR. WITTE: How embarrassing.

13 MR. HAYZLETT: Thank you, Steve.

14 MR. BARFIELD: Thank you for your fine
15 report. Obviously, it's a -- it's a good summary of
16 the year.

17 MR. BEIGHTEL: Will this be an exhibit to
18 the transcript, please?

19 MR. WITTE: I don't believe we've
20 historically made them an exhibit. Copies of the
21 report have been mailed to the -- full copies of
22 this report have been mailed to the Recording
23 Secretary and received by her, and either summaries
24 or full copies of the report were sent to the
25 members of the Operations Committee, and then either

1 full copies or summaries were -- have been sent to
2 the members of the Administration that have
3 requested them.

4 MR. BEIGHTEL: Thank you.

5 MR. WITTE: I also have a few extra
6 copies of the combined summaries of the Offset
7 Report and the Operations Secretary's Report here
8 available for anyone who would like to have a copy
9 and didn't get one yesterday.

10 MR. MILLER: They're also available at
11 your web site.

12 MR. WITTE: We intend to put them there.
13 They're not posted yet.

14 MR. HAYZLETT: All right. Thank you,
15 Steve.

16 MR. THOMPSON: Next up, Kevin, Assistant
17 Operations Secretary.

18 MR. SALTER: Kevin Salter, the Assistant
19 Operations Secretary for the Compact. As with
20 Steve, I'd kind of like to start by recognizing some
21 folks in the room, and Brandy Cole from my office at
22 the end of the front table here works with our
23 interstate administration of the river and she keeps
24 an eye on some of the accounting that's going on in
25 Colorado on a daily basis, so I appreciate the

1 efforts that she does and the assistance in helping
2 keep me straight.

3 Sitting next to her is Rachel Duran. She
4 fills a role helping me with interstate water issues
5 and she has been the person that's worked to
6 generate the action items through each of the
7 committees this morning and some of the other
8 documents you guys are looking at, so I really
9 appreciate the efforts of these two staff members in
10 helping me on a day-to-day basis and kind of keeping
11 me straight the times that were just me being
12 scattered, so --

13 Also, I'd like to recognize Steve Witte and
14 Bill Tyner and the efforts that they make to try to
15 keep us in the loop on issues. As with both
16 offices, we had some staffing issues this past year
17 where people left positions, moved to new positions.
18 We have new hires in, so I'm hoping over the next
19 few months and year, we can get to know the staff
20 and we can develop some of those communication ties
21 that we've enjoyed in the past, so --

22 The purpose of my report is just to kind of
23 provide my perspective on the operations of the
24 river and the reservoir and, again, the
25 communication challenges is kind of where we

1 started, but again, that's something I think that
2 will be worked through in this upcoming Compact
3 Year.

4 Kansas has long been concerned about the
5 Pueblo Winter Water Storage Program, and Steve and
6 others in his office are working to try to address
7 some of those issues, and we've done some field work
8 and it's something that's not going to be resolved
9 easily or soon, but it's something that, again,
10 we'll be able to spend some time on and should be
11 able to make some progress on.

12 Steve talked about the deliveries to the
13 Kansas, and one thing I did want to note, as far as
14 operations in John Martin Reservoir, we did talk
15 about the deliveries to the State of Kansas and
16 covered that very well. I did want to talk about
17 the reservoir-to-reservoir deliveries. In the past,
18 when water was delivered from an upstream reservoir
19 into John Martin Reservoir, either for the Offset
20 Account or the Permanent Pool, the accounting of
21 that included some recovery of transit losses that
22 moved back into the bank, and Steve did that based
23 on some work that Russ Livingston did, and we just
24 expressed a concern about timing of the accounting
25 and that, and Steve this year has looked at it and

1 looked at some new work that's been done in that
2 region between Pueblo and John Martin Reservoir and
3 has decided to change the operations up to account
4 for that transit loss as it comes into the
5 reservoir.

6 This was an Issue 33 on the water issues
7 matrix, and I think it's just going to take a little
8 time to kind of document what's being done, what may
9 be done in the future, and that we should be able to
10 remove that issue from the matrix.

11 As Colin noted, we gave a -- I gave a report
12 on the water issues matrix. Basically, we're
13 staying in the same spot we were last Compact Year.
14 In summary, the communication between the offices
15 this year was impacted by staff changes in both
16 offices, but should improve over the next Compact
17 Year.

18 The States continued to work on issues related
19 to Pueblo Winter Water Storage Program, especially
20 its impacts to the storage in John Martin Reservoir.
21 The Stateline delivery accounting for both the
22 Section 2 and the Offset Account has reduced the
23 disputes over those -- it's actually eliminated any
24 disputes over the accounting of those waters
25 delivered to the Stateline. The accounting of

1 reservoir deliveries to John Martin Reservoir didn't
2 include any of the recovered transit loss, and
3 hopefully we'll be able to resolve that issue by the
4 next annual meeting. I look forward to working with
5 Steve and his staff over the next year.

6 MR. THOMPSON: Any questions for Kevin?

7 MR. SALTER: Not hearing anything, but
8 before I leave the podium, I did want to note, in
9 another responsibility I have, that we did have some
10 people join the Administration's meeting in
11 progress, so if we could get them to sign the
12 attendance sheet.

13 MR. HAYZLETT: Thank you for reminding me
14 of that, Kevin. Those that joined late, if you can
15 sign the signup sheet that went around, so we'd
16 know. Is the signup sheet on the end of the table
17 there?

18 MS. GIMBEL: Where is the signup sheet?

19 MR. HAYZLETT: If there's anybody here
20 that didn't get on there, please check on the end of
21 the table there and get signed up.

22 MR. BARFIELD: We'll find it.

23 MR. THOMPSON: Next up, the Offset
24 Account Report. Steve.

25 MR. WITTE: Earlier, I recognized the

1 contributions my staff make in keeping me straight
2 on most issues, like those excluded, and I've been
3 reminded since I last stood before you that I failed
4 to recognize Jeff Montoya, my Water Commissioner of
5 the Year, so I would -- (laughter).

6 Regarding the Offset Report, we are required
7 to produce a report. This was a -- a report on this
8 was delivered to the Operations Committee yesterday.
9 Again, I believe copies of this or summaries have
10 been distributed to ARCA members as requested. I
11 would just point out that from November 1st of 2010
12 through October the 31st, there were a total of
13 6,917 Acre Feet delivered to the -- to the Offset
14 Account. Net consumable water was 6,471.

15 Because there have been some water in the
16 Offset Account prior to October 31st, the total
17 quantity available for release and subsequently
18 released was greater. A total of 8,740 Acre Feet
19 was released, and the consumable consumptive use
20 water for the credit will be 6,436 Acre Feet. Now,
21 that will -- that number will be an input to this
22 crediting table for next year, so that's how we use
23 that information.

24 At the end of the Compact Year, October 31st,
25 there was 3,091.72 Acre Feet in the Offset Account.

1 I think that's all I have to report on that.

2 MR. THOMPSON: And next up was our action
3 items, of which we had four, and we have modified
4 those. I guess I can read those in.

5 Number 1 was the Ten-Year Compact Compliance
6 Accounting Table for 2001 to 2010 was presented.
7 The Committee recommends that this table be an
8 exhibit to the 2011 ARCA Annual Meeting transcript
9 and included in the calendar year 2011 Annual
10 Report.

11 Number 2 was that the committee took no
12 action. We have an action item on no action, but
13 anyway, we took no action on the calendar years
14 2006, 2007, 2008, 2009, 2010, 2011 Operations
15 Secretary's Reports.

16 3, we heard an update on the Offset Account
17 Joint Report by the States. The Committee has
18 recommended the review of this joint report by the
19 Engineering Committee.

20 4, the Committee recommends to ARCA that the
21 Special Engineering Committee be extended for
22 calendar year 2012.

23 MR. HAYZLETT: Okay. Thank you, Colin,
24 and that will be added as an exhibit.

25 MR. MILLER: Has anybody actually

1 tendered the Ten-Year Table yet?

2 MR. GRIGGS: Yes.

3 MR. BEIGHTEL: Mr. Chairman, the lost
4 attendance sheet is found, so we'll start here, if
5 you'll just hand it on if you've already signed it,
6 so we can get everybody. Thank you.

7 MR. HAYZLETT: Thank you, Chris. Next,
8 report of the Administrative and Legal Committee.
9 Jennifer.

10 MS. GIMBEL: Thank you, Mr. Chair. I am
11 joint on the Legal Committee with the vice-chair
12 here, Randy Hayzlett. We did a lot of work in a
13 little amount of time, and first off, we talked
14 about we had Brent Newman and Chris Beightel to
15 produce a short summary and any presentations and
16 lists of action items for this committee meeting.
17 Thank you very much.

18 We also have discussed the proposal from
19 CoAgMet for a Weather Station Network regarding ARCA
20 funding some of the work that they do, and we'll
21 have a recommendation on that with respect to the
22 budget.

23 We had our meeting in two pieces, some last
24 night and some this morning, and we'll be
25 recommending that we put some money in our future

1 budgets for CoAgMet and take some money out of this
2 budget, for this year's budget, for the contingency
3 plan.

4 We also discussed the GP Lamar Pipeline and
5 agreed that it should be assigned to the regular
6 Engineering Committee, and then -- I can stop there
7 and then we can start doing individual writeups.
8 How about that?

9 MR. HAYZLETT: We're ready for the
10 Secretary Treasurer's report from Stephanie then.

11 MS. GONZALES: I'm Stephanie Gonzalez,
12 Recording Secretary and Treasurer. I don't have a
13 whole lot to report. Pretty uneventful year. Paid
14 the bills, audits done, and we have an agreement
15 with Mr. Mau to provide him the billings for the
16 USGS, so maybe we can get that in a better payment.
17 That would be all.

18 MR. HAYZLETT: Thank you, Stephanie.

19 MS. GIMBEL: Okay. Mr. Chair, the next
20 are our recommendations. First of all, the election
21 of officers. The Committee recommends that we
22 re-elect Randy Hayzlett for the Vice-Chair,
23 Stephanie Gonzalez for the
24 Recording/Secretary-Treasurer, Steve Witte for the
25 Operations Secretary, and Kevin Salter as the

1 Assistant Operations Secretary.

2 MR. HAYZLETT: Is that a motion?

3 MS. GIMBEL: That's a motion.

4 MR. HAYZLETT: Is there a second?

5 MR. BARFIELD: I would second.

6 MR. HAYZLETT: Any more discussion on
7 those items? If not, Colorado's vote?

8 MS. GIMBEL: Aye.

9 MR. HAYZLETT: Kansas?

10 MR. BARFIELD: Aye.

11 MR. HAYZLETT: Motion carried.

12 MS. GIMBEL: Okay. The next is with
13 respect to the appointment of the committee chairs.
14 As is the practice, they alternate between Kansas
15 and Colorado. We would then recommend that for the
16 Engineering Committee, Matt Heimerich be Chair; for
17 the Operations Committee, David Brenn be Chair; and
18 for the Administrative and Legal Committee, Randy
19 Hayzlett as Chair. So moved.

20 MR. HAYZLETT: Second?

21 MR. BARFIELD: Second.

22 MR. HAYZLETT: More discussion? If not,
23 how does Colorado vote?

24 MS. GIMBEL: Aye.

25 MR. HAYZLETT: Kansas?

1 MR. BARFIELD: Aye.

2 MR. HAYZLETT: Motion carried.

3 MS. GIMBEL: Next recommendation is that
4 we approve the audit report for Fiscal Year 2010-11.
5 I would so move.

6 MR. BARFIELD: Second.

7 MR. HAYZLETT: Moved and seconded. All
8 in favor, say aye.

9 MS. GIMBEL: Aye.

10 MR. HAYZLETT: Do we have discussion?
11 Sorry.

12 MR. MILLER: No, you already approved it,
13 right? I didn't want to -- now that you've approved
14 it, Stephanie has --

15 MR. BARFIELD: Oh, I say aye.

16 MR. MILLER: Stephanie asked for bound
17 copies, and those should be made an exhibit after
18 Randy signs them, denoting that they were approved.

19 MS. GIMBEL: Okay. So the audit report
20 will be an exhibit.

21 The next is the list -- on the list is we
22 recommend approval of the USGS and State contracts.

23 MR. MILLER: That's a misprint.

24 MS. GIMBEL: It should be both States,
25 right? Colorado and --

1 MR. MILLER: The State of Colorado
2 reference is from last year when we had to look at
3 the satellite system contract, so it's --

4 MS. GIMBEL: So just approval of the USGS
5 contracts?

6 MR. MILLER: Two, yeah. One with each
7 GS office, Colorado and --

8 MS. GIMBEL: Do we need to put in the
9 record how much those are for? I know the Colorado
10 one is --

11 MR. MILLER: 49,950.

12 MS. GIMBEL: 49 --

13 MR. MAU: 49,950. I am not aware of what
14 the Kansas is. Don't have that information.

15 MR. MILLER: Kansas number is \$8,600.

16 MS. GIMBEL: 8600 for Kansas?

17 MR. MILLER: And the action actually is
18 to authorize Stephanie to sign those contracts that
19 she has in her possession.

20 MS. GIMBEL: So the committee recommends
21 Stephanie, the Secretary-Treasurer, sign the USGS
22 contracts. So moved.

23 MR. BARFIELD: Second.

24 MR. HAYZLETT: Any more discussion on
25 that? If not, how does Colorado vote?

1 MS. GIMBEL: Aye.

2 MR. HAYZLETT: Kansas?

3 MR. BARFIELD: Aye.

4 MS. GIMBEL: Next on the list is adoption
5 of the budgets. The committee recommends that we
6 amend the budget for 12-13 to add a line of \$5,000
7 for the CoAgMet weather program to be -- so we're
8 amending the budget. We're not spending that money
9 yet. We're going to come back next year and talk
10 about a specific contract, so first of all, let's --
11 do you want to take action separately here or
12 together?

13 MR. HAYZLETT: On the proposed budget?

14 MS. GIMBEL: Yeah.

15 MR. HAYZLETT: We can do those two
16 together.

17 MS. GIMBEL: Okay. And so then we'd ask
18 the committee to also approve the 13-14 budgets,
19 again with the additional \$5,000 for CoAgMet. I
20 believe, Steve, you have the --

21 MR. MILLER: I have the --

22 MS. GIMBEL: The exhibit that we need to
23 put in for that?

24 MR. MILLER: Yes. I have a revised --
25 the revision one for 2012-13. If you do approve it,

1 Stephanie can sign it. Then it would become an
2 exhibit. Likewise, the 13-14, Fiscal Year 13-14,
3 they're actually identical budgets for both years,
4 and the key piece, I guess, is that the expenditures
5 will be 93,500; the assessments remain level; and
6 the -- at 96,000 between the two States for both
7 years, so --

8 MS. GIMBEL: So we would move approval of
9 the amending and approving the 12-13 budget and
10 approval of the 13-14 budget.

11 MR. HAYZLETT: Is there a second?

12 MR. BARFIELD: Second.

13 MR. HAYZLETT: Any discussion?

14 MR. BARFIELD: No. I think we're
15 agreeable to, you know, add the CoAgMet. I think
16 there's a significant amount of value to that and
17 interest in making sure that data is available,
18 so --

19 MR. MILLER: I don't know if you heard
20 the morning committee meeting discussion.

21 MR. BARFIELD: I did not.

22 MR. MILLER: We will bring back a
23 contract before we spend the 5,000, so we'll spend
24 2,000 this year immediately. Part of the tradeoff
25 for us giving that 2,000 will be that they'll

1 prepare a contract that you can review. It will
2 establish the 5,000. Kevin had some ideas about
3 things you might want to put in the contract, so
4 we'll budget it now and contract next year.

5 MR. BARFIELD: All right. Thank you.

6 MS. GIMBEL: That's part of my motion.

7 MR. BRENN: And this year's 2000 will
8 come out of contingency?

9 MS. GIMBEL: Contingency.

10 MR. MILLER: So we don't have to revise
11 the budgets.

12 MR. HAYZLETT: Okay. Jennifer?

13 MS. GIMBEL: So moved. Did we --

14 MR. BARFIELD: We moved it but didn't
15 vote on it.

16 MS. GIMBEL: I'm sorry. I thought I
17 moved it.

18 MR. HAYZLETT: Moved and seconded. How
19 did Kansas vote?

20 MR. BARFIELD: Aye.

21 MR. HAYZLETT: Okay.

22 MS. GIMBEL: The next is the approval of
23 transcripts. We -- the committee is ready to
24 recommend that ARCA approve the 1993 Annual Meeting
25 transcript, the 2010 Annual Meeting transcript, and

1 the 2011 ARCA Special Telephonic Meeting transcript.
2 So moved.

3 MR. BARFIELD: Kansas would second.

4 MR. HAYZLETT: Any more discussion on
5 that item? If not, how does Colorado vote?

6 MS. GIMBEL: Aye.

7 MR. HAYZLETT: And Kansas?

8 MR. BARFIELD: Aye.

9 MR. HAYZLETT: Motion carried.

10 (Discussion held between

11 Mr. Hayzlett and Ms. Gimbel off the
12 record.)

13 MS. GIMBEL: The question is, do we need
14 a motion for that \$2,000 on the contingency? I
15 would wrap that into the motion that I made earlier,
16 if you're agreeable.

17 MR. BARFIELD: Certainly. Yeah, that was
18 the intent, so that's fine.

19 MR. HAYZLETT: Okay.

20 MS. GIMBEL: Next, talk about the
21 procedures for approval of the annual reports. The
22 committee recommends that Kansas review the 1994,
23 '95, '96 and '97 annual report drafts that they've
24 received from Colorado and report back to the
25 committee in six months. I suggested that Kansas

1 focus on the 1997 draft, which then can be used as a
2 template to develop the additional annual reports.
3 I don't know that we need an action on that.

4 MR. HAYZLETT: I don't think we need a
5 motion on that. I think that's just an assignment
6 to staff.

7 MS. GIMBEL: With respect to the
8 resolution to extend the Special Engineering
9 Committee, the committee recommends that we extend
10 it for the calendar year 2012. We discussed putting
11 the Offset Accounting and Joint Review in that, in
12 the assignment of the Special Engineering Committee,
13 but agreed that what was decided later and having it
14 go to the Engineering Committee would be fine.

15 You and I, Mr. Hayzlett, will have to amend
16 our action items. With that, I would need a --
17 okay. So that, I would move that we extend the ARCA
18 Special Engineering Committee for the year 2012.

19 MR. HAYZLETT: Second?

20 MR. BARFIELD: We'll be offering a
21 resolution to that effect later.

22 MS. GIMBEL: Oh, this is the time to
23 offer it.

24 MR. BARFIELD: Okay. Very good. I'm
25 sorry. You're already there. Very good, yes. I

1 would second it.

2 MR. HAYZLETT: Any more discussion? If
3 not, how does Colorado vote?

4 MS. GIMBEL: Aye.

5 MR. HAYZLETT: And Kansas?

6 MR. BARFIELD: Aye.

7 MR. HAYZLETT: Okay. Motion carried to
8 extend the Special Engineering Committee.

9 MR. BARFIELD: So we don't need to read
10 that into the record. We'll just sign it and it
11 will be attached as an exhibit.

12 MR. MILLER: State that you're making it
13 an exhibit.

14 MR. SALTER: It's got to be stated as
15 Resolution 2011-01, and for the sake of the record,
16 I would characterize it as an extension of the
17 Special Engineering Committee through December 31st,
18 2012 by the Administration.

19 MR. HAYZLETT: Okay. We'll make that an
20 exhibit then.

21 MS. GIMBEL: Okay. The next resolution
22 is a resolution honoring the former Federal Chair,
23 Robin Jennison. I believe both States have had an
24 opportunity to look at that, and I would move the
25 resolution honoring Robin.

1 MR. HAYZLETT: Okay. I think --

2 MS. GIMBEL: Oh, maybe you'd like to do
3 that, move that for the record. I'm sorry.

4 MR. BARFIELD: I will. In fact, let me
5 do that.

6 MS. GIMBEL: I'm sorry. I jumped ahead.

7 MR. BARFIELD: With your permission, I
8 will actually read the resolution and then move its
9 adoption, so this would be Resolution 2011-02
10 honoring Robin Jennison.

11 Whereas, the members of the Ar-kansas or
12 Arkansas River Compact Administration desire to
13 recognize the outstanding service of Robin Jennison,
14 who served from his appointment by the President of
15 the United States on September 23, 2002, until his
16 resignation as Chairman of the Administration and
17 Representative of the U.S.; and,

18 Whereas, he provided resourceful and
19 professional leadership in a fair and equitable way
20 to both States and also to the federal agencies;
21 and,

22 Whereas, his genuine concerns for the duties
23 of the Federal Chairman as well as the
24 Administration have produced accomplishments for the
25 Administration; and,

1 Whereas, both States appreciated the
2 leadership provided to the Administration; and,

3 Whereas, his interest to have the States work
4 together created an atmosphere conducive to solving
5 disputed issues.

6 Now, therefore, be it resolved, regret is
7 hereby expressed at the resignation of Robin
8 Jennison in that the States of Colorado and Kansas
9 will be losing the service of an able and devoted
10 public servant and that each member of the
11 Administration extends best wishes for continued
12 good health and happiness and success in his future
13 endeavors.

14 Be it further resolved that this resolution be
15 included in the records of the Administration and
16 that the secretary be instructed to mail a copy of
17 this resolution to Mr. Jennison.

18 I would move that we adopt this resolution.

19 MS. GIMBEL: I would second.

20 MR. HAYZLETT: Any more comments? If
21 not, how would Kansas vote?

22 MR. BARFIELD: Aye.

23 MR. HAYZLETT: Colorado?

24 MS. GIMBEL: Aye. Nice job.

25 MR. HAYZLETT: We also have a copy of

1 Robin's resignation letter here.

2 MS. GIMBEL: Does that go in as an
3 exhibit?

4 MR. HAYZLETT: I think not.

5 MS. GIMBEL: Then the final
6 recommendation from the committee is that we
7 allow -- recommend that a letter commending Pat
8 Edelman's service to ARCA be developed by staff and
9 that it should be provided to the Vice-Chair by
10 January 15th for signature. We have a draft letter
11 that's circulating, but we're still working on that,
12 and so I would so move.

13 MR. HAYZLETT: Second?

14 MR. BARFIELD: I second.

15 MR. HAYZLETT: Any other comments? If
16 not, Colorado vote?

17 MS. GIMBEL: Aye.

18 MR. HAYZLETT: And Kansas?

19 MR. BARFIELD: Aye.

20 MR. HAYZLETT: Okay. The letter, final
21 copy, circulated and mailed.

22 MR. BARFIELD: Okay.

23 MS. GIMBEL: I believe that concludes our
24 report of the Administrative and Legal Committee.

25 MR. HAYZLETT: Okay. New business.

1 Public comments. Are there any comments from the
2 public?

3 MR. BEIGHTEL: One thing, Mr. Chairman.
4 Would you like to make your notes and action items
5 an exhibit?

6 MR. HAYZLETT: Oh, yes. Sorry.

7 MR. BEIGHTEL: That would be Exhibit Q.

8 MR. HAYZLETT: Public comments? Any
9 comments from the public? Hearing none, the next
10 item is 12-B. That's assignments to the Engineering
11 Committee. I think most of those were captured in
12 the committee reports. Any other comments on those?

13 MR. HEIMERICH: I just want to make sure,
14 so it's going to be the Engineering Committee's --
15 our job will also be to do a review of the joint
16 accounting of the Offset Account?

17 MR. BARFIELD: The Offset Account review,
18 yeah. The States have sort of divided up the
19 responsibilities, as were reported. They'd like the
20 Engineering Committee to review and provide comments
21 as they work towards finalization of that, so that
22 is an additional duty that we've assigned to you.

23 MR. HEIMERICH: Okay.

24 MR. MILLER: I think one thing for the
25 Engineering Committee, or someone that you can tell

1 to do this, we ought to send a letter perhaps to
2 GP Pipeline proponents telling them that the
3 Engineering Committee will be the proper place to
4 lodge their applications when they're ready. I
5 guess I heard someone introduce themselves, and I
6 don't know if they're still here.

7 MR. HEIMERICH: They left.

8 MR. MILLER: Would you like me to send
9 that letter on your behalf?

10 MR. BARFIELD: That would be fine.

11 MR. HEIMERICH: That would be fine, yes.

12 MR. HAYZLETT: Okay. Any other comments
13 on the Engineering Committee assignments?
14 Operations Committee, action items. Any specific
15 assignments on those that need to be brought out at
16 this time? And for the Administrative and Legal, I
17 think we have covered those.

18 Future meetings. Spring meeting. Anything
19 from the Operations Committee? Anything slated?

20 MR. THOMPSON: Nothing that I know of.

21 MR. HAYZLETT: Special meeting of ARCA, I
22 think that may be possible. Depending on what
23 happens through the year, we might have to have one;
24 is that right?

25 MR. BARFIELD: Yes. On the Trinidad

1 Operating Principle proposed change, there's a
2 process by which that might be required, and if so,
3 the Engineering Committee will essentially call for
4 a meeting or will request you to call for it. We'll
5 get that done. The by-laws provide for such a
6 special meeting, so that hopefully will clear this
7 year.

8 MR. HAYZLETT: Okay. For the 2012 Annual
9 Meeting, we need to set a date and a location.
10 Jennifer?

11 MS. GIMBEL: To nobody's surprise, I --
12 Colorado would suggest that we move the date up a
13 week to the week of December 3rd. Again, I have a
14 conflict with the Colorado Compact meetings, so I
15 would propose that we set this for that time. I
16 know that's a crunch for you guys with the numbers.
17 I apologize, but that's -- I'd like to -- I'd like
18 to see if Kansas would be agreeable to that.

19 MR. BARFIELD: Kansas is agreeable to
20 move it to December 5th and 6th, so it would be a
21 Wednesday-Thursday again.

22 MS. GIMBEL: Okay.

23 MR. BARFIELD: We would ask or suggest,
24 it might help us if the Operations Secretary and
25 Assistant Operations Secretary could provide maybe

1 their reports electronically. I don't think we
2 received Steve's report until, at least Kevin
3 didn't, until Monday, so it would facilitate things
4 if we can maybe do an electronic exchange and then
5 just provide a little help there if that's possible,
6 but we're agreeable.

7 We would like to -- Kansas has hosted the
8 Annual Meeting from time to time. I think our last
9 time was in 2009 and I guess I would also like to
10 suggest that we have the opportunity of hosting the
11 Annual Meeting again next year in Garden City, if
12 the Administration is agreeable.

13 MS. GIMBEL: Colorado is agreeable to
14 that.

15 MR. THOMPSON: We're good.

16 MR. HAYZLETT: We're good. Be glad to
17 have you come to Kansas.

18 MS. GIMBEL: Do you need a motion on
19 that?

20 MR. BARFIELD: Yes, we do, particularly
21 since we're moving the date. We need a motion.

22 MS. GIMBEL: So I would move that we move
23 the Annual Meeting date for 2012 to December 5th and
24 6th, to be held in Garden City.

25 MR. BARFIELD: And I would second.

1 MR. HAYZLETT: Okay. Moved and seconded.
2 Any other discussion? If not, how does Colorado
3 vote?

4 MS. GIMBEL: Aye.

5 MR. HAYZLETT: And Kansas?

6 MR. BARFIELD: Aye.

7 MR. HAYZLETT: Good. Coming to Kansas
8 next year.

9 MS. GIMBEL: Will it be warmer?

10 MR. HAYZLETT: I hope. I don't have
11 anything else on the agenda, other than adjournment.

12 MR. MILLER: If we would hold the
13 committee meetings in the morning on the 5th, can we
14 play golf in the afternoon? Can you get that set
15 up?

16 MR. BARFIELD: Do we need to move for
17 adjournment?

18 MR. HAYZLETT: Yes; somebody move to
19 adjourn.

20 MR. BARFIELD: I'd just like to express
21 appreciation --

22 MS. GIMBEL: Hold it. We're not done
23 yet.

24 MR. BARFIELD: -- to Colorado for hosting
25 the meeting and Stephanie for providing all that she

1 does, and anyway, we appreciate your willingness to
2 come to us, so appreciate Colin's presence on the
3 Administration to bring a little levity to this
4 meeting from time to time, so it's a good selection
5 there; so anyway, with that, I'd move adjournment of
6 the meeting.

7 MS. GIMBEL: I would second.

8 MR. HAYZLETT: All in favor, say "Aye."

9 (Response.)

10 MR. HAYZLETT: Meeting adjourned.

11
12 (Proceedings adjourned at 11:42 a.m.
13 Mountain Time)

EXHIBIT LIST

Exhibits accepted by ARCA follow in the order introduced:

- A. Notice & Agenda
- B. Attendance List
- C. By-Laws as Amended September 27, 2011
- D. USGS Report
- E. U.S. Army Corps of Engineers Report
- F. 1/12/11 Letter from Mark Yuska, Department of the Army, to Steve Witte, Colorado Division of Water Resources
- G. U.S. Bureau of Reclamation Power Point Presentation
- H. Ten-Year Accounting of Depletions and Accretions to Usable Stateline Flow, 2001-2010
- I. Agreement on H-I Model Changes to Address Increases in Irrigation Efficiency for Pumped Groundwater, September, 2011
- J. Engineering Committee Action Item List
- K. Operations Committee Action Item List
- L. ARCA Audited Financial Statements, 6/30/2011
- M. FY12-13 Proposed Budget, Revision 1
- N. FY13-14 Proposed Budget
- O. Resolution 2011-01 Regarding Sixth Extension of the Term of the Special Engineering Committee

1 P. Resolution 2011-02 Honoring Robin Jennison

2 Q. Administrative & Legal Committee Action

3 Item List

4
5 ADOPTED RESOLUTION

6 ARCA adopted following resolutions:

- 7 1. Resolution 2011-01 Regarding Sixth Extension of
8 the Term of the Special Engineering Committee
9 2. Resolution 2011-02 Honoring Robin Jennison

1 STATE OF KANSAS)

2 COUNTY OF RENO)

3
4 This is to certify that I, Lee Ann Bates, a
5 Certified Shorthand Reporter in and for the State of
6 Kansas, reported in shorthand the proceedings had at
7 the time and place set forth on the title page hereof
8 and that to the best of my ability, the above and
9 foregoing pages contain a full, true and correct
10 transcript of the said proceedings.

11 Certified to on this ____ day of _____, 2012.

12
13 _____
14 ADVANCED COURT REPORTING SERVICES
15 LEE ANN BATES, CSR, RPR, CRR
16 27113 West Mills Avenue
17 Pleva, Kansas 67568
18 (620) 793-6555 or (620) 664-7230
19
20
21
22
23
24
25

ARKANSAS RIVER COMPACT ADMINISTRATION

Lamar, Colorado 81052

For Colorado

Chairman and Federal Representative

For Kansas

Jennifer Gimbel, Denver

VACANT

David Barfield, Topeka

Colin Thompson, Holly

Randy Hayzlett, Lakin

Matt Heimerich, Olney Springs

David A. Brenn, Garden City

NOTICE & AGENDA 2011 ANNUAL MEETING ARKANSAS RIVER COMPACT ADMINISTRATION

**THURSDAY, DECEMBER 8, 2011
8:30 A.M. (MST)**

**Lamar Community Building
610 South Sixth Street
Lamar, Colorado**

The 2011 Annual Meeting of the Arkansas River Compact Administration ("ARCA") will be held on Thursday, December 8, 2011, commencing at 8:30 A.M. MST (9:30 A.M. CST) in the Lamar Community Building, 610 South Sixth Street, in Lamar, Colorado. The meeting will be recessed for lunch at about 12:00 PM and reconvened for the completion of business in the afternoon as necessary. The tentative agenda for the Annual Meeting, which is subject to change, is set out below.

The Engineering, Operations, and Administrative/Legal Committees of ARCA will meet on Wednesday, December 7, 2011, also at the Lamar Community Building, 610 South Sixth Street, in Lamar, Colorado at 1:30 PM. MST (2:30 P.M. CST) and continuing to completion. Tentative agendas for the Committee meetings are also set out below. The public is invited to attend the Committee meetings, but time for comments may be limited.

Meetings of ARCA 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.

ENGINEERING COMMITTEE MEETING
WEDNESDAY, DEC. 7, 2011, 1:30 P.M. (MST)
Lamar Community Building
TENTATIVE AGENDA (subject to change)
Presiding: David Barfield

- 1. Review committee agenda and preparation of action item(s) – *assign staff***
- 2. Old business**
 - A. Irrigation Improvement Rules, Implementation Update
 - B. Colorado Decision Support System update
- 3. New business and other matters**
 - A. Special Engineering Committee discussion/extension – *action item*
 - B. Trinidad Project
 - i. Trinidad Issues meetings
 - ii. City of Trinidad proposed amendments to the Trinidad Operating Principles
 - C. Super Ditch, Pilot Project and studies
 - D. Proposed Lamar Canal (GP) Pipeline
 - E. Updates from Federal Agencies:
 - i. US Corps of Engineers
 - ii. US Bureau of Reclamation
 - iii. US Geologic Survey
- 4. Summary of action items / Committee assignments to staff**
- 5. Future meetings**
- 6. Adjourn**

OPERATIONS COMMITTEE MEETING

WEDNESDAY, DEC. 7, 2011*

Lamar Community Building

TENTATIVE AGENDA (subject to change)

Presiding: Colin Thompson

- 1. Review committee agenda and preparation of action item(s) – *assign staff***
- 2. Reports of Operations Secretary and Assistant Operations Secretary**
 - A. Operations Secretary – Steve Witte
 - B. Assistant Operations Secretary – Kevin Salter
 - C. Committee recommendation concerning CY2011 Operations and Assistant Operations Secretaries' reports
- 3. Offset Account Operations Report – Colorado Division of Water Resources**
- 4. Ten-year Compact Compliance Accounting table (2001-2010) – Joint report of the States**
- 5. Old business**
 - A. Water Issues Matrix
 - B. Approval of 2006 Operations Secretary Report – *action item*
 - C. Approval of 2007 Operations Secretary Report – *action item*
 - D. Approval of 2008 Operations Secretary Report – *action item*
 - E. Approval of 2009 Operations Secretary Report – *action item*
 - F. Approval of 2010 Operations Secretary Report – *action item*
 - G. Offset Account Review – joint report of the States
- 6. New business and other matters**
 - A. Approval of 2011 Operations Secretary Report – *action item*
 - B. Special Engineering Committee discussion / extension – *action item*
 - C. Irrigation Improvement Rules, Implementation Update [if referred by Engineering Comm.]– Bill Tyner
- 7. Summary of action items / Committee assignments to staff**
- 8. Future meetings: April and/or mid-Summer meetings**
- 9. Adjourn**

* The Operations Committee will start following the conclusion of the Engineering Committee

ADMINISTRATIVE & LEGAL COMMITTEE MEETING

WEDNESDAY, DEC. 7, 2011*

Lamar Community Building

TENTATIVE AGENDA (subject to change)

Presiding: Jennifer Gimbel

- 1. Review committee agenda and preparation of action item(s) – *assign staff***
- 2. Review 2011 Annual Meeting Agenda**
- 3. Recording Secretary/Treasurer Report**
- 4. Financial Matters**
 - A. Audit Report: review and approval of Fiscal Year(FY) 2010-11 Report (7/1/2010-6/30/2011) – *action item*
 - B. Treasurer Report
 - C. Budget review and recommendations to ARCA
 - i. Review of current FY 2011-12
 - ii. Review of adopted FY 2012-13
 - iii. Approval of USGS Cooperative Agreements – *action item*
 - iv. Proposed FY 2013-14 budget and assessment – *action item*
- 5. Old business**
 - A. Status of transcripts from prior meetings
 - i. Annual meetings: 1993, 1998, 1999, 2010
 - ii. Special meeting minutes and/or summaries: Sept. 2011
 - B. Recommendation / approval of transcripts and/or summaries – *action item*
 - C. Annual Reports: 1994 - 2010 status
 - i. 1994, 1995, 1996, & 1997 drafts have been provided to Kansas
 - ii. Remaining years
 - iii. Process to complete reviews and publish
 - D. Special Engineering Committee – *action item*
 - i. Discussion of extension
 - ii. Review of ARCA resolution extending Comm.
- 6. New business and other matters**
 - A. Recognition of retirees
 - i. Federal Representative, Robin Jennison
 - ii. USGS, Pueblo Chief, Pat Edelmann
 - B. Nomination of Officers – *action item*
 - i. Vice-Chairman
 - ii. Recording Secretary and Treasurer
 - iii. Operations Secretary
 - iv. Assistant Operations Secretary

* The Administrative & Legal Committee will start following the conclusion of the Operations Committee

- C. Recommendation on appointment of Committee chairs – *action item*
- D. CoAgMet Weather Station Network, funding request

7. Summary of action items / Committee assignments to staff

8. Future meetings

9. Adjourn

**ARKANSAS RIVER COMPACT ADMINISTRATION
2011 ANNUAL MEETING**

THURSDAY, DEC. 8, 2011, 8:30 A.M. (MST)

Lamar Community Building

TENTATIVE AGENDA (subject to change)

Presiding: Randy Hayzlett

- 1. Call to Order: Vice-Chairman, Randy Hayzlett**
(Instructions for those in attendance for benefit of court reporter)
- 2. Introduction of representatives and visitors**
- 3. Review and revisions of agenda**
- 4. Reports of Officers**
 - A. Chairman – Vacant
 - B. Vice-Chairman – Randy Hayzlett
 - C. Recording Secretary and Treasurer – Stephanie Gonzales (defer to item 11)
 - D. Operations Secretary – Steve Witte (defer to item 10)
 - E. Assistant Operations Secretary – Kevin Salter (defer to item 10)
- 5. Summary of Bylaw revision and September 27, 2011 Special Meeting**
- 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 Local Water User Agencies**
 - ~~A. Southeastern Colorado Water Conservancy District~~
 - B. Lower Arkansas Valley Water Conservancy District
 - C. Purgatoire River Water Conservancy District
 - D. Fountain Cr. Watershed, Flood Control, and Greenway Dist.
- 8. Compact Compliance / Decree Issues Updates**
 - A. Ten-year Compact Compliance Accounting table (2001-2010) – Joint report of the States
 - B. Offset Account Review
 - C. H-I Model groundwater efficiency change
 - D. Report on Implementation of Irrigation Improvement Rules
- 9. Report of Engineering Committee**
 - A. Report from December 7, 2011 meeting – David Barfield
 - B. Engineering Committee recommendations – *action item(s)*

10. Report of Operations Committee

- A. Report from December 7, 2011 meeting – Colin Thompson
- B. Operations Secretary Report – Steve Witte
- C. Assistant Operations Secretary Report – Kevin Salter
- D. Offset Account Report – Steve Witte
- E. Operation Committee recommendations – *action item(s)*

11. Report of Administrative & Legal Committee

- A. Report from December 7, 2011 meeting – Jennifer Gimbel
- B. Recording Secretary and Treasurer Report – Stephanie Gonzales
- C. Administrative & Legal Committee Recommendations – *separate action items*
 - i. Election of officers
 - ii. Appointment of committee chairs
 - iii. Approval of audit report
 - iv. Approval of USGS and State of Colorado contracts
 - v. Adoption of budget(s)
 - vi. Approval of transcripts
- D. Procedures for approval of annual reports
- E. Resolution Extending Special Engineering Committee – *action item*
- F. Resolution honoring Robin Jennison – *action item*
- G. Letter of Commendation Pat Edelmann – *action item*

12. New Business and Public Comment

- A. Public Comment
- B. Assignments to Engineering Committee – *action item*
- C. Assignments to Operations Committee – *action item*
- D. Assignments to Administrative & Legal Committee – *action item*

13. Future meetings

- A. Spring and/or mid-summer meeting(s) of Operations Committee
- B. Special Meeting(s) of ARCA and/or other committees
- C. 2012 Annual Meeting, set date and location (tentative December 11, 2012)

14. Adjourn

ATTENDANCE LIST

2011 ARKANSAS RIVER COMPACT ADMINISTRATION ANNUAL MEETING
Thursday, December 8, 2011, 8:30 A.M. (MST), Lamar, Colorado

NAME	REPRESENTING	ADDRESS	PHONE & FAX	EMAIL
Randy Hayzlett	ARCA	Cokini, KS 67860 1112 Road T	620 355-7499	hayzlett@pld.com
Burke Griggs	Kansas	109 SW 9th St 4th Floor Topeka, KS 66612	785 296 4623	burke.griggs@kda.ks.gov
David Brenn	ARCA KS.	1710 Pearson Court Harden City, Ke.	620-287-4541	dbrenn@gnet.net
David Barfield	Kansas	109 SW 9th St Topeka, KS 66612	785-296-3710	david.barfield@kda.ks.gov
Jennifer Gimbel	COLO	1313 Shearman ST 721 DENVER, CO 80203	303-866-3441	jenn.f.gimbel@state.co.us
MATT HEIMERICH	COLORADO	5325 LN 9.5 DUEF SPRG, CO 8062	719-980-5173	mheimerich@wildblue.net
Colin Thompson	CO	30250 Hwy 2031 Holly	719 537 6774	putty@hottmail
Eve McDonald	Colo	Denver, AG's office	303 866 5072	eve.mcdonald@state.co.us
Steve Miller	Colorado Cons. Bd	1313 Sherman St Denver Co 80203	303-866-3441 ext 3228	Steve.Miller@state.co.us
ROY VAUGHAN	U.S.B.R	610 ROSSBORO RD PUEBLO, CO 81005	719-561-9885	RVAUGHAN@USBR.GOV
BILL TYNER	COLO DIV OF WATER RESOURCES	310 E. ABRILLO AVE STE B, PUEBLO, CO 81004	719-542-3368 X2110	bill.tyner@state.co.us
Steve Witte	COLO DIV Water Res DIVISION Engineer Operations Sec. ARCA	"	(719) 542-3368 x 2106	steve.witte@state.co.us

EXHIBIT

B

ATTENDANCE LIST

2011 ARKANSAS RIVER COMPACT ADMINISTRATION ANNUAL MEETING
Thursday, December 8, 2011, 8:30 A.M. (MST), Lamar, Colorado

NAME	REPRESENTING	ADDRESS	PHONE & FAX	EMAIL
KEVIN SALTER	KS DWR ^{ARCA} AOS	2508 JOHN 67851	ON FUR	ON FUR
Dale Book	Sprink Water Engineers	80203 1000 Logan St, Denver, CO		
Angela Schenk	Sprink Water Engineers	60203 1000 Logan St Denver, CO		
Brent Newman	Colo. Water Conservation Board	1313 Sherman St Rm 723 Denver CO 80203		
CHRIS BELGHEE	KANSAS DWR	109 SW 9TH ST EUREKA KS 66612	785 296 3830	chris.belghee@ks.gov
Rachel Duran	Kansas DWR	2508 Johns St. Garden City, KS 67846	620-276-2901	Rachel.duran@ks.gov
Brandy Cole	KS DWR	2508 Johns St GC, KS 67846	620-276-2901	Brandy.Cole@ks.gov
Randal FISTAU	CADFE - Water Quality	4300 Cherry Creek Dr. S Denver, CO 80246	303-692-3571	randal.fistau@state.co.us
Bahman Hatami	Colo Parks & Wildlife	1313 Sherman St. Rm 618 Denver, CO 80203	303-866-3203 x4354	bahman.hatami@state.co.us
Jessie Danielson	PR WCD	517 Bellevue La Junta CO 81050	719-383-2598	jessie-danielson@hotmail.com
Beverly Spang	PR WCD	517 Bellevue La Junta	719-383-2598	
Renaie Verhoeven	Sel F	34391 Rd 29 Holly 10 8047	719-234-5407	CRN85922@co.holla.co

ATTENDANCE LIST

2011 ARKANSAS RIVER COMPACT ADMINISTRATION ANNUAL MEETING
Thursday, December 8, 2011, 8:30 A.M. (MST), Lamar, Colorado

NAME	REPRESENTING	ADDRESS	PHONE & FAX	EMAIL
Heath Kehn	Colo. Parks + Wildlife	32610 Hwy 12, Trinidad, CO	719-846-6951 719-846-0676 (fax)	heath.kehne@state.co.us
Bernadine Cisneros	U.S. Army Corps of Eng Trinidad Project	PO, BOX 771 Trinidad, CO 81082	719-846-7990 719-846-6062	bernadine.b.cisneros@usace.army.mil
Traci Robb	US Army Corps of Eng. Trinidad Project	PO BOX 771 Trinidad, CO 81082	719-846-7990 719-846-6062 (F)	Traci.M.Robb@usace.army.mil
MASUR RICHARD COLLINS	ALBUQUERQUE DISTRICT US ARMY CORPS OF ENGINEERS	4101 JEFFERSON PLAZA NE ALBUQUERQUE, NM 87109	505-342-3433	richard.c.collins.maj@usace.army.mil
DEANUS E. GARCIA	"	"	505 342-3380	DEANUS.E.GARCIA@USACE.ARMY.MIL
MARC SIDLOW	"	"	505-342-3381	marc.s.sidlow@usace.army.mil
Donald L. Steppman	Dist 67 Amity	P.O. Box 390 Lamar, CO 81052	719 336-4318 719 336 4315	shasta@montana@centurytel.net
TERRY Howland	Amity	2043 main Holly CO P.O. 187 81047	719-537-6627 same	Amity@montana-com.com
JOHN STULP	CO Gov. Office IBCC	1313 SHERMAN #21 DENVER, CO	303-866-3441 X3257	John.stulp@state.co.us
MARK RUDE	SW KS GROUNDWATER MANAGEMENT DISTRICT	2009 E. SPRUCE ST. GARDEN CITY, KS 67846	620-275-7147	MRUDE@GMD3.ORG
Steven Hines	Frontier Ditch Co	Box 147 Coolidge, KS 67836	620 372-8251	

ATTENDANCE LIST

2011 ARKANSAS RIVER COMPACT ADMINISTRATION ANNUAL MEETING

Thursday, December 8, 2011, 8:30 A.M. (MST), Lamar, Colorado

NAME	REPRESENTING	ADDRESS	PHONE & FAX	EMAIL
Hal Scheuerman	Kearney Co. Farmers Irrigation Assoc	PO Box 222 Deerfield, KS 67838	620-426-6073	scheuerman@pld.com
Leroy Bruse	Tri-State M&T	203 South Main Lamar, CO 81052	719-336-0890	LBruse@TriState.net
Wesley Eck	Fort Lyon Canal	2544 Hwy 194 LA Junta CO 81050	719-980-2123	wesleyeck@hotmail.com
Mark Yaska	Fort Lyon Canal	750 Bent Ave Lamar, CO 81052	719-456-0120	FullCenturyTel.net
Mark Yaska	U.S. Army Corps of Engineers	4101 Jefferson Pl NE, Albany, NM 87109	505-342-3608	Mark.e.yaska@usace.army.mil
Karen Downey	U.S. Army Corps of Engineers	29955 CR 25.75 Hasty, CO 81044	719-336-3476	Karen.S.Downey@usace.army.mil
VAN TRUAN	CORPS OF Engineers	200 S. Santa Fe Ave, Suite 301 Pueblo, Colo. 81003	719-543-6915	van.a.truan@usace.army.mil
Fred Heckman	Self - Farmer	28640 Hiway 50 McClellan CO 81057	719-829-4637	
Slade Shackney	U.S.G.S	1203 Canterbury Hays, KS 67801	785-760-1477	shackney@usgs.gov
Jeff Montoya	DWR	19213 Hwy 350 Trinidad, CO 81082	719-680-1052	jeff.montoya@state.co.us
Bill Payne	USGS	201 E 9th Str. Pueblo, CO 81003	ext 122 719-544-7155	wpayne@usgs.gov

ATTENDANCE LIST

2011 ARKANSAS RIVER COMPACT ADMINISTRATION ANNUAL MEETING
Thursday, December 8, 2011, 8:30 A.M. (MST), Lamar, Colorado

NAME	REPRESENTING	ADDRESS	PHONE & FAX	EMAIL
DAVID MAHL	USGS	201 E. 9TH ST. PUEBLO, CO 81003	719-544-7155 x109	dpmahl@usgs.gov
Stephanie Gonzales	ARCA Rec. Sec/Treas	PO Box 97 Granada CO 81041	719-734-5102 719-734-5103	jsgraphics@centurytel.net
Chris Woodka	Pueblo Chief of Team	PO Box 36 Pueblo, Co 81002	719-544-8214	cwoodka@chiefteam.com
Andrew Gilmore	Reclamation	11056 WKR 18E Loveland, CO 80537	970 962 4362	agilmore@usbr.gov
Mary Halstead	COWR	1313 Sherman Denver CO 80203	303-866-2581 Ext 8263	Mary.Halstead@state.co.us
Mike Sullivan	"	"	"	mike.sullivan@state.co.us
Dick Wolfe	"	"	"	dick.wolfe@state.co.us
Bill GRASMICK	LAWMA	317 Willow Valley Lamar, CO 81052	719-688-5430	Bill@grasmickinc.com
KARL NYQUIST	G.P. Resources	7991 Shafter Pkwy Suite 200 Littleton CO 80127	303-389-6777 303-367-5110	Karl@acompanies.com
Clarice Ratzlaff	Congressman SCDH Tipton	503 N. Main St 658 Pueblo, CO 81003	719-542-1073 719-542-1127 F	Clarice.ratzlaff@mail.house.gov
BRADY McElroy	USDA-NRCS	3503 S. Main Lamar CO 81052	719-336-3937	brady.mcelroy@co.usda.gov

ATTENDANCE LIST

2011 ARKANSAS RIVER COMPACT ADMINISTRATION ANNUAL MEETING
Thursday, December 8, 2011, 8:30 A.M. (MST), Lamar, Colorado

NAME	REPRESENTING	ADDRESS	PHONE & FAX	EMAIL
John Van Oort	Colorado DWR	310 E Abriendo Pueblo, CO 81004	719-542-3368	John.VanOort@state.co.us
Jeanette Myers	Colorado DWR	3rd & Colorado La Junta CO 81050	719-384-1000	Jeanette.MYERS@state.co.us
Josh Kasper	Colorado DWR	Lamar	970 985-2126	joshua.kasper@state.co.us
Philip Reynolds	Colorado DWR	310 E Abriendo Pueblo, CO 81001	719-542-3368	philip.reynolds@state.co.us
Jay Winner	LAUWCO	801 Swink RF Co 81067	719-254-5125	

BY-LAWS
OF
ARKANSAS RIVER COMPACT ADMINISTRATION

As Amended September 27, 2011

PREAMBLE

Pursuant to Article VIII B(1) of the Arkansas River Compact, these by-laws were readopted by the Arkansas River Compact Administration on the 9th day of December 1997, namely:

ARTICLE I
THE ADMINISTRATION

1. The Arkansas River Compact Administration is herein referred to as "the Administration."
2. Membership of the Administration shall consist of three representatives from each of the States of Colorado and Kansas, designated or appointed as provided by the Arkansas River Compact and the law of each of such States, and, if designated by the President, one representative of the United States of America.
3. The credentials of each such representative shall be filed with the Secretary of the Administration.
4. Each representative shall advise in writing the Secretary of the Administration as to his address, to which all official notices and other communications of the Administration shall be sent and shall further promptly advise in writing the Secretary as to any change in such address.

ARTICLE II
OFFICERS

1. The officers of the Administration shall be:
 - Chairman
 - Vice-Chairman
 - Recording Secretary
 - Treasurer
 - Operations Secretary
 - Assistant Operations Secretary

2. The representative of the United States of America shall be the Chairman of the Administration. The Chairman shall preside at meetings of the Administration. His duties shall be such as are usually imposed on such an officer and such as may be assigned to him by these by-laws or by the Administration from time to time.

3. The Vice-Chairman shall be a member of the Administration. He shall be elected at the annual meeting of the Administration, and shall hold office until the next annual meeting of the Administration and until his successor is elected. In the case of a vacancy in the office of Vice-Chairman, the Administration at its next meeting, whether regular or special, shall elect a Vice-Chairman to serve for the unexpired term; and the election of a Vice-Chairman may be made at any meeting of the Administration prior to the holding of its first annual meeting, and in such case he shall hold office until such annual meeting. The Vice-Chairman shall perform all duties of the Chairman when the latter is unable for any reason to act or when, for any reason, there is a vacancy in the office of the Chairman. In addition, the Vice-Chairman shall perform such other duties as may be assigned to him by these by-laws or by the Administration from time to time.

4. (a) The Recording Secretary may or may not be a member of the Administration. He shall be elected by the Administration at its annual meeting and shall serve until the next annual meeting or until his successor is elected. In the case of a vacancy in the office of the Recording Secretary, the Administration shall, at its next meeting, whether regular or special, elect a Recording Secretary to serve for the unexpired term. The Recording Secretary shall perform such duties as are imposed on such officer by subparagraph (b) of this paragraph 4, by other provisions of these by-laws, or by the Administration from time to time. He shall furnish a bond for the faithful performance of his duties if the Administration so directs. The cost of such bond shall be paid by the Administration.

(b) The Recording Secretary's duties shall include, but not be limited to:

(i) Preparing, or causing to be prepared, the Administration's annual reports and printing and distributing, or causing to be printed and distributed, the same, the draft of such annual reports to be distributed to the members of the Administration not later than February 1st following the end of the immediately preceding compact year.

(ii) Preparing and distributing, or causing to be prepared and distributed, minutes of all meetings, whether special, special telephonic, or regular, of the Administration, drafts of which minutes shall be provided to the members of the Administration within thirty days of the meeting involved.

(iii) Maintaining the principal office and the records, equipment, and supplies therein, and maintaining the seal of the Administration.

(iv) Sending notices of annual and special meetings to members of the Administration.

(v) Publishing the necessary public notices for proposed changes of the Administration's Rules and Regulations as required herein and compiling those Rules and Regulations.

5. The Treasurer may or may not be a member of the Administration; and the office of Secretary and Treasurer may be held by the same person if directed by the Administration. He shall be elected at the annual meeting of the Administration and shall hold office until his successor is elected and shall have qualified, except a treasurer may be elected prior to the first annual meeting of the Administration and in such case shall hold office until such annual meeting. He shall receive, hold, disburse and keep records of all funds of the Administration; and he shall furnish a bond for the faithful performance of his duties in such amount as the Administration may direct. The cost of such bond shall be paid by the Administration. In the case of a vacancy in the office of Treasurer, the Administration shall, at its next meeting, whether regular or special, appoint a successor to serve for the unexpired term.

6. (a) The Operations Secretary shall not be a member of the Administration, but may be the Division Engineer for Division 2, Colorado Division of Water Resources or the Water Commissioner of the Garden City Field Office, Division of Water Resources, Kansas Department of Agriculture or other qualified individual. He or she shall be elected by the Administration at its annual meeting and shall serve until the next annual meeting or until his successor is elected. In the case of a vacancy in the office of the Operations Secretary, the Administration shall, at its next meeting, whether regular or special, elect an Operations Secretary to serve for the unexpired term. The Operations Secretary shall perform such duties as are imposed on such officer by subparagraph (b) of this paragraph 6, by other provisions of these by-laws, or by the Administration, acting through the Operations Committee, from time to time.

(b) The Operations Secretary's duties shall include, but not be limited to:

(i) Regulating the gates of John Martin Reservoir in accordance with Compact and any operating plans or procedures adopted thereunder.

(ii) Keeping accurate daily records on the water stored in John Martin Reservoir, including all matters appurtenant thereto such as the amount of water residing in or being transferred to special reservoir accounts, evaporation of water from the reservoir which is to be prorated among such accounts, and the determination of transit losses and the procedures for computing such in all matters regarding water being transferred to or from said reservoir and accounts therein.

(iii) Preparing accurate reports of deliveries of water, which reports shall be presented to the Operations Committee.

(iv) Provide information, maintain open communications and consult with the Assistant Operations Secretary in the performance of the duties set forth above.

(c) The Operations Secretary and the Assistant Operations Secretary shall not be residents of the same state.

7. (a) The Assistant Operations Secretary shall not be a member of the Administration, but may be the Water Commissioner for the Garden City Field Office, Division of Water Resources, Kansas Department of Agriculture; the Division Engineer for Division 2, Colorado Division of Water Resources; or other qualified individual. He or she shall be elected by the Administration at its annual meeting and shall serve until the next annual meeting or until his or her successor is elected. In the case of vacancy in the office of the Assistant Operations Secretary, the Administration shall, at its next meeting, whether regular or special, elect an Assistant Operations Secretary to serve for the unexpired term. The Assistant Operations Secretary shall perform such duties as are imposed on such officer by subparagraph (b) of this paragraph 7, by other provisions of these by-laws, or by the Administration, acting through the Operations Committee, from time to time.

(b) The Assistant Operations Secretary's duties shall include, but not be limited to, assisting the Operations Secretary in the performance of his or her duties, as set forth in 6(b) herein, subject to the mutual agreement of the Operations Secretary and the Assistant Operations Secretary.

8. The Administration may employ such engineering, legal, clerical, and other personnel as, in its judgment, may be necessary. They shall receive such compensation and perform such duties as may be fixed by the Administration. Such employees shall not be considered as employees of either Colorado or Kansas.

ARTICLE III PRINCIPAL OFFICE

1. The principal office and place of business of the Administration shall be located in the City of Lamar, Colorado.

2. The principal office shall be open for business on such hours and days as the Administration may from time to time direct.

3. All books and records of the Administration shall be kept in the principal office of the Administration.

ARTICLE IV MEETINGS

1. Unless otherwise agreed to by the Administration, its annual meeting shall be held on the second Tuesday in December of each year. If the meeting is held on a date

other than the second Tuesday of December, the agreement to change the date of the annual meeting must be made at a meeting held at least 60 days before the proposed new meeting date or 60 days before the second Tuesday in December, whichever occurs first. Notice of an annual meeting shall be as provided for in Paragraphs 3 and 10 below.

2. (a) Special meetings of the Administration may be called by the Chairman or, in the case of a vacancy in the office of Chairman or inability of the Chairman to act, by the Vice-Chairman. Upon the written request of two or more representatives, it shall be the duty of the Chairman, or Vice-Chairman, as the case may be, to call such a meeting.

(b) Special telephonic meetings of the Administration may be held by telephonic communications between the several members of the Administration in respect to all matters arising under Article V F of the Compact; Provided that such special telephonic meetings may be called by the Chairman, Vice-Chairman or any member of the Operations Committee, and in any case at least two representatives of each State shall participate personally in such special telephonic meetings and concur in the action taken as a result of any such meeting. And provided further, that the Secretary of the Administration shall prepare minutes of any special telephonic meeting and such minutes shall be acted upon by the Administration at the next Annual meeting or special meeting held under sub-section (a) hereof.

3. Notices of all annual meetings of the Administration shall be sent by the Secretary, or in the case of a vacancy in the office of the Secretary, or the inability of the Secretary to act, by the Chairman or Vice-Chairman, as the case may be, to the members of the Administration by ordinary mail at least ten days in advance of such annual meetings. Notice of special meetings shall be given by the Secretary to the members of the Administration by the most expeditious method so as to allow as much time prior to such special meetings as conditions permit.

4. Unless otherwise agreed to in advance by all members of the Administration, all annual and special meetings shall be held at the principal office of the Administration.

5. (a) The Administration shall keep minutes of the proceedings of all of its meetings. Such minutes shall be preserved in a suitable manner as directed by the Administration. Until approved by the Administration, minutes shall not be official and shall be furnished only to the members of the Administration, its employees, and the members of its committees. Distribution of official minutes shall be made by the recording secretary or his designee in accordance with directives of the Administration.

(b) Unless the requirements of this sub-section (b) are waived pursuant to sub-section (c), a verbatim transcript of the proceedings of Administration meetings shall be made by a duly licensed, official court reporter.

The recording secretary or his designee shall be responsible for arranging for the services of such duly licensed, official court reporter to take and transcribe the

proceedings of the meeting. Copies of the draft transcript of a meeting shall be provided to one designated representative from each member state within two weeks of a meeting for corrections, but not editing. Corrections agreed upon by these two representatives shall be forwarded to the court reporter and the court reporter instructed to prepare within two weeks a final, corrected transcript. The recording secretary or his designee shall forward a copy of the final, corrected transcript of a meeting to the designated representative from each member state of the Administration within two weeks of his receipt of the transcript from the court reporter. The final, corrected transcript of a meeting shall, upon the approval of the Administration, become the official minutes of that meeting. The official minutes shall be appropriately marked indicating the date of and method of approval and be signed by the chairman.

(c) The requirements of using a duly licensed, official court reporter as set out in sub-section (b) may be waived in advance of a meeting upon the agreement of both states. In this event, the recording secretary or his designee shall be responsible for electronically recording a meeting, and for preparing as directed by both states, either a written summary which accurately reflects the proceedings of a meeting and all actions taken by the Administration at such meeting or a verbatim transcript of the meeting. Procedures for the distribution and approval of final corrected transcripts or summaries and designation as the official minutes of a meeting shall be as specified in subsection (b). Any electronic recording of a meeting shall be preserved by the recording secretary but shall not constitute the official minutes of a meeting.

6. A quorum for any meeting of the Administration and the casting of votes by representatives of the States on the Administration shall be in accord with Paragraph D of Article VIII of the Arkansas River Compact; and any action by the Administration shall be determined by vote as required by such paragraph D of Article VIII of the Compact. If a quorum is not present at any meeting, the members of the Administration present, one or more, may adjourn from time to time without further notice until a quorum is obtained.

7. At each meeting of the Administration, the order of business, unless otherwise agreed, shall be as follows:

- Call to order;
- Reading of minutes of last meeting;
- Approval of minutes of last meeting;
- Report of Chairman;
- Report of Secretary;
- Report of Treasurer;
- Report of Committees;
- Unfinished business;
- New business;
- Adjournment.

8. All meetings of the Administration, except executive sessions, shall be open to the public.

9. Any meeting of the Administration may be adjourned or continued from time to time and from the place set for the meeting to another place.

10. Public notice of all annual, regular, and special meetings shall be given in an appropriate manner, determined by the Administration, except in cases where the Administration determines to hold an executive session. If the date of the annual meeting is changed pursuant to Paragraph 1, then public notice of the new date shall be provided at least 45 days before the new meeting date as agreed to by the Administration.

ARTICLE V COMMITTEES

1. There shall be the following standing committees:

Administrative and Legal Committee
Engineering Committee
Operations Committee

2. Each of such committees shall be made up of two representatives of the Administration and the Chairman shall be ex-officio member of all committees. In all committee action a vote shall be taken by States with each State having one vote.

3. The standing committees shall have the following duties:

(a) The Administrative and Legal Committee shall advise the Administration with respect to budgets and accounting, office personnel, equipment, records, and legal matters; and shall prepare the draft of the annual report of the Administration.

(b) The Engineering Committee shall advise the Administration on all engineering matters; and shall compile all pertinent engineering data and records.

(c) The Operations Committee shall advise the Administration concerning, and shall have direct supervision over, rules and regulations governing the storage and releases of water from John Martin Reservoir and over such other Arkansas River interstate administration and operation between the States of Colorado and Kansas as come within the purview of the Arkansas River Compact, subject at all times to the provisions of such compact and the directives of the Administration thereunder. This committee shall be responsible for maintaining appropriate relations, under the direction of the Administration, with the chief officials of each of the States of Colorado and Kansas charged with the administration of water rights, and for maintaining appropriate relations with interested Federal agencies. The Operations Committee shall also be responsible, under directives and orders of the Administration, for supervision over the employees of the Administration engaged in the interstate

administration of the waters of the Arkansas River pursuant to the Arkansas River Compact.

4. The Chairman of each Committee shall be designated by the Administration.

5. The Administration may, from time to time, create special committees composed of such members of the Administration and others as it may determine and assign to such committees such tasks as the Administration may designate.

6. Each committee shall make a report to the Administration at each annual and regular meeting and shall make such further reports as may be directed by the Administration. Unless otherwise authorized, all such reports shall be in writing and filed with the Secretary of the Administration.

7. Written notice of the meetings of standing committees and of special committees shall be given to all officers and members of the Administration at least ten days prior to the date for any such committee meetings, said written notice to specify the time, date, location, and agenda for such meetings. A standing committee or special committee may waive such notice requirement if all members of a committee agree that circumstances so warrant. In the event of such a waiver, the chairman of a committee shall make every reasonable effort to inform all officers and members of the Administration of the time, date, location and agenda for a committee meeting.

ARTICLE VI RULES AND REGULATIONS

1. The Administration shall adopt Rules and Regulations necessary for the administration of the Arkansas River Compact, consistent therewith and with these by-laws.

2. All proposals for Rules and Regulations, or for changes in them, shall be presented to the Administration in writing and shall not be acted on at the meeting when first presented, but shall go over for action at a designated subsequent meeting of the Administration.

3. Following the presentation to the Administration, public notice of all proposed Rules and Regulations and changes in Rules and Regulations shall be given by two publications, at least one week apart, in some newspaper of general circulation in the area of each State affected by the Arkansas River Compact. The representatives of the Administration from each State shall designate the newspaper in their State in which such publication shall be made. No Rule or Regulation and no change in any Rule or Regulation shall be effective until a date specifically stated in the published notice, which date shall be at least ten days after the last publication.

4. The provisions, contained in this Article, for Rules and Regulations and notice thereof shall not be effective in the case of any notice which is otherwise required

under the Arkansas River Compact or in any case where, in the judgment of the Administration, effective administration and the public interest under the Arkansas River Compact, require more expeditious action.

5. It shall be the duty of the Secretary to see that the necessary notices are published as herein required.

6. It shall be the duty of the Secretary to compile the Rules and Regulations of the Administration and to prepare copies for distribution to the public under such terms and conditions as the Administration may prescribe.

ARTICLE VII FISCAL

1. All funds of the Administration shall be received by the Treasurer and deposited by him to the credit of the Administration in a depository or depositories designated by the Administration.

2. Disbursement of such Administration funds shall be made by check signed by the Treasurer and countersigned by the Chairman or Vice-Chairman of the Administration.

3. The Administration shall annually adopt and transmit to the Governor of each State, its budget covering anticipated expenses for the ensuing fiscal year, and the amount thereof payable by each State.

4. The fiscal accounts of the Administration and its employees shall not be subject to the auditing and accounting procedures of either the States of Colorado or Kansas; provided, that each State shall have the right to make an examination and audit of the accounts of the Administration at any time.

5. All receipts and disbursements of the Administration shall be audited yearly by a certified public accountant to be selected by the Administration, and the report of audit shall be included in the annual report to the Administration.

6. The Treasurer shall prepare and keep an up-to-date inventory of all the property of the Administration.

7. The fiscal year of the Administration shall begin July 1 of each year and end June 30 of the next succeeding year.

ARTICLE VIII ANNUAL REPORT

1. The report-year referred to in this Article for the making of the annual report shall commence on November 1 and end on the succeeding October 31.

2. The Administration shall make and transmit on or before January first of each year to the Governors of the States of Colorado and Kansas and to the President of the United States a report covering its activities for the preceding report-year. The annual report shall include, among other things, the following:

(a) The receipts and expenditures of all funds of the Administration and all pertinent financial data.

(b) All hydrologic data relating to the Arkansas River which the Administration deems pertinent.

(c) Statements as to cooperative studies of water supplies made during the preceding year, including cooperative studies and activities with any Federal agency.

(d) All findings of fact made by the Administration during the preceding year.

(e) Such other pertinent matters as the Administration may deem advisable.

ARTICLE IX SEAL

1. The official seal of the Administration shall be circular in form with the words "Arkansas River Compact Administration" imprinted around the border and the word "Seal" in the center thereof.

2. The Secretary of the Administration shall have custody of the seal of the Administration.

ARTICLE X
MISCELLANEOUS

1. The Administration and its Secretary on request shall furnish to the Governor of each of the States of Colorado and Kansas any information within its possession at any time, and shall always provide free access by the public to its records. Except in the case of the Governor of each of the States of Colorado and Kansas, or interested Federal agencies, the cost of furnishing information shall be paid by the person seeking it at such rates as may be fixed by the Administration.

2. All contracts and other instruments in writing required to be signed for and on behalf of the Administration, except matters relating to the receipt and disbursement of funds, shall be signed by the Chairman or Vice-Chairman and Secretary. The seal of the Administration shall be affixed thereto.

ARTICLE XI
AMENDMENTS TO BY-LAWS

1. Amendments to the By-Laws may be made at any meeting of the Administration, provided notice of the proposed amendment shall have been given in the notice of the meeting.

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

December 7-8, 2011

In 2011, 10 streamflow gages were operated under the USGS/ARCA cooperative program; eight in Colorado and two in Kansas. Final annual flows for WY2011 are shown in the following table.

No significant problems were encountered in the network with the exception of continuing beaver dam problems at the Big Sandy near Lamar gage. Prowers County has agreed to clean the culverts on Highway 196; however beaver dams have been constructed through the channel below the culverts for a substantial distance, causing backwater flow conditions. The record for this gage continues to be rated poor. It is suggested that funding or resources to hire a trapper be pursued in the future to try to improve the gage record at this site.

In 2012, the USGS proposes to continue operation of the 10 streamflow gages.

Summary of Mainstem and Tributary Flows, Water Years 2010 and 2011

Station Name	WY2011 Annual Flow, in Acre Feet	WY2010 Annual Flow, in Acre Feet	2011 as % of 2010	2011 as % of Average ¹
Arkansas River at Las Animas	119,400	155,400	77	63
Purgatoire River near Las Animas	9,890	49,860	20	22
Arkansas River below John Martin Reservoir	144,800	213,900	68	71
Arkansas River at Lamar	39,340	55,550	71	47
Big Sandy Creek near Lamar	5,020	10,490	48	47
Baseflow	3,410	6,380	--	--
Above Baseflow	4,610	4,110	--	--
Arkansas River near Granada	44,750	70,890	63	35
Wildhorse Cr. above Holly (Oct, Nov, Apr-Sept) ²	1,880	7,010	27	41
(April -- Sept) ³	950	2,510	38	44
Arkansas River near Coolidge	63,820	112,500	57	42
Frontier Ditch near Coolidge	7,120	7,870	90	--

¹Including 2011 water year

²Beginning 2002 to present

³From 2002 to present

Other USGS water activities within the Arkansas River Basin include:

- Measuring water levels in approximately 290 wells in the Arkansas River Basin. Approximately 120 of these wells are located between Pueblo and the Colorado-Kansas stateline and are measured twice per year.
- In 2011, we completed a draft report of the occurrence and distribution of dissolved solids, selenium, and uranium in surface water in the Arkansas River between Canon City and Las Animas.
- In 2011, we completed a draft report of seasonal water budgets and loading of dissolved solids in the Arkansas River between Canon City and Las Animas.
- In 2011, we started an investigation to evaluate the effectiveness of using detention ponds in the Fountain Creek Basin to reduce peak flows in Fountain Creek. HEC-HMS and HEC-RAS models developed by COE will be used.
- We continue an investigation to better quantify surface – and groundwater inflows, outflows, and ET for the area between Salida and Buena Vista, CO.
- We continue a long-term study to determine source areas, and the dominant processes that effect water quality in various stream reaches between Canon City and Las Animas including Fountain Creek.

Arkansas River Basin



US Army Corps
of Engineers.
Albuquerque District

Report of Civil Works Activities for 2011

Ex. E

1. General

During 2011, activities of the U.S. Army Corps of Engineers (Corps), Albuquerque District, in the Arkansas River Basin consisted of reservoir regulation, flood-control-related studies, floodplain management services, regulation under Section 404 of the Clean Water Act, and emergency assistance.

2. Water Control Operations

In 2011, the Arkansas River Basin snowmelt runoff was above normal throughout the upper basin and well below normal in the southern sub-basins. The reported Snowpack in May 2011 in the upper Arkansas River Basin reached 132% of average. However, snowpack in the southern sub-basins reached 33% of average, with the Purgatoire Watershed only managing 19% of average (the lowest sub-basin snowpack percentage in the state of Colorado). The Corps did not operate for flood control at Trinidad, John Martin or Pueblo Reservoirs in 2011.



Trinidad Lake, 2005. USACE photograph.

a. John Martin Reservoir and Trinidad Lake Sediment Surveys

In an effort to update the area-capacity tables for both John Martin Reservoir and Trinidad Lake, the Corps conducted hydrologic sediment surveys in the spring of 2009. The new area-capacity tables were implemented for Trinidad Lake on November 1, 2011. There were problems encountered with the John Martin Reservoir survey that will delay implementation until November 1, 2012.

b. Pueblo Reservoir Deviation

The Pueblo Conservancy District requested a deviation from normal operations at Pueblo Reservoir in February 2011, to extend by one-month the joint-use pool evacuation period from April 15, 2011, to May 15, 2011. The purpose of the deviation was to help with a levee repair construction project and prevent a potential levee failure in the Arkansas River below Pueblo Dam. The deviation was approved by Albuquerque District and South Pacific Division. All the conditions to implement the deviation were met, and the deviation allowed for up to 25,000 acre feet to be stored in the joint-use pool beyond April 15, 2011, to be evacuated by May 15, 2015. A maximum of an additional 10,121 acre-feet (elevation – 4882.66 feet) were actually stored (March 26, 2011) under the deviation and was evacuated by April 18, 2011.

3. Civil Works Authorities and Programs

a. Continuing Authorities Program

The Continuing Authorities Program (CAP) is a group of ten legislative authorities under which the Secretary of the Army, acting through the Chief of Engineers, is

authorized to plan, design, and implement certain types of water resources projects without additional project-specific congressional authorization. The Corps had one active CAP project in the Arkansas River Basin.

1. Section 205

Section 205 of the 1948 Flood Control Act, as amended, provides authority to the Corps to plan and construct small flood damage reduction projects that have not been specifically authorized by Congress. The Corps had no active Section 205 projects in the Arkansas River Basin in 2011.

2. Section 206

Section 206 of WRDA 1996 provides authority to the Corps for aquatic ecosystem restoration projects in areas unrelated to existing Corps water projects.



Arkansas River, 2001. Photograph
Van Truan, USACE.

The one active Section 206 project in the Arkansas River Basin is the Arkansas River Fisheries Habitat Restoration project. The Corps signed the Project Cooperation Agreement with the City of Pueblo in April 2002. The project will improve fish and riparian habitat along ten miles of the Arkansas River downstream of Pueblo Dam. The construction work was completed in FY11, and included J-hooks, weirs, a fish ladder, vegetated bars, boulder clusters, exotic vegetation removal, and replanting of native vegetation.

3. Section 14

Section 14 of the 1946 Flood Control Act, as amended, provides authority for the Corps to plan and construct emergency streambank protection projects to protect endangered highways, highway bridge approaches, public facilities such as water and sewer lines, churches, public and private nonprofit schools and hospitals, and other nonprofit public facilities. The Corps had no active Section 14 projects in the Arkansas River Basin in 2011.

4. Section 1135

Section 1135 of WRDA 1986, as amended, provides the authority to modify existing Corps projects to restore the environment and construct new projects to restore areas degraded by Corps projects.

Currently, the Corps has no active Section 1135 projects in the Arkansas River Basin.

b. Investigations Program

The Corps Investigations (I) program provides for comprehensive solutions to large complex problems relating to flooding, ecosystem restoration, loss of land and

property, floodplain management, and watershed planning and analysis. The program consists of two steps: the reconnaissance phase and the feasibility phase. The reconnaissance phase identifies the problem, identifies a potential non-federal sponsor, ensures a federal interest, and outlines a study plan. During the feasibility phase, an in-depth, comprehensive analysis is performed, which results in an array of alternative solutions to the problems identified. The solutions are evaluated and a "best plan" is determined based on economic justification, technical adequacy, environmental compliance, social-economic effects, and other factors. The feasibility report is the document on which Congressional authorization is based. If the project is approved by Congress, the Corps and the project sponsor can move forward with detailed design and construction. The Corps had no active Investigations in the Arkansas River Basin in 2011.

4. Planning Assistance to States (Section 22) Program

Section 22 of the Water Resources Development Act (WRDA) of 1974 provides authority for the Corps, under the Planning Assistance to the States (PAS) program, to assist states, local governments, and other non-federal entities in the preparation of comprehensive plans for the development, use, and conservation of water and related land resources. Section 208 of WRDA 1992 amended WRDA 1974 to include Indian tribes. The studies are cost shared on a 50%-federal-50%-non-federal basis. The Corps had no active PAS studies within the Arkansas River Basin in 2011.

5. Flood Plain Management Services Program

The Corps Flood Plain Management Services (FPMS) program authority stems from Section 206 of the Flood Control Act of 1960 (Public Law 86-645), as amended. The objective of the FPMS program is to support comprehensive floodplain management with technical services and planning guidance at all appropriate governmental and community levels.

Services available include assistance relating to the interpretation and evaluation of basic flood-hazard data. These services are provided to state, local governments, and Indian tribes at no cost. Section 321 4 of the WRDA 1990 requires recovering the cost of services provided to federal agencies and to private entities. A fee schedule has been established. The Corps had no active FPMS studies within the Arkansas River Basin in 2011.

6. Flood Risk Management Program

The Corps established the National Flood Risk Management Program (FRMP) in May 2006 to integrate and synchronize Corps 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 stakeholders.

One component of the FRMP is the Levee Safety Program. The Corps Levee Safety Program was established as a result of the National Levee Safety Act of 2007, which was authorized in WRDA 2007.

The Inspection of Completed Works/Rehabilitation and Inspection Program (ICW/RIP) is the Corps program that provides for the inspection and rehabilitation of federal and non-federal flood risk management projects. In FY11, the Corps conducted an inspection of completed works (levees) in Colorado Springs, Templeton Gap and Pueblo in the Arkansas River Basin in 2011.

An additional component of FRMP is the Silver Jackets Program, which stems from the National Flood Risk Management Program. The Silver Jackets Program proposes establishing an interagency team in each state with a representative from FEMA, the Corps, the State National Flood Insurance Program Coordination Office, and the State Hazard Mitigation Office as standing members and lead facilitators. The lead FRMP Manager for the formation of the Silver Jackets Program in Colorado and the Arkansas River Basin resides in the Corps Omaha District, and the Albuquerque District performs a support role. Formation of the Silver Jackets team in Colorado is underway.

7. Regulatory Program

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 2011, the Corps issued 3 individual permits in the Arkansas River Basin. An additional 176 activities in the basin were reviewed during this period, and most activities were covered under nationwide permits. Nationwide permits are activity-specific general permits, issued by the Chief of Engineers, for projects that have minimal impact on the aquatic environment. Nationwide Permits are designed to regulate these minimal impacts with little, if any, delay or paperwork. Nationwide permits will be reauthorized March 18, 2012, and are valid for five years from that date.

Persons or agencies who are planning to conduct fill or excavation activities in any waterway are advised to contact the Southern Colorado Project Office, 200 South Santa Fe Avenue, Pueblo, Colorado 81003 or telephone 719-543-9459. Information, including all public notices, is also available on the Corps Albuquerque District web home page <http://www.spa.usace.army.mil/reg/>.

8. Emergency Management Coordination

Public Law 84-99 provides the Corps the authority to assist state and local governments before, during, and after flood events. In the Arkansas River Basin, the Corps works with the Colorado Water Conservation Board to prepare for flood fight activities in years with significant snowpack and spring snowmelt runoff. In 2011, the Readiness and Contingency Operations Office (formerly Emergency Management

Branch) received no requests for information or assistance regarding flood-related activities from local governments or private citizens in the Arkansas River Basin.

Assistance can be obtained by contacting the U.S. Army Corps of Engineers, Albuquerque District, Readiness and Contingency Operations Office, 4101 Jefferson Plaza NE, Albuquerque, New Mexico 87109-3435 or telephone 505-342-3686 during our normal business hours between 7am and 4pm, weekdays.



USACE Emergency Management employee in Waveland, Mississippi. USACE photograph.



RECEIVED

JAN 18 2011
DIVISION ENGINEER
PUEBLO, COLORADO

DEPARTMENT OF THE ARMY
ALBUQUERQUE DISTRICT, CORPS OF ENGINEERS
4101 JEFFERSON PLAZA NE
ALBUQUERQUE, NM 87109-3435

12 January 2011

Operations Division
Reservoir Control Branch

Mr. Steve J. Witte, P.E.
Division Engineer, Division II
Colorado Division of Water Resources
310 East Abriendo, Suite B
Pueblo, CO 81004

Dear Mr. Witte:

Over the last two years, the U.S. Army Corps of Engineers (Corps), along with several agencies and interested parties have participated in a collaborative effort to secure funding to collect LiDAR and ground survey data, and then develop a hydraulic model for a 42 mile stretch of the Purgatoire River, extending from Trinidad Lake to the western boundary of the canyon area downstream. This modeling effort stemmed from the uncertainty whether the existing channel can safely pass a non-damaging flow of 5,000 cubic feet per second (cfs), as currently listed in the Corps' Water Control Manual and in Article III of the Trinidad Operating Principles, and the desire/need to definitively determine the non-damaging channel capacity within this reach. Also, a 1992 Corps study deemed it likely that a flow of 5,000 cfs would cause flooding problems.

The data collection and modeling effort, which was lead by the U.S. Bureau of Reclamation's Sedimentation and River Hydraulics Group in Denver, Colorado, is now complete and a final report lists the following key findings:

1. It is estimated that habitable structures are not threatened at flows up to 5,000 cfs.
2. The current channel capacity with minimal or no overbank inundation is approximately 800 cfs.
3. There appear to be no channel capacity issues within the City of Trinidad boundary. In other words, the channel through town can safely pass a 5,000 cfs flow.

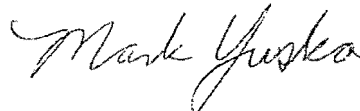
Ex. F

With respect to flood releases, the Corps defines non-damaging flow as non-damaging to home and life. Therefore, based on the findings as listed above, the Corps will not seek to revise the non-damaging downstream capacity currently estimated to be 5,000 cfs, as listed in the Water Control Plan for Trinidad Lake.

However, because flows within the 3,000 - 5,000 cfs range have never been released (maximum release recorded was 1,260 cfs), the Corps hereby requests that the Colorado State Engineer continue to use the criteria set forth in the document titled "CRITERIA FOR TEMPORARY DETENTION AND SUBSEQUENT RELEASE OF FLOOD FLOWS STORED IN THE TRINIDAD RESERVOIR BELOW FLOOD CONTROL CAPACITY AND FOR DISTRIBUTION OF RELEASED FLOOD FLOWS GENERALLY", as provided for in a letter dated December 3, 1999 (enclosed). Of primary interest is the following passage from this document: "Water temporarily detained is released at the maximum rate ... that will not cause the flow at the Trinidad gage to exceed 3,000 cfs. However, the Corps of Engineers may direct releases greater than 3,000 cfs, but not to exceed 5,000 cfs at the Trinidad gage, if channel conditions permit." The Corps deems this a prudent measure to insure public safety when making flood releases.

If you have any questions or need additional information with respect to this matter, please contact Marc Sidlow of our Reservoir Control Branch, at (505) 342-3381.

Sincerely,



Mark E. Yuska
Chief, Operations Division

Enclosure

Copy Furnished:

Mr. David Barfield, P.E.
Chief Engineer, Division of Water Resources
Kansas Department of Agriculture
109 SW 9th Street, 2nd Floor
Topeka, Kansas 66612-1283

Mr. Michael Collins
Area Manager
Eastern Colorado Area Office
Bureau of Reclamation
11056 W. County Rd. 18E
Loveland, CO 80537

Dr. Jeris A. Danielson, P.E.
General Manager
Purgatoire Water Conservancy District
430 East Main
Trinidad, CO 81082

Mr. Kevin Salter
Interstate Water Engineer
Kansas Division of Water Resources
2508 Johns St.
Garden City, KS 67846

Mr. Steve Miller, P.E.
Sr. Water Resource Specialist
Colorado Water Conservation Board (CWCB)
Interstate and Federal Section
1313 Sherman Street, Room 721
Denver, CO 80203

Mr. Andrew Gilmore
Lead Civil Engineer (Hydrologic), Water Scheduling Group
Eastern Colorado Area Office
Bureau of Reclamation
11056 W. County Rd. 18E
Loveland, CO 80537

STATE OF COLORADO

OFFICE OF THE STATE ENGINEER
Division of Water Resources
Department of Natural Resources

1313 Sherman Street, Room 818
Denver, Colorado 80203
Phone: (303) 866-3581
FAX: (303) 866-3589

<http://water.state.co.us/default.htm>

Mr. A. Jack Garner, Area Manager
Eastern Colorado Area Office, U.S. Bureau of Reclamation
11056 West County Road 18E
Loveland, CO 80537

Lt. Col Thomas Fallin, District Engineer
Albuquerque District, U.S. Army Corps of Engineers
4101 Jefferson Plaza NE
Albuquerque, NM 87103

Mr. Larry E. Trujillo, Chairman
Arkansas River Compact Administration
1525 Sherman Street, Suite 200
Denver, CO 80203

Mr. David Pope, Chief Engineer - Director
Kansas Division of Water Resources
109 SW 9th Street, Second Floor
Topeka, KS 66612

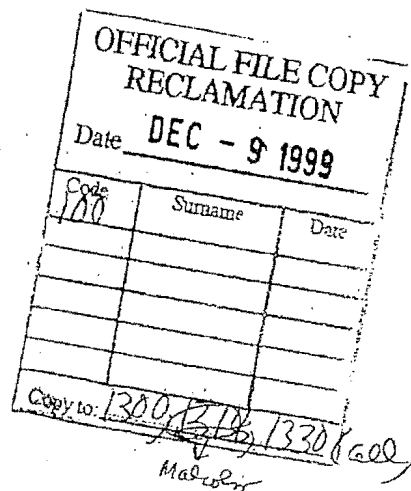
Mr. Eugene Aiello, President
Purgatoire River Water Conservancy District
314 West Main Street
Trinidad, CO 81082



Bill Owens
Governor

Greg E. Walcher
Executive Director

Hal D. Simpson, P.E.
State Engineer



Re: Temporary Detention and Release of Flood Flows at Trinidad Reservoir

Gentlemen:

I am aware that there have been discussions of the temporary detention of flood flows at Trinidad Reservoir during the current review of the Operating Principles for the Project, and also of concerns related to those operations expressed by downstream water users.

Article III of the Operating Principles Trinidad Dam and Reservoir Project pertains to flood control

and states that "Trinidad Reservoir shall be operated for flood control benefits in accordance with regulations prescribed by the Secretary of the Army and the following operating principles." In particular, Paragraph 3 of Article III states:

3. Any inflow, other than that stored for irrigation use, temporarily retained below the bottom of the flood control capacity for flood control purposes, shall be released by the operating agency at such rate, time, and quantity as may be ordered by the Colorado State Engineer, but within nondamaging flow in the channels below the reservoir.

I am directing this correspondence to you, as signatories to the Operating Principles, to document how the Colorado State Engineer makes the necessary determinations required by Paragraph 3. Accordingly, and until further notice, I will continue to utilize the attached:

CRITERIA FOR TEMPORARY DETENTION AND SUBSEQUENT RELEASE OF FLOOD FLOWS STORED IN THE TRINIDAD RESERVOIR BELOW FLOOD CONTROL CAPACITY AND FOR DISTRIBUTION OF RELEASED FLOOD FLOWS GENERALLY.

In addition, I hereby offer to provide suitable reports and accounting of any hydrologic events that require administration of the Purgatoire River pursuant to this criteria.

Sincerely,



Hal Simpson, Colorado State Engineer

cc Aurelio Sisneros
Wendy Weiss
Steve Witte
Peter Evans
James Rogers
Tom Pointon
Don Steerman
John Lefferdink

CRITERIA FOR TEMPORARY DETENTION AND SUBSEQUENT RELEASE OF FLOOD FLOWS STORED IN THE TRINIDAD RESERVOIR BELOW FLOOD CONTROL CAPACITY AND FOR DISTRIBUTION OF RELEASED FLOOD FLOWS GENERALLY

Criteria for temporary detention of flood flows

The Division Engineer temporarily detains flood flows to limit releases from Trinidad Dam so as to cause the flow measured at the Trinidad gage to not exceed 3,000 cfs. This is in accord with a letter from Gary L. Gamel of the Corps of Engineers dated April 16, 1993, which states:

The Water Control Plan for the flood control operation of Trinidad Lake calls for releases of 5000 cfs, as measured at the Trinidad gage ... Until the Water Control Plan can officially be revised, any releases from Trinidad Dam in excess of 3000 cfs should not be made without consultation with this office.

Because this lower rate is based upon hydraulic analysis performed below Trinidad, Colorado this is interpreted to mean that releases from Trinidad Dam should be limited so as to cause the flow measured at the Trinidad gage not to exceed 3000 cfs without consultation with appropriate personnel of the Albuquerque District, Corps of Engineers.

Criteria for subsequent release

The Division Engineer begins releasing water temporarily detained after 8:00 a.m. of the following day as soon as channel capacity is available. Channel capacity is available when such releases will not cause the flow at the Trinidad gage to exceed 3,000 cfs.

Water temporarily detained is released at the maximum rate, taking into account bypasses of reservoir inflow to satisfy current district demands and downstream senior rights, that will not cause the flow at the Trinidad gage to exceed 3,000 cfs. However, the Corps of Engineers may direct releases greater than 3,000 cfs, but not to exceed 5,000 cfs at the Trinidad gage, if channel conditions permit.

Criteria for distribution of released flood flows

The Division Engineer distributes the released waters ensuring that the project ditches are not diverting any flood flows temporarily stored in Trinidad Reservoir either below or in the Flood Control Capacity, unless John Martin Reservoir is spilling, or unless otherwise lawfully entitled to do so pursuant to a Colorado water right, an exchange or substitute supply plan administered by the Division Engineer, or a decreed plan for augmentation.

Arkansas River Compact Administration Meeting 2011 Report

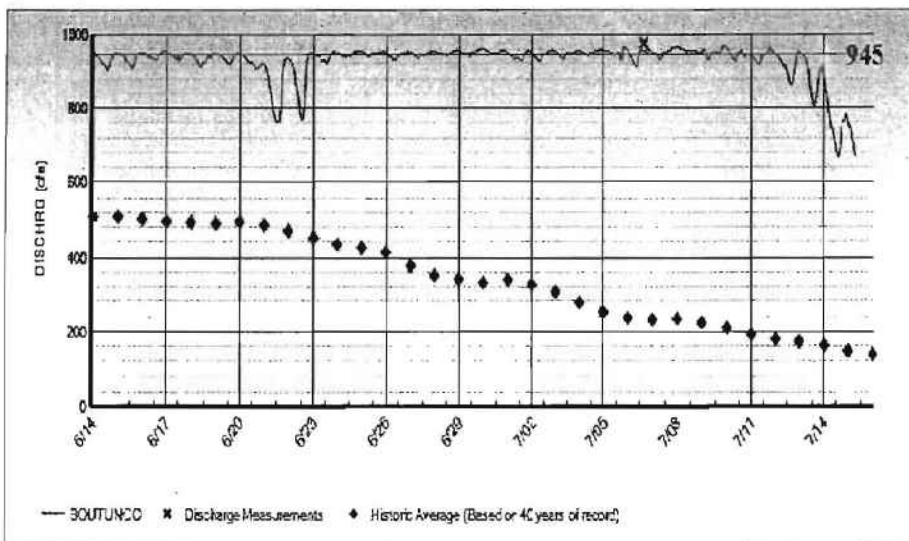
Roy Vaughan
*Facility Manager
Pueblo Dam*

Fry-Ark Project 2011 Water Year

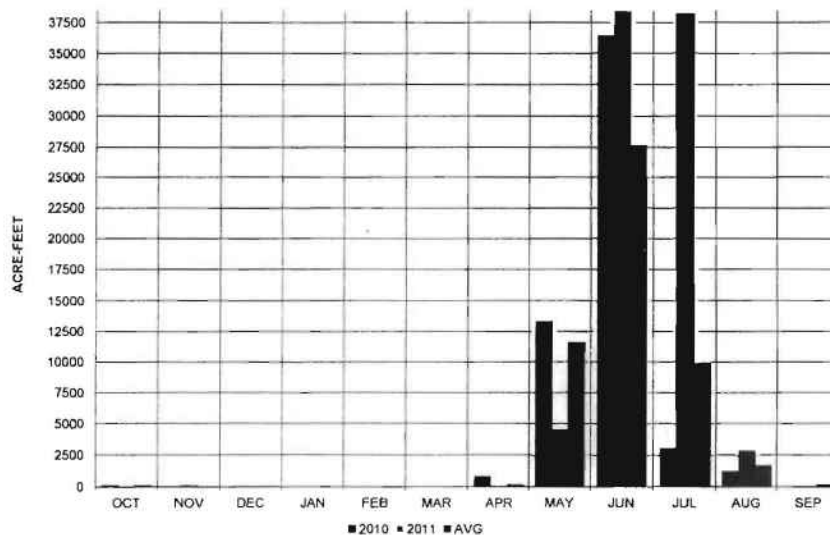
- I'm pleased to report we experienced well above average yield this year on the Fry-Ark . The May 1st forecast projected 94,200 acre-feet.
- While snowpack usually reaches its maximum in mid-April, this year's snowpack finally reached its peak in late May, about three weeks later than normal. Continued wet and cool weather combined to delay any significant melting into early June. This resulted in a total of 98,823 acre-feet of imports for water year 2011
- That is approximately 180% of our 30-year average.

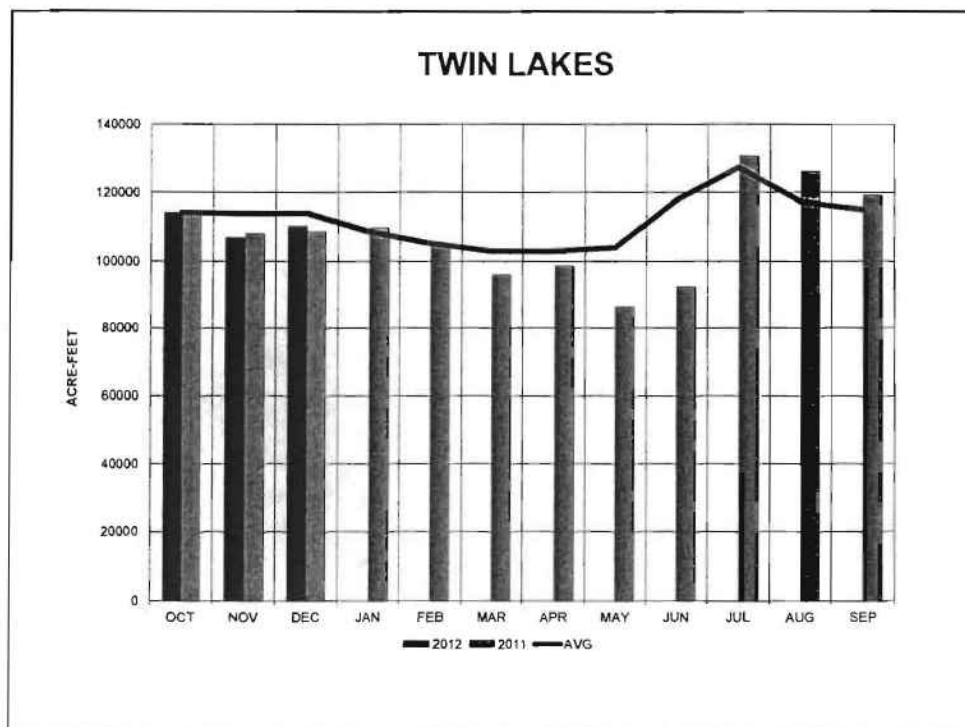
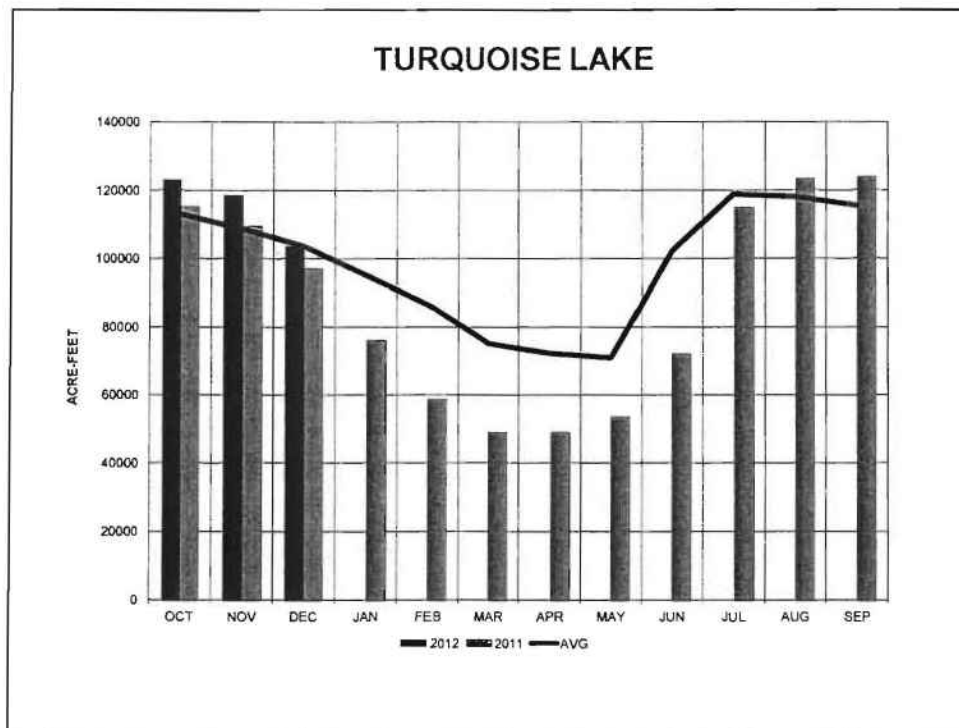
Ex:G

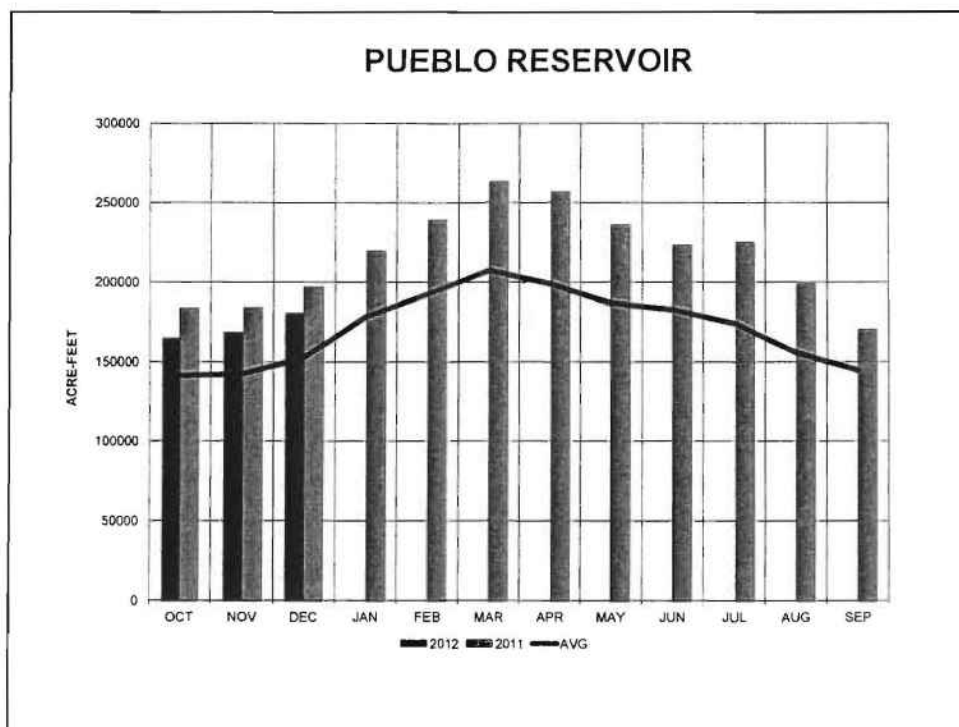
Boustead Tunnel



BOUSTEAD TUNNEL



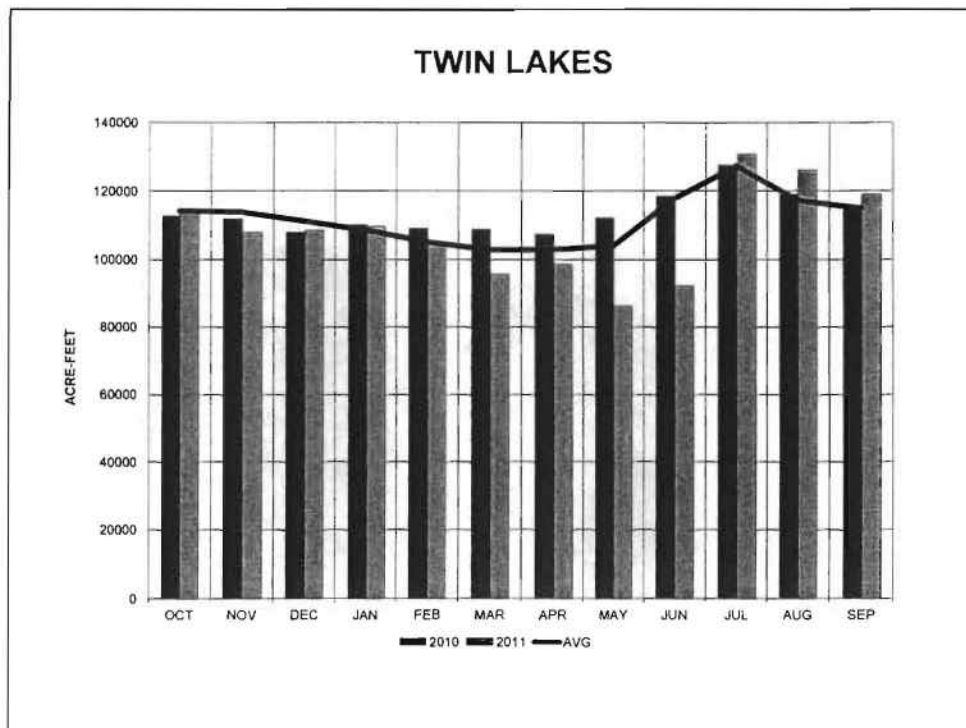
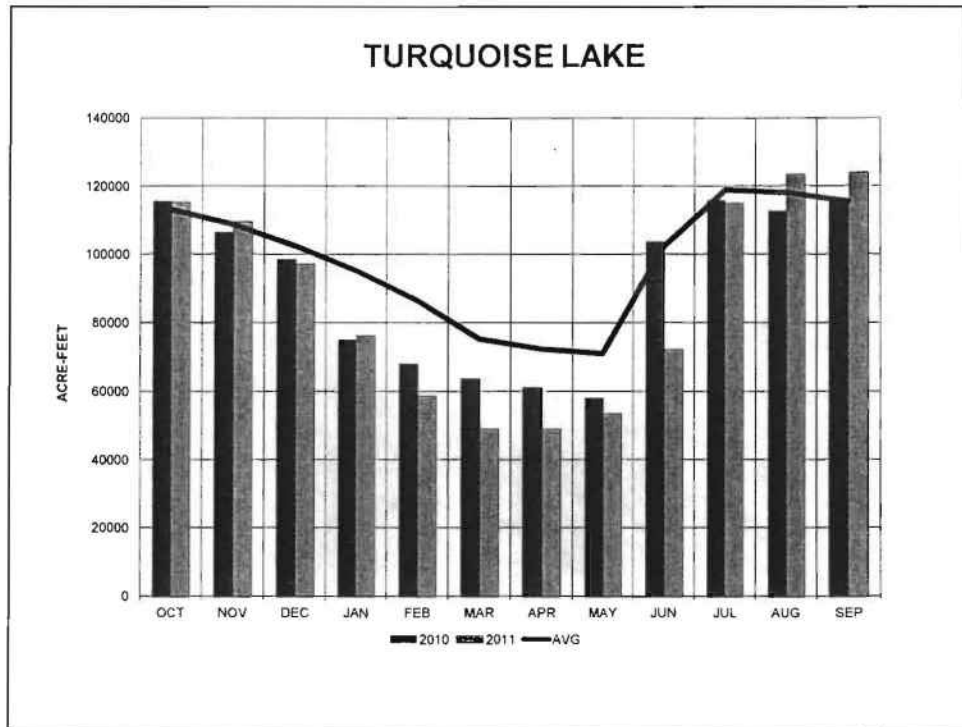


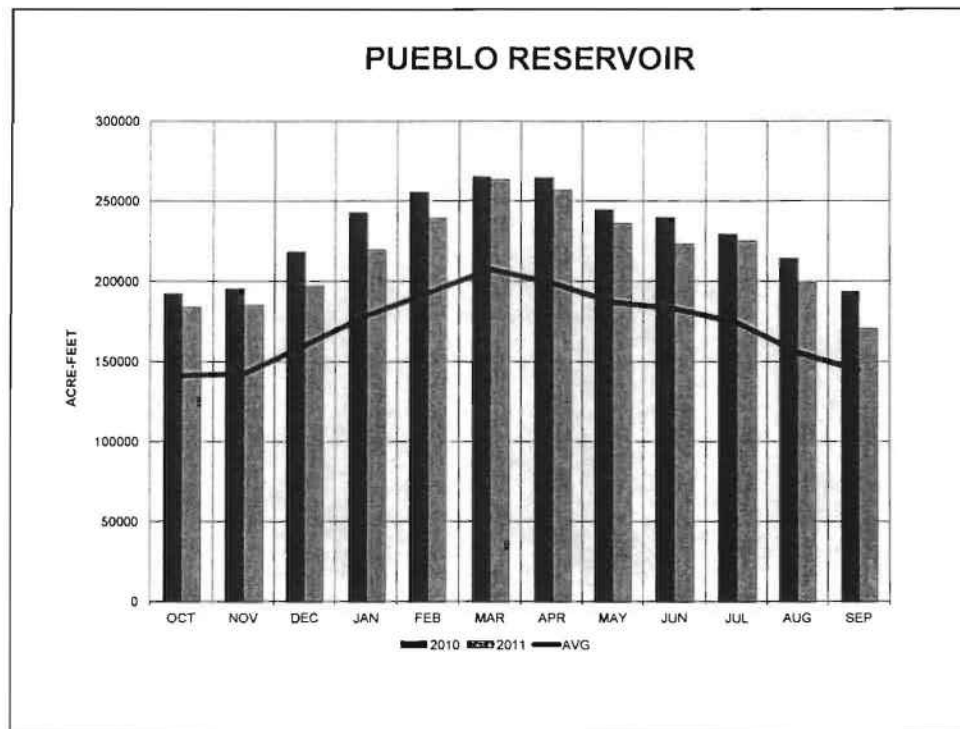


As of December 2011 Project Reservoirs

- Turquoise 100%
- Twin Lakes 97%
- Pueblo 118%







Winter Operations

- Currently moving 150 cfs from Twin to Pueblo.
- Will be moving 50 to 55 thousand a/f from October thru March.
- Movement of water will be adjusted according to the forecast and customers needs.



Ten-year Accounting of Depletions and Accretions to Usable Stateline Flow
2001-2010

1	2	3	4	5	6	7	8	9
Year of Ten-year Cycle	Model Year	H-I Model Usable Depletion/ Accretion ¹	Offset Account Credits ²					Remaining Usable Depletion/ Accretion ⁶
			Stateline Delivery to Kansas	Evaporation Credit	Gross Credit ³	Applied to Post-1985 Depletions ⁴	Net Credit ⁵	
1	2001	12,116	1,714	62	1,776	352	1,424	10,692
2	2002	8,525	2,098	22	2,120	222	1,898	6,627
3	2003	3,299	0	0	0	210	-210	3,509
4	2004	-3,442	6,565	1,850	8,415	260	8,155	-11,597
5	2005	-2,039	11,220	93	11,313	607	10,706	-12,745
6	2006	-1,493	8,507	0	8,507	619	7,888	-9,381
7	2007	-301	6,650	0	6,650	1,025	5,625	-5,926
8	2008	-2,198	11,617	0	11,617	1,288	10,329	-12,527
9	2009	-148	5,511	0	5,511	1,256	4,255	-4,403
10	2010	410	10,241	0	10,241	1,548	8,693	-8,283
Total		14,729	64,123	2,027	66,150	7,387	58,763	-44,034
Shortfall for 2011								0

Water Quantities are in acre-feet.

¹ Positive values in Columns 3 and 9 reflect depletions; negative values, accretions. H-I Model results in Column 3 for 2010 are based on input file "update2010october.dat."

² Positive values in Columns 4, 5, 6, and 8 reflect credits; negative values, debits.

³ Column 6 is the sum of Columns 4 and 5.

⁴ Column 7, a positive value, is the amount of Offset Credit applied to Post-1985 depletions, determined pursuant to Appendix A.3 of the 2009 Judgment and Decree in KS v CO.

⁵ Column 8 is Column 6 minus Column 7.

⁶ Column 9 is Column 3 minus Column 8.

26
H

Agreement on H-I Model Changes to Address Increases in Irrigation Efficiency for Pumped Groundwater

September 2011

I. Introduction

This Agreement (“Agreement”) is entered into by the State of Colorado and the State of Kansas (“States”) to modify the Hydrologic-Institutional Model (“H-I Model”) to recognize improved efficiencies of groundwater-supplied irrigation systems. This Agreement modifies the H-I Model code from the version incorporated in the Judgment and Decree entered in March 2009 in *Kansas v. Colorado* (No. 105, Original) (hereafter “Decree”) and describes the procedures for determining weighted groundwater maximum farm efficiencies (“weighted efficiencies”) and adjusted tailwater factors and using them in the annual update of the H-I Model under the Decree.

II. Background and Context

On July 22, 2010, Kansas submitted a report to Colorado in conformance with the procedures in Section V of Appendix B.1, proposing changes to the H-I Model to reflect the increases in irrigation efficiency of groundwater-supplied irrigation systems in Colorado. Colorado agreed that the H-I Model will more accurately represent current conditions by applying weighted efficiencies and adjusted tailwater factors to reflect the increased consumption of groundwater through improved groundwater irrigation systems in Colorado. On January 24, 2011, Colorado accepted Kansas’s proposed change with a modification designed to increase the accuracy of the new weighted efficiencies. On February 22, 2011, Kansas indicated agreement and initiated the Non-Fast Track Issue Dispute Resolution Procedure in Appendix H of the Decree to allow the States more time to develop this Agreement and the related documentation. Section III of the Decree allows Appendices A-J to be modified by agreement of the States. Appendices B.1 and C.1 were modified as follows:

1. Appendix B.1 is modified in Section I with two new paragraphs that reference this Agreement and its requirements, and in Section III.B.5 with a reference to this Agreement and the input data and data assessments it requires.
2. Appendix C.1 is modified in Section 1.4.10, to describe the addition of weighted efficiencies and adjusted tailwater factors; in Section 1.5.3, to describe revisions made involving the LAND Subroutine; in Section 1.6 and paragraph 1.6.1, to describe H-I Model revisions and reference this Agreement; in Section 2.3, to note data input changes; in Section 3.1, to add to the list of H-I Model modifications; in Section 3.2, to add the weighted groundwater farm efficiencies and adjusted tailwater factors as inputs to UPDATE.DAT; in Section 3.3.6 and paragraphs 3.3.6.1 through 3.3.6.7, to describe various data input into UPDATE.DAT; in Section 3.4, to describe adjustments to UPDATE.DAT for weighted groundwater efficiencies and adjusted

tailwater factors; in 6.1, to reflect the updating of the DVD and its contents; and in Attachment 6.12, to insert a full copy of this Agreement into Amended Appendix C.1.

A DVD containing an electronic copy of the H-I Model code was included as Attachment 6.1 to the original Appendix C.1. That original DVD will be replaced with a revised DVD, dated September 2011. In addition, this Agreement will be inserted as Section 6.12 of Amended Appendix C.1. The States will jointly submit Amended Appendices B.1 and C.1 to the Court to replace those original appendices in full.

III. Scope

The requirements listed in this Agreement pertain only to wells diverting groundwater for irrigation use that are within the H-I Model domain and are part of H-I Model Data Set 12. The weighted efficiencies and adjusted tailwater factors will be varied by user in the annual H-I Model update for calendar year 2011, which will be performed in 2012, and for each subsequent year thereafter.

IV. H-I Model Code Revisions

In order to reflect increased groundwater irrigation efficiencies, the input file UPDATE.DAT and H-I Model code were modified. These modifications were necessary because the H-I Model incorporated in the Decree applied a single efficiency value (known as the “maximum farm efficiency” factor) to each canal service area (user) which was used in both the Historical and Compact runs. In the Historical run, the weighted efficiencies will be calculated and may vary for each calendar year (January-December) by user based on the types of irrigation system used. The weighted efficiencies and adjusted tailwater factors described in this Agreement will not be applied in the Compact run; the maximum farm efficiency factors listed in LAND.DAT will continue to be used.

The H-I Model modifications are further described below.

A. UPDATE.DAT: The input file UPDATE.DAT incorporates the weighted efficiencies and adjusted tailwater factors on an annual basis starting with the 2011 H-I Model annual update. Unique efficiencies and tailwater factors are added directly by user group to the UPDATE.DAT file after running COMBINE.C. This data is entered each year for the update period included in the input file.

In addition to the variables described in Appendix C.1, there are four new variables that are updated annually and included as model input for the Historical run of the H-I Model:

1. **FMESS** – maximum farm efficiency by user for sole source groundwater irrigation systems, weighted by irrigation type;
2. **FMEC** – maximum farm efficiency by user for supplemental (conjunctive use) groundwater irrigation systems, weighted by irrigation type;

3. **TAILSS** – a factor to calculate tailwater by user for sole source groundwater irrigation systems; and
4. **TAILC** – a factor to calculate tailwater by user for supplemental (conjunctive use) groundwater irrigation systems.

B. **LAND Subroutine:** The revised LAND subroutine provides the H-I Model with the capability to incorporate the maximum farm efficiencies and tailwater factors from UPDATE.DAT when the switch is set to the Historical run. The weighted efficiencies and adjusted tailwater factors are incorporated into UPDATE.DAT beginning with update year 2011 and each year thereafter for the corresponding acreage type.¹ The farm efficiency and tail water data input will be pulled from UPDATE.DAT for the Historical run for years 1995 through the current update year. The maximum farm efficiency and tailwater factors for 1995-2010 will be the same as those previously found in LAND.DAT, and the weighted efficiencies and adjusted tailwater factors will be used for 2011 forward. The Compact run still applies the factors listed in LAND.DAT. Supplemental acreage has both surface water and groundwater applied to it. In recognition of Colorado's *Compact Rules Governing Improvements to Surface Water Irrigation Systems in Arkansas River Basin in Colorado*, logic in the H-I Model code allows for weighting the supplemental efficiency based on the surface and groundwater supply. A ratio of surface water to combined surface and groundwater is used to calculate a weighted efficiency for supplemental, IType III, acreage. The calculation applies the original efficiency to the surface water supply and the modified efficiency to the groundwater supply and is performed every time step in the model, resulting in a monthly prorating of efficiency.

V. Pumping and Acreage Data to be Used in Determining the Annual Weighted Groundwater Maximum Farm Efficiencies and Adjusted Tailwater Factors

The pumped volume of groundwater data (hereafter “pumping data”) used to compile Data Set 12 in the H-I Model update will be used for the purpose of calculating the annual weighted efficiencies and adjusted tailwater factors for each H-I Model user. This pumping data is assembled pursuant to the *Amended Rules Governing the Measurement of Tributary Ground Water Diversions Located in the Arkansas River Basin* (referred to as “Colorado’s Measurement Rules”) and *Amended Rules and Regulations Governing the Diversion and Use of Tributary Ground Water in the Arkansas River Basin, Colorado* (referred to as “Colorado’s Use Rules”)² and in accordance with Appendices A.4³ and B.1 of the Decree.

Colorado will maintain and provide data to allow determination of pumping by irrigation method for each well, including at a minimum the following:

1. Source of energy used to divert groundwater;

¹ The H-I Model defines three acreage types, labeled IType I, IType II and IType III. Sole Source lands are IType II. Supplemental lands are IType III. Only sole source and supplemental lands are affected by the 2011 Agreement. IType I, surface water acreage, applies the same efficiencies as the Compact Run.

² Appendices J.1 and I.1 to the Decree.

³ As revised by the States on June 26, 2009.

2. Whether the well is used as a supplemental or sole source irrigation supply or whether it serves as a supply to both sole source and supplemental lands;
3. Parcel ID number from Colorado's GIS coverage for each parcel served by the well for that irrigation year (this number is formatted by location to show the Township, Range, Section and field number and is a unique identifier);
4. Irrigation method (Flood and Furrow, Sprinkler and/or Drip). If the well delivers water to multiple fields that have different irrigation methods:
 - a. Measurement of water delivered by irrigation type and method (meter data), or
 - b. Acreage used to distribute the prorated pumping amount by irrigation method (pro-rated by acreage);
5. H-I Model user number that the pumping occurred under; and
6. Presumptive depletion factor (PDF).

Colorado will compile acreage data as described in Amended Appendix B.1 for Data Set 49 of the H-I Model update and provide the data to Kansas, including the GIS shapefile and a tabular computation of irrigation application of groundwater by farm unit.

For farm units with wells that serve sole source parcels and supplemental parcels, and/or that deliver water by multiple irrigation methods, pumping will be assigned in Data Set 12 as sole source or supplemental pumping. For any well, if measurements of the amount of groundwater used under each irrigation method are not available, the quantity of groundwater pumped from that well will be prorated by the number of acres under each irrigation method served by groundwater from that well.

Additionally, pivot corners are assumed to be sprinkler irrigated unless field confirmation by Colorado Division of Water Resources staff has documented that they are no longer irrigated. For fields where two irrigation methods are used on the same acreage, the highest efficiency will be applied in the weighted efficiency calculation.

VI. Procedure for Finding and Correcting Errors in Pumping Data and Acreage Data

Farm Unit Review: Farm units that include parcels that are only served by groundwater ("sole source" acreage) with application rates greater than four (4) acre-feet per acre shall be further evaluated to ensure there are no errors in the base data for pumping and to ensure that all parcels are properly classified for irrigation status. Similarly, farm units that include parcels that are served by groundwater and surface water ("supplemental" acreage) with groundwater application rates greater than three (3) acre-feet per acre shall be further evaluated to ensure there are no errors in the base data for pumping; to ensure that all parcels are properly classified for irrigation status; and to determine whether an adjustment to the presumptive depletion factors (PDFs) pursuant to Rule 4.2 of the Amended Use Rules is appropriate. Review of or adjustments to the presumptive depletion factors (PDFs) do not affect the calculation of weighted efficiencies input to the H-I Model.

If it can be determined that there are no errors in the farm unit pumping or acreage data, that data will remain in Data Sets 12 and 49 and be included in the weighted efficiency calculations. If there are errors in the farm unit pumping and/or acreage data, those errors will be

corrected in cooperation by experts from both States. Those corrections agreed upon by both States and the farm unit data will be used to update Data Sets 12 and 49, and be included in the weighted efficiency calculations. For farm units with a high supplemental pumping rate per acre, if the evaluation indicates that an adjustment to the supplemental presumptive depletion factor (PDF) is appropriate, Colorado will notify the owners and well associations, and will implement the new PDF for the upcoming plan year.

The basic steps to be performed in the Farm Unit Review are as follows:

1. Pumping
 - a. Double-check user-supplied meter reading data against most recent well test data and DWR inspection data to ensure readings, multipliers and correction factors are accurate.
 - b. Double-check power company-supplied data against most recent well test data and DWR inspection data to ensure readings, multipliers and correction factors are accurate.
2. Acreage
 - a. Review parcel assignments against most recent Farm Unit Verification data to ensure parcels are properly assigned to the farm unit.
 - b. Review the classification of each parcel to ensure that both the irrigation method (Flood and Furrow, Sprinkler, Drip, and/or Dry) and irrigation supply (GW-groundwater, Both-surface and groundwater, SW-surface water, NI-not irrigated) are correct. Use available imagery or aerial photos to check for irrigation status changes. Double-check with field visit if changes appear to be suggested.
3. Presumptive Depletion Factor Check
 - a. For farm units with supplemental wells, perform a Rule 4.2 sliding scale analysis by compiling the annual pumping for the last five (5) year period and estimating the surface water supply using a simplified version of the Irrigation System Analysis Model (ISAM) tool. The Rule 4.2 analysis is only used for the purpose of establishing the PDF to be used in the administration of the Amended Use Rules and is not used for the determination of the annual weighted efficiencies.
 - b. Adjust PDF's for upcoming Plan Year (2012-13 for initial process) and notify the owner and well association.

VII. Procedure for Calculating the Annual Weighted Groundwater Maximum Farm Efficiencies and Adjusted Tailwater Factors

After obtaining and processing the pumping and acreage data as described in the previous sections, the weighted efficiencies will be computed using the following procedure:

1. The weighted efficiencies will be computed by H-I Model user based on the pumping data for the calendar year (January-December) for which the H-I Model annual update is being done. This will apply to both supplemental and sole source pumping. The weighted efficiencies will be calculated using the pumping data aggregated by H-I Model user. The factors used to calculate the weighted efficiencies are as follows:

- a. 65% for gravity irrigation, except under the Colorado and Lamar Canals where 70% will be applied;
 - b. 85% for sprinkler irrigation; and
 - c. 100% for drip irrigation.
2. Sole source and supplemental weighted efficiencies will then be computed separately by applying the following formulas for each H-I Model user:

$$\text{Total Pumping} = \text{Gravity Pumping} + \text{Sprinkler Pumping} + \text{Drip Pumping}$$

$$\text{Weighted Efficiency} = \frac{(0.65 * \text{Gravity Pumping} + 0.85 * \text{Sprinkler Pumping} + 1.0 * \text{Drip Pumping})}{\text{Total Pumping}}$$

3. Tailwater factors will then be adjusted for each H-I Model user based on the weighted efficiencies for each user. The new adjusted tailwater factors decrease linearly from 10% to 0% as the new weighted efficiencies increase from 65% (70% for Colorado and Lamar Canals) to 85% using the following relationship:

$$\text{Adjusted Tailwater Factor} = \text{Max}(0, \frac{((1 - \text{Weighted Efficiency}) - .15)}{2})$$

The following table illustrates the computation of the weighted efficiencies and adjusted tailwater percentages using 2010 pumping data:

Table 1: Illustrative Example of the Computation of Weighted Efficiencies and Adjusted Tailwater Factors using 2010 Pumping Data

H-I Model User Number	<u>Sole Source Pumping (acre-feet)</u>				<u>Supplemental Pumping (acre-feet)</u>				<u>Weighted Efficiency (%) ⁽¹⁾</u>		<u>Adjusted Tail Water Factor (%)</u>	
	Gravity Irrigation	Sprinkler Irrigation	Drip Irrigation	Total Pumping	Gravity Irrigation	Sprinkler Irrigation	Drip Irrigation	Total Pumping	Sole Source	Supple- mental	Sole Source	Supple- mental
1	1,906	843	8	2,756	5,556	93	44	5,693	71%	66%	6.9%	9.7%
2	265	1	9	274	0	0	0	0		66%		9.4%
3	888	715	29	1,631	0	0	0	0		74%		5.3%
4	0	0	0	0	143	0	0	143		65%		10.0%
5	1,195	219	550	1,964	371	0	0	371	80%	70%	3.3%	10.0%
6	392	9	0	401	3,189	0	0	3,189	65%	65%	9.8%	10.0%
7	59	108	12	179	2,808	0	0	2,808	79%	65%	2.8%	10.0%
8	8	0	0	8	516	0	0	516	65%	65%	10.0%	10.0%
9	1,086	454	1,287	2,827	6,357	281	52	6,689	84%	66%	0.4%	9.4%
10	1,687	1,138	426	3,252	10,345	1,687	0	12,032	77%	68%	4.2%	8.6%
11	372	329	525	1,226	4	0	0	4	85%	65%	0.0%	10.0%
12	374	0	255	629	1,122	119	89	1,330	79%	69%	2.9%	7.9%
13	663	32	0	695	234	0	0	234	66%	65%	9.5%	10.0%
14	1,468	820	0	2,288	0	0	0	0	72%		6.4%	
15	40	314	0	354	1,091	155	0	1,246	83%	67%	1.1%	8.8%
16	0	0	0	0	0	0	0	0				
17	2,094	3,682	0	5,776	3,343	521	0	3,864	78%	68%	3.6%	8.7%
18	332	292	120	743	5,202	1,033	78	6,312	81%	73%	2.8%	8.1%
19	1	58	0	59	122	0	0	122	85%	65%	0.2%	10.0%
20												
21	2,615	1,688	0	4,304	423	0	0	423		72%		6.4%
22	26	0	284	310	1,432	0	0	1,432	97%	65%	0.0%	10.0%
23	0	751	0	751	0	0	0	0		85%		0.0%
24	1,928	7,731	0	9,659	0	0	0	0	81%		2.0%	

Note:

(1) Because the H-I Model represents all acreage under the Booth (2), Excelsior (3), Keesee (16) X-Y (21) and Sisson (23) ditches as supplemental acreage, the pumping is listed in the column for supplemental groundwater in this table even though it may be classified as sole source pumping in Colorado's monthly augmentation accounting.

VIII. Schedule for Annual Farm Unit Review and Determination of Weighted Groundwater Maximum Farm Efficiencies and Adjusted Tailwater Factors

On or before March 1 of each year, Colorado will provide initial pumping and acreage data to Kansas for the cooperative effort of identifying possible errors using the Farm Unit Review screening criteria described in Section VI above. An updated version of the Farm Unit Review shall be provided by Colorado to Kansas by March 31st.

The calculation of weighted efficiencies and adjusted tailwater factors will be performed during the annual update of H-I Model input data beginning in 2012 for the update of input data for the calendar year 2011, which shall be provided to Kansas by March 31, 2012. Thereafter, on or before March 31st each year, Colorado will provide Kansas with its calculations and the corresponding back-up data described in this Agreement, concurrent with Colorado's submission of its H-I Model results, ten-year Compact compliance table, and Annual Report to Kansas.

IX. General Terms

A. The narrative included in this Agreement and in Amended Appendices B.1 and C.1 is intended to describe the H-I Model as accurately as possible; however, if any description or representation of the H-I Model in this narrative conflicts with the code, data files, processing programs, calibration programs, or H-I Model outputs on the revised DVD (Attachment 6.1 to Amended Appendix C.1), the information on the DVD will control.

B. If any of the amendments to the text of Appendices B.1 or C.1 that were made pursuant to this Agreement to reflect this Agreement conflict with the terms of this Agreement, this Agreement will control.

C. This Agreement fully resolves the matter and terminates the dispute resolution procedure.

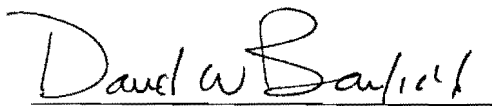
D. This Agreement shall become effective when both States have approved it by the signatures of their Engineers as provided for below on counterpart copies, and telecopies or electronic versions of the same have been received by the other State. Two originals of this Agreement will be circulated for signature, one original to be retained by each State.

STATE OF COLORADO

Dick Wolfe
Colorado State Engineer

Date: _____

STATE OF KANSAS



David W. Barfield
Kansas Chief Engineer

Date: 9/15/2011

VIII. Schedule for Annual Farm Unit Review and Determination of Weighted Groundwater Maximum Farm Efficiencies and Adjusted Tailwater Factors

On or before March 1 of each year, Colorado will provide initial pumping and acreage data to Kansas for the cooperative effort of identifying possible errors using the Farm Unit Review screening criteria described in Section VI above. An updated version of the Farm Unit Review shall be provided by Colorado to Kansas by March 31st.

The calculation of weighted efficiencies and adjusted tailwater factors will be performed during the annual update of H-I Model input data beginning in 2012 for the update of input data for the calendar year 2011, which shall be provided to Kansas by March 31, 2012. Thereafter, on or before March 31st each year, Colorado will provide Kansas with its calculations and the corresponding back-up data described in this Agreement, concurrent with Colorado's submission of its H-I Model results, ten-year Compact compliance table, and Annual Report to Kansas.

IX. General Terms

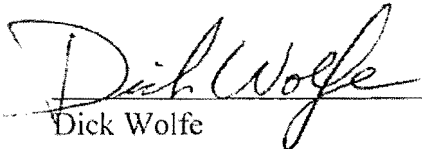
A. The narrative included in this Agreement and in Amended Appendices B.1 and C.1 is intended to describe the H-I Model as accurately as possible; however, if any description or representation of the H-I Model in this narrative conflicts with the code, data files, processing programs, calibration programs, or H-I Model outputs on the revised DVD (Attachment 6.1 to Amended Appendix C.1), the information on the DVD will control.

B. If any of the amendments to the text of Appendices B.1 or C.1 that were made pursuant to this Agreement to reflect this Agreement conflict with the terms of this Agreement, this Agreement will control.

C. This Agreement fully resolves the matter and terminates the dispute resolution procedure.

D. This Agreement shall become effective when both States have approved it by the signatures of their Engineers as provided for below on counterpart copies, and telecopies or electronic versions of the same have been received by the other State. Two originals of this Agreement will be circulated for signature, one original to be retained by each State.

STATE OF COLORADO



Dick Wolfe
Colorado State Engineer

Date: 9/15/2011

STATE OF KANSAS

David W. Barfield
Kansas Chief Engineer

Date: _____

Arkansas River Compact Administration
Engineering Committee
Action Items
December 07, 2011
Lamar, Colorado

The committee requested Chris Beightel, Rachel Duran, and Brent Newman to produce a brief summary of presentations made and a list of action items for this committee meeting. The committee referred the Implementation Update for the Irrigation Improvement Rules to the Operations Committee.

Reports to the Committee with no action

The committee heard a brief report by Steve Miller on the status of Colorado's development of its Decision Support System for the Arkansas River, which is in the early stages of its development.

The committee heard a presentation by Andrew Gilmore of the Bureau of Reclamation on Trinidad issues, esp. regarding efforts leading up to the next 10-year review.

The committee heard a presentation on the Super Ditch Pilot Program by Jay Winner and Heath Kuntz, focusing on the operations expected in the first year of the pilot in 2012.

The committee heard a presentation regarding the proposed GP Lamar Canal Pipeline Project by Ken Knox. Mr. Knox requested that ARCA refer the matter to its Special Engineering Committee for evaluation, review, and recommendation to ARCA. No action was taken on Mr. Knox's request; it was agreed by the committee further discussion would be needed to make a decision.

Dennis Garcia and Marc Sidlow, Corps of Engineers reported on its work to the area-capacity tables for Trinidad and John Martin Reservoirs and the results of Purgatoire River channel capacity study below Trinidad Reservoir. The maximum release will still be 5,000 cfs with all release above 3,000 cfs monitored by the Corps.

Jim Broderick of the Southeastern Colorado Water Conservancy District gave a brief report focusing on the status of NEPA EIS review for the proposed Arkansas Valley Conduit, Master Contract, and Interconnect, including timelines to the Final EIS.

Action items

1. The committee recognizes the value of the Special Engineering Committee and recommends to ARCA that the Special Engineering Committee be extended for calendar year 2012 under the same scope.
2. After hearing a presentation by the City of Trinidad regarding proposed amendments to the Trinidad Operating Principles, the committee agreed that Kansas should


Ex. J

provide its comments to the City by February 15, 2012 and the City its response by March 15. The Engineering Committee will hold a special meeting following this and, if there is consensus on the matter, shall ask ARCA to hold a special meeting to consider action on the request for amendments to the Operating Principles.


David Barfield, Chair

Date: 12/8/2011

No. 2 of 4 originals


Matt Himerich, Member

Date: 12/8/11

Arkansas River Compact Administration
Operations Committee
Action Items
December 7, 2011
Lamar, Colorado

The committee instructed Chris Beightel and Brent Newman to produce a short summary of any presentations and a list of action items for this committee meeting.


The committee received the Compact Year (CY) 2011 reports of the Operations Secretary and Assistant Operations Secretary.

The Committee received the 2010 report for the Offset Account.

The status of Water Issues Matrix was discussed. There were 35 issues on the matrix (10 pending, 7 removed-suspended, and 18 resolved). The committee encouraged the resolution of issues, noting Issue #33 mentioned as resolvable by both Operations and Assistant Operations Secretaries.

The committee heard a presentation on the first year of Irrigation Improvement Rules.

1. The Ten-year Compact Compliance Accounting table for 2001-2010 was presented. The Committee recommended that this table be an exhibit to the 2011 ARCA Annual Meeting transcript and included in the CY 2011 Annual Report.
2. The committee took no action on the CY 2006, CY 2007, CY 2008, CY 2009, CY 2010, and CY2011 Operations Secretary's Reports.
3. Heard an update on the Offset Account Joint Report by the States. The Committee recommended the review of this Joint Report by the ~~Special~~ Engineering Committee.
4. The committee recommends to ARCA that the ~~Special~~ Engineering Committee be extended for calendar year 2012.



Colin Thompson, Chair

Date: 12/8/11



David Brenn, Member

Date: 12/8/11

No. 3 of 4 originals

Ex K

ARKANSAS RIVER COMPACT ADMINISTRATION

Audited Financial Statements

June 30, 2011

Randy Layloff

ARKANSAS RIVER COMPACT ADMINISTRATION

TABLE OF CONTENTS

June 30, 2011

	<u>Page</u>
Independent Auditor's Report	1
Statement of Assets, Liabilities, and Fund Balance - Cash Basis	2
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.

INDEPENDENT AUDITOR'S REPORT

November 22, 2011


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, 2011, 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, 2011 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

	June 30 2011	June 30 2010	June 30 2009
<u>ASSETS</u>			
Cash in Bank	<u>113,259</u>	<u>92,075</u>	<u>56,241</u>
TOTAL ASSETS	\$ <u>113,259</u>	<u>92,075</u>	<u>56,241</u>
 <u>LIABILITIES</u>			
None	0	0	0
 <u>FUND BALANCE</u>			
Unrestricted Fund Balance	<u>113,259</u>	<u>92,075</u>	<u>56,241</u>
TOTAL FUND BALANCE	\$ <u>113,259</u>	<u>92,075</u>	<u>56,241</u>

ARKANSAS RIVER COMPACT ADMINISTRATION

STATEMENT OF REVENUES and EXPENSES with BUDGET COMPARISON

For the Budget Year July 1, 2010 to June 30, 2011

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>OVER (UNDER)</u>
<u>REVENUES</u>			
Revenues from Assessments:			
Colorado 60%	\$ 57,600	57,600	0
Kansas 40%	38,400	38,400	0
Interest	472	500	(28)
Miscellaneous	0	0	0
<u>TOTAL REVENUES</u>	96,472	96,500	(28)
<u>EXPENDITURES</u>			
Professional Service Contracts:			
Treasurer	2,000	2,000	0
Recording Secretary	2,000	2,000	0
Operations Secretary	6,209	6,100	109
Auditor Fee	725	700	25
Court Reporter	477	2,500	(2,023)
Gauging Stations & Studies:			
U.S. Geological Survey - Colorado District	41,853 (Note 3)	51,000	(9,147)
U.S. Geological Survey - Kansas District	8,500	8,500	0
State of Colorado Satellite System	12,400	12,400	0
Operating Expenses:			
Treasurer Bond	100	100	0
Printing Annual Report	0	500	(500)
Telephone	0	100	(100)
Miscellaneous Office Expense	246	100	146
Postage/Copying/Supplies	0	400	(400)
Meetings	178	500	(322)
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	0	0	0
<u>TOTAL EXPENDITURES</u>	75,288	89,500	(14,212)
NET INCREASE IN FUND BALANCE	21,184	7,000	14,184
Fund Balance at Beginning of Year	92,075		
Fund Balance at End of Year	\$ 113,259		

See Accountant's Audit Report.

ARKANSAS RIVER COMPACT ADMINISTRATION

CHANGES IN CASH BALANCE STATEMENT OF RECEIPTS AND DISBURSEMENTS For the Year Ended June 30, 2011

CASH BALANCE - July 1, 2010 \$ 92,075

RECEIPTS

Revenues from Assessments	96,000
Interest	472
Miscellaneous	<u>0</u>

TOTAL RECEIPTS 96,472

DISBURSEMENTS

Professional Service Contracts	11,411
Gauging Stations & Studies	62,753
Operating Expenses	1,124
Other	<u>0</u>

TOTAL DISBURSEMENTS (75,288)

RECEIPTS in EXCESS of DISBURSEMENTS 21,184

CASH BALANCE - June 30, 2011 \$ 113,259

ARKANSAS RIVER COMPACT ADMINISTRATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

NOTE 1 Organization:

The Arkansas River Compact was formed in 1948 to settle existing disputes and remove causes of future controversy between Colorado and Kansas concerning the waters of the Arkansas River and their control, conservation and utilization for irrigation and other beneficial purposes.

NOTE 2 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 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*.

NOTE 3 Cost of Gauging Stations - USGS Colorado District:

It should be noted that the expense of gauging stations is reflected in the financial statements on the cash basis of accounting. Some payments made this fiscal year are for charges not due until the following fiscal year. And some payments made in the previous fiscal year were for charges due this fiscal year. The Compact has been reporting its costs and expenses consistently on the cash basis, which may not be consistent with budgeted amounts. The following table compares the Joint Funding Agreement with payments made during ARCA's fiscal periods:

Service Period	per invoice	Paid in FYE 6/30/11	Paid in FYE 6/30/12
<u>JFA CO10040</u>			
4/1/10 to 6/30/10	11,210	11,210	
7/1/10 to 9/30/10	11,210	11,210	
10/1/10 to 12/31/10	2,242	2,242	
10/1/10 to 12/31/10	4,481	4,481	
10/1/10 to 12/31/10	2,244		2,244
10/1/10 to 12/31/10	2,243		2,244
	33,630	29,143	4,488
<u>JFA CO11048</u>			
1/1/11 to 3/31/11	12,710	12,710	
Total paid, FYE 6/30/11		41,853	

ARKANSAS RIVER COMPACT ADMINISTRATION

Lamar, Colorado 81052


For Colorado	Chairman and Federal Representative	For Kansas
Jennifer Gimbel, Denver	VACANT	David Barfield, Topeka
Colin Thompson, Holly		Randy Hayzlett, Lakin
Matthew Heimerich, Olney Springs		David A. Brenn, Garden City

FY 2012 - 2013 BUDGET, Revision 1

(July 1, 2012 - June 30, 2013)

I. EXPENDITURES		
A. PROFESSIONAL SERVICE CONTRACTS		
1.	Treasurer	\$2,000
2.	Recording Secretary	\$2,000
3.	Operations Secretary	\$6,100
4.	Auditor Fee	\$700
5.	Court Reporter Fee	\$2,000
	subtotal services	\$12,800
B. GAGING STATIONS, STUDIES, & DATA COLLECTION		
1.	U.S.G.S. Colorado District Joint Funding [est.= 3/4 of 2012JFA, 1/4 of 2013 JFA]	\$50,000
2.	U.S.G.S. Kansas District Joint Funding [est.= 3/4 of 2012 JFA, 1/4 of 2013 JFA]	\$9,000
3.	State of Colorado Satellite System [7/1/12 - 6/30/13]	\$12,400
4.	CoAgMet Weather Station O&M Cost-share	5,000
	subtotal gaging	\$76,400
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	\$93,500
II. INCOME		
A. ASSESSMENTS		
1.	Colorado (60%)	\$57,600
2.	Kansas (40%)	\$38,400
	subtotal assessments	\$96,000
B. OTHER		
1.	Interest Earnings	\$500
2.	Miscellaneous	\$0
	subtotal other	\$500
	TOTAL ALL INCOME	\$96,500
III. CASH RESERVE BALANCE		
A.	ESTIMATED BALANCE JULY 1, 2012	\$120,000
B.	DECREASE FROM PRIOR BALANCE	
C.	ADDITION TO BALANCE	\$3,000
D.	PROJECTED BALANCE JUNE 30, 2013	\$123,000

Adopted by the Arkansas River Compact Administration at its Dec. 14, 2010 Annual Meeting, and revised and readopted at the Dec. 8, 2011 Annual Meeting.

	12-8-11
Stephanie Gonzales, Recording Secretary and Treasurer	Date

Ex. M

ARKANSAS RIVER COMPACT ADMINISTRATION

Lamar, Colorado 81052

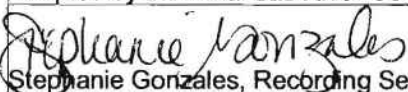
For Colorado	Chairman and Federal Representative	For Kansas
Jennifer Gimbel, Denver	VACANT	David Barfield, Topeka
Colin Thompson, Holly		Randy Hayzlett, Lakin
Matthew Heimerich, Olney Springs		David A. Brenn, Garden City

FY 2013 - 2014 BUDGET

(July 1, 2013 - June 30, 2014)

I. EXPENDITURES		
A. PROFESSIONAL SERVICE CONTRACTS		
1.	Treasurer	\$2,000
2.	Recording Secretary	\$2,000
3.	Operations Secretary	\$6,100
4.	Auditor Fee	\$700
5.	Court Reporter Fee	\$2,000
	subtotal services	\$12,800
B. GAGING STATIONS, STUDIES, & DATA COLLECTION		
1.	U.S.G.S. Colorado District Joint Funding [est.= 3/4 of 2013JFA, 1/4 of 2014 JFA]	\$50,000
2.	U.S.G.S. Kansas District Joint Funding [est.= 3/4 of 2013 JFA, 1/4 of 2014 JFA]	\$9,000
3.	State of Colorado Satellite System [7/1/13 - 6/30/14]	\$12,400
4.	CoAgMet Weather Station O&M Cost-share	\$5,000
	subtotal gaging	\$76,400
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	\$93,500
II. INCOME		
A. ASSESSMENTS		
1.	Colorado (60%)	\$57,600
2.	Kansas (40%)	\$38,400
	subtotal assessments	\$96,000
B. OTHER		
1.	Interest Earnings	\$500
2.	Miscellaneous	\$0
	subtotal other	\$500
	TOTAL ALL INCOME	\$96,500
III. CASH RESERVE BALANCE		
A.	ESTIMATED BALANCE JULY 1, 2013	\$123,000
B.	DECREASE FROM PRIOR BALANCE	
C.	ADDITION TO BALANCE	\$3,000
D.	PROJECTED BALANCE JUNE 30, 2014	\$126,000

Adopted by the Arkansas River Compact Administration at its Dec. 8, 2011 Annual Meeting.


Stephanie Gonzales, Recording Secretary and Treasurer

12-8-11
Date

Ex. N

ARKANSAS RIVER COMPACT ADMINISTRATION

Lamar, Colorado 81052

For Colorado

Chairman and Federal Representative

For Kansas

Jennifer Gimbel, Denver

Vacant

David Barfield, Topeka

Colin Thompson, Holly

Randy Hayzlett, Lakin

Matt Heimerich, Olney Springs

David A. Brenn, Garden City

RESOLUTION 2011 - 61

Regarding Sixth Extension of the Term of the Special Engineering Committee

WHEREAS, pursuant to Bylaw Article V.5., the Arkansas River Compact Administration by Resolution No. 2005-01 created the "Special Engineering Committee" at its December 2005 Annual Meeting to resolve four categories of "assigned tasks," including 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, on December 11, 2007 at the 2007 Annual Meeting the Administration adopted Resolution 2007-04 extending the term of the Special Engineering Committee until December 31, 2008; and

WHEREAS, on December 9, 2008 at the 2008 Annual Meeting the Administration adopted Resolution 2008-04 extending the term of the Special Engineering Committee until December 31, 2009; and

WHEREAS, on December 8, 2009 at the 2009 Annual Meeting the Administration adopted Resolution 2009-01 extending the term of the Special Engineering Committee until December 31, 2010; and

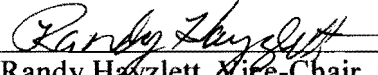
WHEREAS, on December 14, 2010 at the 2010 Annual Meeting the Administration adopted Resolution 2010-01 extending the term of the Special Engineering Committee until December 31, 2011; and

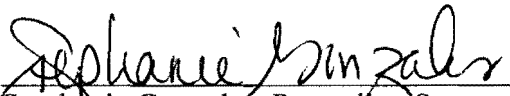
Ex. C

WHEREAS, Committee has successfully resolved disputed issues placed before it during its term, and assigned tasks still remain before it with the potential for further agreement.

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, 2012. All other Special Provisions of the 2005 Resolution shall remain unchanged and govern the actions of the Special Engineering Committee during this sixth extension throughout 2012.

ADOPTED by the Arkansas River Compact Administration at its 2011 Annual Meeting on December 8, 2011 in Lamar, Colorado.

 12/8/2011
Randy Hayzlett, Vice-Chair
Arkansas River Compact Administration


Stephanie Gonzales, Recording Secretary
Arkansas River Compact Administration

ARKANSAS RIVER COMPACT ADMINISTRATION

Lamar, Colorado 81052

For Colorado

Chairman and Federal Representative

For Kansas

Jennifer Gimbel, Denver

Vacant

David Barfield, Topeka

Colin Thompson, Holly

Randy Hayzlett, Lakin

Matt Heimerich, Olney Springs

David A. Brenn, Garden City

Resolution 2011-02

HONORING ROBIN JENNISON

WHEREAS, the members of the Arkansas River Compact Administration desire to recognize the outstanding service of Robin Jennison who served from his appointment by the President of the United States on September 23, 2002 until his resignation as chairman of the Administration and Representative of the United States; and

WHEREAS, he provided resourceful and professional leadership in a fair and equitable way to both States and also to the federal agencies; and

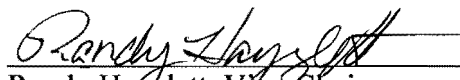
WHEREAS, his genuine concerns for the duties of the Federal Chairman as well as the Administration have produced accomplishments for the Administration; and

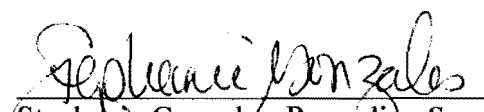
WHEREAS, both States appreciated the leadership provided to the Administration; and

WHEREAS, his interest to have the States work together created an atmosphere conducive to solving disputed issues.

NOW, THEREFORE, BE IT RESOLVED, regret is hereby expressed at the resignation of Robin Jennison in that the States of Colorado and Kansas will be losing the services of an able and devoted public servant and that each member of this Administration extends best wishes for continued good health and happiness; and success in his future endeavors.

BE IT FURTHER RESOLVED, that this resolution be included in the records of this Administration and that the secretary be instructed to mail a copy of this resolution to Mr. Jennison.


Randy Hayzlett, Vice-Chair
Arkansas River Compact Administration

 12-8-11
Stephanie Gonzales, Recording Secretary
Arkansas River Compact Administration

Ex P

Arkansas River Compact Administration
Administrative & Legal Committee
Action Items
December 07 & 08, 2011
Lamar, Colorado

The committee requested Brent Newman and Chris Beightel to produce a short summary of any presentations and a list of action items for this committee meeting.

The committee heard a proposal for ARCA funding for CoAgMet Weather Station Network.

1. The committee recommends approving the audit report for the Fiscal Year 2010-11 (July 1, 2010 to June 30, 2011).
2. The committee recommends to ARCA the 1993 ARCA Annual meeting transcript, 2010 ARCA Annual meeting transcript, and the 2011 ARCA Special telephonic meeting transcript be approved.
3. The committee recommends Kansas review the 1994, 1995, 1996, & 1997 Annual Report drafts and report back to the committee in 6 months. Ms. Gimbel suggested that Kansas focus on the 1997 draft which then could be used to develop additional draft annual reports.
4. The committee recommends to ARCA that the Special Engineering Committee be extended for calendar year 2012. The committee discussed the Offset Account Joint review and recommend this be included in the resolution extending the ~~Special~~ Engineering Committee.
5. The committee recommends ARCA adopt the proposed resolution recognizing Robin Jennison.
6. The committee recommends the following slate of officers and committee chairs for CY 2012:
 - a. ARCA officers:
Vice-chair Randy Hayzlett
Recording/Secretary- Treasurer Stephanie Gonzales
Operations Secretary Steve Witte
Assistant Operations Secretary Kevin Salter
 - b. Committee Chairs:
Engineering Matt Heimerich as Chair,
Operations David Brenn as Chair
Administrative & Legal Randy Hayzlett as Chair

Ex. Q

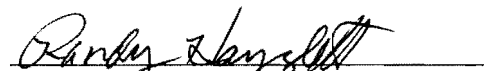
The committee recessed the meeting and resumed at 8 am on December 8th.

7. Admin & Legal recommends the GP Lamar Pipeline be assigned to the regular Engineering Committee.
8. Admin & Legal recommends that a letter commending Pat Edelmann's service to ARCA be developed by staff. The letter should be provided to the Vice Chair by January 15, 2012.
9. For the Fiscal Year 2011-2012 budget, the committee recommended the budget to include an expenditure of \$2,000 from the contingency line item to support the CoAgMet weather stations.
10. The committee recommends to revise and adopt the FY 2012-2013 budget that includes financial support of \$5,000 to the CoAgMet weather stations. This funding is to be contingent on a three year contract which will be developed between Colorado State University and ARCA.
11. The committee recommends adopting the FY 2013-2014 budget.
12. Recommended that Stephanie Gonzales sign the USGS Cooperative agreements


Jennifer Gimbel, Chair

Date: Dec. 8, 2011

No. 3 of 4 originals


Randy Hayzlett, Member

Date: Dec 8, 2011