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ARKANSAS RIVER COMPACT ADMINISTRATION

COMPACT YEAR 2016

ANNUAL MEETING

December 9, 2016

HELD AT THE

WOLVES DEN EVENT CENTER

27534 US HIGHWAY 287

LAMAR, COLORADO

James R. Zibato
12/7/17

Reported By:

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ORIGINAL

APPEARANCES

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CHAIRMAN:

Jim Rizzuto

COLORADO:

James Eklund

Lane Malone

Scott Brazil

KANSAS:

David Barfield

Randy Hayzlett

Hal Scheuerman

P R O C E E D I N G S

1
2 MR. RIZZUTO: Welcome, everyone, and at
3 this point, call the Annual Meeting of the Arkansas
4 River Compact Administration 2016 to order. As
5 mentioned, first order of business will be
6 introductions and we'll allow everyone that's in
7 attendance to introduce themselves. That way, we
8 get to know everyone.

9 I will start. My name is Jim Rizzuto. I'm
10 the federal rep. I'm from Swink, Colorado and
11 affiliated with Otero Junior College.

12 MR. HAYZLETT: Randy Hayzlett from Lakin,
13 Kansas.

14 MR. BARFIELD: My name is David Barfield.
15 I'm Kansas Chief Engineer.

16 MR. SCHEUERMAN: I'm Hal Scheuerman. I'm
17 from Deerfield, Kansas.

18 MR. EKLUND: I'm James Eklund. I'm the
19 Director of the Colorado Water Conservation Board.

20 MR. BRAZIL: Scott Brazil,
21 representative, Pueblo, Colorado.

22 MR. MALONE: Lane Malone, Colorado rep
23 from Bristol, Colorado.

24 MR. WOODKA: I'm Chris Woodka with the
25 Southeastern Colorado Water Conservancy District.

1 MS. LAIR: Good morning. I'm Cindy Lair
2 with the Colorado Department of Agriculture.

3 MR. REYNOLDS: Phil Reynolds, Division of
4 Water Resources, Division 2.

5 MR. VAN OORT: John Van Oort, Colorado
6 Division of Water Resources.

7 MR. SULLIVAN: Nathan Sullivan, USGS,
8 Hays, Kansas.

9 MS. MARINTZER: Lori Marintzer, USGS,
10 Kansas.

11 MR. MARKUS: Garrett Markus, Southeastern
12 Colorado Water Conservancy District.

13 MR. SPADY: Lonnie Spady, Colorado
14 Division of Water Resources.

15 MR. ACKERMAN: Brett Ackerman, Colorado
16 Parks and Wildlife.

17 MS. BRAND: Hello. I'm Rena Brand,
18 Colorado Parks and Wildlife.

19 MR. MONTOYA: Jeff Montoya, Colorado
20 Division of Water Resources.

21 MR. WITTE: Good morning. I'm Steve
22 Witte with the Colorado Division of Water Resources.
23 I'm also the Operations Secretary for the Compact
24 Administration.

25 MS. ZANCANELLA: I'm Rachel Zancanella.

1 I'm also with the Colorado Division of Water
2 Resources.

3 MR. THOMPSON: Kelley Thompson with the
4 Colorado Division of Water Resources.

5 MR. STEUER: Dan Steuer, Colorado
6 Attorney General's office.

7 MR. STEVEN HINES: Steven Hines,
8 Coolidge, Frontier Ditch.

9 MR. STANLEY HINES: Stanley Hines,
10 Coolidge, Frontier Ditch.

11 MS. DOWNEY: I'm Karen Downey, Operations
12 Manager at John Martin Reservoir for the U.S. Army
13 Corps of Engineers.

14 MR. TRUAN: I'm Van Truan, Army Corps of
15 Engineers, Pueblo.

16 MAJ. MELCHIOR: Jason Melchior, Deputy
17 District Commander, Albuquerque District, United
18 States Army Corps of Engineers.

19 MR. KASTNER: Steve Kastner, Purgatoire
20 River Water Conservancy District.

21 MR. STEERMAN: Don Steerman, Shinn,
22 Steerman & Shinn. We're the attorneys for District
23 67, Amity and several other canals.

24 MR. HOWLAND: I'm Terry Howland with the
25 Amity Canal.

1 MR. ROSS: Garrett Ross with the U.S.
2 Army Corps of Engineers.

3 MS. LOUISE: Amy Louise, Army Corps of
4 Engineers.

5 MR. GRONEWOLD: Ryan Gronewold with the
6 Army Corps of Engineers.

7 MS. ROBB: Traci Robb, U.S. Army Corps of
8 Engineers.

9 MR. LABORIA: Kyle LaBoria, KWAY Radio.

10 MR. BATDORF: Rob Batdorf, City of Lamar
11 Water Superintendent.

12 MR. MASON: Pat Mason, City of Lamar
13 Public Works Director.

14 MR. RICE: Bob Rice, Bureau of
15 Reclamation, Eastern Colorado Area Office.

16 MR. GNAU: Chris Gnau, Bureau of
17 Reclamation, Eastern Colorado Area Office, G-n-a-u.

18 MR. PAYNE: Bill Payne, USGS, Colorado.

19 MS. BROWN: Crystal Brown, USGS, Pueblo,
20 Colorado.

21 MR. ANDERSON: Tony Anderson, National
22 Weather Service, Pueblo.

23 MR. TITUS: Kenny Titus, Kansas Attorney
24 General's office.

25 MR. GOBLE: Jack Goble, Lower Arkansas

1 Valley Water Conservancy District.

2 MR. VAUGHAN: Roy Vaughan, Bureau of
3 Reclamation, Pueblo.

4 MR. SKEIE: Erik Skeie, Colorado Water
5 Conservation Board.

6 MS. DURAN: Rachel Duran, Kansas
7 Department of Agriculture, Division of Water
8 Resources, out of Garden City Field Office.

9 MR. MILLER: Steve Miller, Colorado Water
10 Conservation Board of Denver.

11 MR. SALTER: Kevin Salter, State of
12 Kansas, and I'm Assistant Operations Secretary for
13 ARCA.

14 MS. BEAL: Kelly Beal, Tri-State
15 Generation and Transmission Water Resources
16 Management.

17 MR. WOLFE: Good morning. Dick Wolfe,
18 Colorado State Engineer.

19 MR. BEIGHTEL: Chris Beightel, Kansas
20 Department of Agriculture, Division of Water
21 Resources.

22 MR. BOOK: Dale Book, consultant to the
23 State of Kansas.

24 MR. TYNER: Bill Tyner, Colorado Division
25 of Water Resources.

1 MR. GRASMICK: Bill Grasmick, Lamar
2 Canal, Lower Arkansas Water Management Association.

3 MR. DUVALL: Glen Duvall, broke farmer
4 from Holly.

5 MS. GONZALES: Stephanie Gonzales, ARCA
6 Recording Secretary/Treasurer.

7 MR. RIZZUTO: Thank you very much.
8 First, the attendance sheet, that will be Exhibit A
9 and will be entered into the record. I assume
10 people have a copy of what was the draft agenda. If
11 not, I'm sure Kevin Salter has others available. At
12 this point in time, were there any revisions to the
13 agenda?

14 MR. BARFIELD: Yes, Mr. Chairman. I have
15 one note and then one revision. Under Agenda Item
16 6.B., the Fountain Creek Greenway we heard a
17 presentation in the Engineering Committee yesterday,
18 a fairly complete presentation from Mr. Small, and
19 he is not able to attend, so we will not have a
20 report under 6.B.

21 The agenda change, I'd like to propose one
22 addition to Agenda Item 13.B.vi. currently states
23 approval of the FY 2017-18 budget. We also need to
24 approve a revision to the current 2016-17 budget, so
25 I would propose we just amend the 13.B.vi. to read,

1 "Adoption of revised FY 16-17 budget and Fiscal Year
2 2017-18 budget." I would make that a motion to
3 revise the agenda.

4 MR. EKLUND: I'll second that motion.

5 MR. RIZZUTO: Okay. Discussion? How
6 does Kansas vote?

7 MR. BARFIELD: Aye.

8 MR. RIZZUTO: How does Colorado vote?

9 MR. EKLUND: Aye.

10 MR. RIZZUTO: Okay. And that was to the
11 revision. Now to the adoption of the agenda as
12 revised. Motion?

13 MR. BARFIELD: I would move we adopt the
14 revised agenda.

15 MR. EKLUND: Second.

16 MR. RIZZUTO: Discussion? How does
17 Colorado vote?

18 MR. EKLUND: Aye.

19 MR. RIZZUTO: How does Kansas vote?

20 MR. BARFIELD: Aye.

21 MR. RIZZUTO: All right. We will start
22 through the agenda. The agenda will be Exhibit B
23 for the report.

24 First, we'll start with reports by officers.
25 First, I really don't have much to report as federal

1 rep. I did have the opportunity to meet with the
2 group and I think Randy is going to talk about the
3 trip they took this summer. I got to meet with them
4 when they came through La Junta and we had a nice
5 discussion, but that pretty much is my report at
6 this point in time. I'll let Randy, Vice-Chair,
7 talk about that.

8 MR. HAYZLETT: Thank you, Mr. Chairman.
9 Yeah, we did take a tour this summer. It was a very
10 good tour. We started at Pueblo and worked our way
11 clear into Kansas, to Garden City. It was an
12 excellent tour. We didn't have all the members on
13 there so I would urge, you know, if we have the
14 opportunity again, to try to get on one of those.
15 Saw many things there that was interesting to both
16 States, so I think that's about all I have to say
17 about it, other than if we do it again, I strongly
18 urge anyone to join in.

19 MR. MILLER: Steve Miller. I just wanted
20 to acknowledge Karen Downey's help in facilitating
21 everything we saw at John Martin. We did that on a
22 kind of a last-minute basis and much appreciated.
23 Your folks were great when they took us around.

24 MR. RIZZUTO: Thank you. We'll defer on
25 reports of others at this point in time and we'll go

1 straight to reports of federal agencies. First,
2 U.S. Geological Survey, Bill Payne.

3 MR. PAYNE: Good morning, everyone. My
4 name is Bill Payne. I'm from Pueblo, Colorado with
5 USGS, and I'm going to go through and talk about the
6 2016 activities for the Arkansas River Compact sites
7 and also give some flow information as well.

8 In 2016, USGS operated 11 gages, nine in
9 Colorado, including one crest-stage gage, and for
10 those that don't know what that is, it's just a
11 single event recorder above Amity Canal in the Big
12 Sandy Creek, and two gages in Kansas, Coolidge and
13 Frontier Ditch.

14 First of all, I wanted to go through the
15 guidance that we adopted about a year ago as far as
16 the measurements in the Arkansas Compact sites. We
17 a year ago made some changes to that, and I'll just
18 go through those. Measurements are now made as soon
19 as practical and within 72 hours of request.
20 Measurements are made at each site and they're
21 implemented with corresponding shifts to the
22 stage/discharge rating as soon as practical but no
23 later than 24 hours following measurements, and the
24 USGS will make arrangements for weekends or off-hour
25 measurements of if critical needs are identified by

1 Kansas or Colorado when there's releases from John
2 Martin Reservoir. Those are the major points.

3 This is a table showing the summary of flows
4 in Acre Feet comparing 2016 flows to the 2015 Water
5 Year for all of the Compact sites, and then the --
6 that's the third column to the right, and then the
7 last column shows the percent of flow in 2016 as
8 compared to the average for the period of record.

9 Couple things to note. Arkansas River Las
10 Animas and Purgatoire near Las Animas, the flows in
11 2016 were obviously lower, much lower, drastically
12 lower than 2015. That was, if everybody remembers
13 in 2015, we had an extraordinary Water Year with
14 rain that started in April and continued through
15 June, so that's the reason for that, but as a
16 percent of the average, only the Purgatoire shows a
17 significantly lower amount.

18 Another thing to note is Big Sandy Creek near
19 Lamar, the percentages are extraordinarily higher,
20 over 200%, except for the total flow. It's 114%.
21 There was some -- a lot of water being moved around
22 and return flows coming from the canals down Big
23 Sandy, so that's what that is.

24 Other than that, most of the other sites are
25 very near 100%, with nothing extraordinary in that.

1 I just threw in these, the hydrographs for
2 each site and the instantaneous maximum for the
3 year. We can go through these rather quickly. The
4 red are the measurements made during the year. This
5 is the Apishapa River. There the maximum -- the
6 maximum flow there was 492 CFS May 31st of 2016.

7 Arkansas Las Animas, the peak was 1690 on
8 June 13th. Purgatoire near Las Animas was 402,
9 October 24 of 2016. Below John Martin was 1630
10 June 21st and Lamar was -- or Big Sandy at Lamar was
11 65 on July 27th of 2016. Arkansas River Granada was
12 1060 July 27th of 2016. Wild Horse Creek above
13 Holly was 211 July 11th of 2016. That's a seasonal
14 gage. And Coolidge was 1510 CFS July 1st. Not an
15 unusual year compared to last year.

16 These are streamflow duration hydrographs
17 showing 2015 and 2016. The green is average and, of
18 course, the purple is the 95th percentile and the
19 brown is the fifth and the black line is the flow
20 for the year. Both years are in the 95th percentile
21 during the peak runoff period.

22 This is Arkansas River at Leadville with 49
23 years of record. This one is Arkansas River
24 Parkdale. The line between, the straight line
25 between September and March is not real. For some

1 reason, the flow duration is putting in a -- it's
2 estimating values. There are no values in there.
3 This is a seasonal gage that operates April through
4 September. You can see last year in 2015, the flows
5 were high compared to this year, but we had a good
6 runoff this year as well.

7 This is the Arkansas River at Avondale, just
8 below Fountain Creek. Arkansas River at Las Animas.
9 Purgatoire near Las Animas. John Martin, Lamar,
10 Granada, Coolidge, and I throw this one in every
11 year. It's got 114 years of record. This is the
12 Arkansas River at Syracuse, Kansas.

13 In 2017, USGS proposes to continue the
14 operation of the existing 11 streamflow gages in
15 Kansas and Colorado, continue the coordination and
16 timing of discharge measurements as agreed between
17 Kansas and Colorado, and continue to monitor and
18 mitigate potential issues caused by beaver dams to
19 maintain data quality. If you recall last year, we
20 had some significant issues with beaver dams and we
21 hired a trapper who removed, I think, something like
22 18 beavers from the Big Sandy drainage and since
23 then, we've had no issues this year, and if you're
24 wondering, the guy in the -- this is the Leadville
25 gage. This is one of those times where you see the

1 gage and you think, oh, it's just a short distance.
2 We do own snowshoes, but we found out that it was
3 deeper than we thought. This was February of 2016.

4 I threw this slide in. This is an ADCP.
5 We've been able to utilize this technology in the
6 Lower Arkansas. We haven't been able to do in the
7 past. This is a new instrument. It's a river
8 probe, and we've been able to make measurements in
9 high turbidity flows as well as some significantly
10 moving bed. That's the boat down there with the
11 acoustic Doppler, and if you see in the lower left
12 there, that's the actual -- if you look close, you
13 can see the actual cross section there with the
14 velocity vectors and the bluetooth there it's
15 connected to the device with, so I just wanted to
16 throw that in there and show you that we've been
17 able to use some new technology now. Any questions?
18 Thanks.

19 MR. RIZZUTO: No questions? Thank you,
20 Bill. This will become Exhibit C to the record.

21 Next, I would call on the U.S. Army Corps of
22 Engineers. Welcome, Major.

23 MAJ. MELCHIOR: Sir.

24 MR. RIZZUTO: Good to have you here.

25 MAJ. MELCHIOR: I think I'm the new

1 record. I've been here three years in a row now.

2 MR. RIZZUTO: Introduce yourselves and go
3 ahead with your presentation.

4 MAJ. MELCHIOR: So good morning,
5 Mr. Chairman and members. My name is Jason
6 Melchior. I'm the Deputy District Commander for the
7 United States Army Corps of Engineers in
8 Albuquerque. I thank you for the opportunity, this
9 is the third year in a row, to present our key
10 topics in our report from last year and the items of
11 interest within the Arkansas River Basin.

12 Joining me from my district is Ryan Gronewold,
13 Reservoir Control Branch Chief; Mr. Garret Ross, our
14 Arkansas River Basin Coordinator; and Amy Louise,
15 who is going to be taking over as the Arkansas River
16 Basin Coordinator. We also have Karen Downey from
17 John Martin Reservoir, Traci Robb from Trinidad
18 Reservoir, and Van Truan of the Pueblo Regulatory
19 Office. Of note, we'd like to recognize Karen today
20 as well, since she will be retiring here in a few
21 weeks, so we all thank Karen for her service to both
22 the Corps and the nation as she, as she retires from
23 John Martin.

24 As noted --

25 MR. RIZZUTO: When you're speaking into

1 the mic, try and stay about four or five inches
2 back. Maybe that will stop the interference.

3 MAJ. MELCHIOR: We'll give it a shot,
4 sir. As noted in 2016, the Arkansas Basin snowmelt
5 runoff was relatively close to average throughout
6 the entire basin. As of May 1st, the basin wide
7 snowpack was at 110% of median, with the Upper
8 Arkansas Basin reporting 116% of median and the
9 Purgatoire River Basin reporting 85% of median.
10 USACE did not operate for flood control at Trinidad,
11 John Martin, or Pueblo Reservoirs within 2016.

12 So operations and maintenance at the two
13 Corps-owned dams within the Arkansas River Basin is
14 an ongoing effort. In addition to day-to-day work
15 performed at both Trinidad and John Martin, more
16 noble efforts are periodically undertaken to ensure
17 the continued safe operations of our facilities.

18 At Trinidad, the two sets of service and
19 emergency gates were refurbished by cleaning and
20 blasting the gates and container frames, and then
21 building up the sealing surfaces with an epoxy-based
22 coating system. The project's water supply system
23 was renovated through the replacement of two
24 40-year-old pumps and the addition of a backflow
25 prevention system.

1 So USACE requirements and regulations require
2 that the reservoir operations be periodically
3 reviewed and revised as needed. In 2016, the
4 Trinidad Lake Water Control Manual was reviewed and
5 it was determined that the water control plan did
6 not require any changes with respect to flood risk
7 management. The Trinidad Lake Water Control Manual
8 was revised and updated, including updates to
9 historic hydrologic data, operating and reporting
10 procedures, and general project information such as
11 recreation and watershed characteristics. The draft
12 is currently undergoing district and agency review,
13 and implementation of this new manual is expected to
14 occur within 2017.

15 Several projects were completed for the
16 structure of John Martin within 2016. The north and
17 south sump pumps were completely rebuilt. Backup
18 sump pumps were also installed so the primary pumps
19 could be taken off-line for maintenance and
20 inspection. The lubrication oil was changed in all
21 the gear boxes and bull gears of all 16 Tainter
22 flood gates.

23 The goal of the Lake Hasty Improvement Project
24 is to improve the quality of the habitat for fish
25 and waterfowl within Lake Hasty, and to improve the

1 general water quality of the lake. This project has
2 steadily been advancing throughout recent years, but
3 the project was placed on hold in 2016 while the
4 John Martin Reservoir Master Plan is under rewrite.
5 The process on this rewrite has already been started
6 with a public meeting held on October 27th, 2016,
7 here in Lamar.

8 A master plan is defined as "the strategic
9 land use management document that guides the
10 comprehensive management and development of all
11 recreational, natural, and cultural resources
12 throughout the life of the water resource
13 development project." In general, it defines how
14 the resources will be used by the general public.
15 The master plan does not address in detail the
16 technical operational aspects of the lake with
17 respect to flood risk management. The master plan
18 focuses on all USACE fee-owned land, including
19 easements, licenses, and leases within John Martin
20 Reservoir.

21 As everybody probably knows, several large
22 wildland fires have occurred within the Arkansas
23 River Basin in 2016. The Hayden Pass, Junkins and
24 Beulah fires have created burn scars which will have
25 the potential for long-term impacts within the

1 watersheds. The flood threat potential from these
2 burn scars has been significantly increased from the
3 prefire to the postfire conditions as a result of
4 the denuded watershed with reduced infiltration and
5 increased runoff. The Albuquerque District is
6 providing technical assistance related to the Hayden
7 Creek fire -- correction, the Hayden Creek Pass
8 fire -- through hydrologic modeling of the burn
9 scar. There's also been discussions and
10 documentations related to the potential requests for
11 the Colorado Division of Homeland Security and
12 Emergency Management for technical assistance
13 related to the Junkins wildfire.

14 So as usual, I always like to highlight some
15 of the priorities and recent contributions of the
16 U.S. Army Corps of Engineers and our local team.
17 The Corps believes in delivering engineering
18 solutions for the nation's toughest challenges, both
19 here at home and abroad. The Corps continues to
20 provide critical engineering support for the joint
21 force in Afghanistan and Iraq. While most of our
22 Corps employees are not soldiers, I'm proud to say
23 that during Fiscal Year 2016, we had five civilian
24 Albuquerque District members who voluntarily
25 deployed to Afghanistan, and we are currently

1 awaiting on sending another employee within the next
2 two months.

3 Within these -- within this mission set,
4 there's also been an increase in requirements for
5 volunteers to the Mosul Dam project in Iraq, which
6 is becoming a large Corps priority due to grouting
7 issues within the dam. It was placed on substandard
8 material and they're always concerned about its
9 imminent failure to the people of Iraq, so it's
10 always good to see Corps employees going over there
11 as well, to help the people of Iraq with that dam
12 project.

13 We also stand prepared and ready to respond to
14 natural or manmade disasters here at home. Each
15 year, the Corps deploys hundreds of people to
16 respond to public works, and engineering support to
17 coordinate long-term infrastructure. The
18 Albuquerque District maintains a team of trained and
19 medically-cleared volunteers who, at a moment's
20 notice, can deploy to disasters that occur within
21 our nation's boundaries.

22 This year, we deployed volunteers to support
23 both flood recovery operations in Arizona, and we
24 also stood up our temporary power team in
25 preparation to respond to Hurricane Andrew in the

1 southeastern United States. It's also timely to
2 note that our disciplined Corps team is working
3 diligently to strengthen our nation's security by
4 building and maintaining America's infrastructure
5 and providing military facilities where members
6 train, fight, work and live.

7 Sir, this concludes my briefing and my report,
8 and I will be happy to answer any questions of you,
9 the board, or the members here.

10 MR. RIZZUTO: Okay. Thank you, Major.
11 Questions from the board? Colorado? Kansas?

12 MR. EKLUND: No question, Major. Just a
13 quick thank you to you, and please pass along our
14 thanks to those who voluntarily deployed.

15 MAJ. MELCHIOR: Absolutely, sir.

16 MR. RIZZUTO: Good.

17 MAJ. MELCHIOR: Thank you, sir.

18 MR. RIZZUTO: We look forward to the next
19 three years.

20 MAJ. MELCHIOR: Can't guarantee that,
21 sir.

22 MR. RIZZUTO: We will make that report
23 Exhibit D.

24 Next, U.S. Bureau of Reclamation, Roy Vaughan.
25 Welcome.

1 MR. VAUGHAN: Good morning, and thank you
2 for having me. My name is Roy Vaughan,
3 V-a-u-g-h-a-n.

4 I'm going to start off with the
5 Fryingpan-Arkansas 2016 report. Imports were above
6 average, about 60,000. That's approximately 106% of
7 our 40-year average. The collection system in the
8 upper Colorado state was pretty much average all
9 season long. It was opened up May 5th. We peaked
10 June and ended August. Our year ended a little bit
11 early because of high temperatures and high winds in
12 the collection area.

13 So this is Turquoise Lake. The blue column is
14 2015, the silver column is 2016, and I don't even
15 know what that color is here. It's turquoise, I
16 guess we'll call it, so you can see we're above
17 average in Turquoise and right about where we are
18 this time last year. Let's see. Twin Lakes, we're
19 a little below average and a little below where we
20 were this time last year. Pueblo -- and these are
21 in Water Years, so Pueblo is above average and you
22 can see the last three years, it's been well above
23 average.

24 Summary of our project reservoirs: Turquoise
25 is about 101%, Twin Lakes is 94%, and Pueblo is 128%

1 of average. We're currently moving 115 acre -- or
2 excuse me -- CFS of water down from our upper
3 reservoirs to Pueblo. We'd like to make space for
4 about 60,000, but it all depends on what the
5 snowpack does and we'll adjust our flows
6 accordingly.

7 Our forecast for 2016 was 60, almost 63,000 in
8 February, about 60 -- or excuse me -- 55,000 in
9 March, 60,000 in April, and May 1st forecast was 65.
10 We missed, but we attribute that to the higher
11 temperatures and the wind sublimation.

12 This is the way Boustead Tunnel, the imports
13 came in. You can see basically what we described.
14 Started early and peaked and by the end of August,
15 we were through, or by the first of August. Excuse
16 me.

17 So this is -- this is as of December 7th, and
18 you can see where we are this year. The blue line
19 is the 2016 Water Year and the red line is average,
20 so this is the Arkansas Basin. This is our
21 collection system and, as we said earlier, the
22 average is we were pretty much average in the
23 collection system for the Water Year 2016.

24 A couple things that are going on in the area.
25 The hydro plant proposed by Southeast Water

1 Conservancy District, the final environmental
2 assessment has been completed and the finding of no
3 significant impact has been signed. The lease of
4 power privilege has been drafted and is being
5 reviewed by legal staff. And we're currently
6 reviewing the design and specs and going over the
7 submittals from the contractor.

8 AVC and the Master Contract. The Arkansas
9 Valley Conduit and Long-term Excess Capacity
10 Contract Environmental Statement was completed in
11 August, 2013. Record of Decision was signed
12 February, 2014. Primary Feasibility Design Report
13 is complete and two more are going to follow. We
14 believe the Master Contract will be designed -- will
15 be signed by the end of this year, and for
16 questions, there's Monica. She's the point of
17 contact for Reclamation in our Loveland office.

18 So Trinidad proposed operational changes, and
19 I don't know whether just to skip this slide or not
20 from what I heard yesterday, but I'll go ahead and
21 touch on it briefly. So it would allow the use of
22 storage water upstream of the reservoir and on
23 out-of-district lands, would allow the City of
24 Trinidad to use agricultural water for other uses,
25 and would allow additional storage in excess

1 capacity contracts, and it's my understanding that
2 we're still meeting with the Purgatoire District and
3 nothing has been resolved, but Bob Rice is here
4 today for additional information. There's his
5 contact. So, Bob, you want to raise your hand?
6 Okay.

7 So Trinidad Ten-Year Review status. The
8 requested Ten-Year Review is in the process of being
9 finalized by Reclamation. What's up next? Spring
10 2017, assemble technical group to review data.
11 Spring and summer of 2017, evaluate assets, ideas --
12 assess ideas, comments and suggestions. Late summer
13 2017, draft Ten-Year Review out for comments.
14 December, 2017, final report for ARCA, and Chris, as
15 you met earlier, is the lead on that. We're really
16 happy to have him, because there was some lag when
17 Andrew left and I really appreciate all the work
18 he's done on this. Anyway, go ahead. I'll speak
19 up.

20 Southern Delivery System, Phase 1 is complete.
21 Reclamation has actually took ownership of the fixed
22 cone valve and the additional manifold for the
23 project. The first delivery of water was made
24 April 28th, 2016.

25 Mussels were -- we still haven't found any

1 adult mussels in Pueblo, so that's really good news.
2 Pat McCusker in our Loveland office is the point of
3 contact for that, if you have any more questions.
4 Any other questions?

5 MR. RIZZUTO: Thank you, Roy. Questions
6 from any of the board? James?

7 MR. EKLUND: Thank you, Roy, for that
8 presentation. The State, on that Trinidad slide
9 that you very diplomatically danced on, is keeping a
10 close eye on the manner in which the Bureau is
11 dealing with the City of Trinidad as we discussed
12 yesterday and, you know, the attachment of a
13 contract to an operating agreement we don't believe
14 should drive the mechanics of contract amendment,
15 but we had a give and take, both give and take
16 yesterday on that point. We'll keep at it and see
17 kind of where we can get in terms of resolution on
18 that, but thank you for your presentation.

19 MR. VAUGHAN: I appreciate that and we'll
20 pass that on. Thank you.

21 MR. RIZZUTO: Thank you. Any other
22 questions? None? Thank you, Roy. U.S. Bureau of
23 Reclamation report will become Exhibit E to the
24 report.

25 Now we'll move into local water user and State

1 agency reports, and first, Purgatoire River Water
2 Conservancy District, City of Trinidad. Steve
3 Kastner.

4 MR. KASTNER: Thank you, Mr. Chairman.
5 This is my first Compact meeting as -- in my current
6 position. Jeris Danielson retired from the District
7 last summer, June, and the District hired me in
8 August. A little more introduction. For 25 years,
9 I worked for the Colorado Division of Water
10 Resources, and most of that in the Arkansas Basin
11 out of Pueblo under Steve Witte. Retired from that
12 in 2013 and began private water right consulting on
13 my own, and now also with the Purgatoire District.

14 I'll speak from some notes I have here. I
15 don't have an actual written report, but I can type
16 these up if you desire. During 2016 in our project
17 down there, we diverted the ditches, the 10 project
18 ditches diverted 48,000 Acre Feet. 40,000 of that
19 was project water and 8,000 was priority water, as
20 we characterize it. By depending on which measure
21 you use, that's 60 to 75% of our full water demand.
22 Relative to recent history, that's a good Water
23 Year, I hate to say, but that's the way it's been.

24 If you -- if you look at our diversions from
25 1982 to present and you draw a trend line of through

1 the annual diversions, the trend is downward. In
2 '82, the line was about 59,000 Acre Feet per year.
3 Currently, the line is at 36,000 Acre Feet, so over
4 the life of our project, the annual diversions are
5 moving downward, but like I said last year, 48,000,
6 which is a step above recent history.

7 I did look at precipitation for the last year
8 is a little less than 10 inches in the Trinidad
9 area. The average is around 14 or 15. I did look
10 up the definition of a desert. It's about seven or
11 eight inches of precip, so we're not -- we're not
12 there yet, but we're getting there.

13 Another item going on down there is what we
14 call our infrastructure project. It's a project to
15 improve ditches, facilities. It's about a quarter
16 of a million dollar project being funded by the
17 District, the ditches themselves, and the Colorado
18 Water Conservation Board grant. Erosion control,
19 headgate protection, some safety devices on
20 headgates, some flumes over arroyos or siphons under
21 arroyos, protection from erosion, those kind of
22 things. The work is definitely needed down there
23 and there's room for more improvement, so we hope we
24 continue in that direction. That work was scheduled
25 to be done this winter. We're getting behind on our

1 plans from our consulting engineer for those
2 designs, but we still hope to get a fair amount of
3 that work done this winter.

4 Another item I'll talk about is our field
5 verification down there as part of the operating
6 principle requirement. I've looked at 376 fields
7 this fall in September, October, early November.
8 That's about 30% of the irrigated fields in the
9 District. Totals about 5700 acres, which is about,
10 again, about 30% of the acreage in the District.

11 Jeff Montoya, the Division Engineer Water
12 Commissioner in the area, did a like amount with
13 some overlap, so statistically, I think that's a
14 strong sample size. The Division Engineer's office
15 is putting that information together and we'll have
16 a report the first of February.

17 I would also mention that I am starting to
18 pick up where Jeris left off in talking with the
19 Bureau of Reclamation on contract issues, primarily
20 financial issues for the District. The downward
21 trend in hydrology relates to farm income, which
22 relates to our ability to make our annual payments
23 to the Corps of Engineers and the Bureau of
24 Reclamation, so we're, we're looking for some
25 restructuring there. I'm hopeful, and we'll see

1 where that goes.

2 One final item is I would like to acknowledge
3 the support that our Water Commissioner, Jeff
4 Montoya, gives the District. You're looking at half
5 the staff for the District right here, so Jeff's
6 help is greatly appreciated. He allocates the water
7 during project and priority times and he calls in
8 the gate settings to the dam and ensures the right
9 amount of water goes to downstream water users. I
10 would like to increase the amount of telemetry we
11 have down there to lighten that burden, but anyway,
12 for the record, that acknowledgement; and that,
13 absent any questions, is my report, Mr. Chairman.

14 MR. RIZZUTO: Okay. Thank you, Steve.
15 Questions? None? Well, welcome to the position and
16 look forward to working with you in the future.

17 MR. KASTNER: Thank you.

18 MR. RIZZUTO: Thank you. One thing to
19 note on local reports, I won't make them a part of
20 the report, as far as an exhibit, unless someone
21 asks for that.

22 Next, Southeast Colorado Water Conservancy
23 District, Chris Woodka.

24 MR. WOODKA: Hi. This isn't my first
25 Compact meeting, but it's my first one with the

1 Southeastern District. Jim Broderick had a conflict
2 and couldn't be here today. He sends his apologies.
3 Garrett Markus from our engineering department is
4 here as well. As Roy said -- Roy stole most of my
5 thunder, so -- Roy stole most of my thunder, but I'm
6 going to go through it anyway here.

7 We, as he mentioned, we imported 59,000 some
8 Acre Feet of water, which was about 86% of his
9 projections from earlier in the year, and left us
10 with about 45,000 for allocations. About 80% of
11 that went to agriculture because so many of the
12 municipal accounts were still full from a wet 2015
13 that we had.

14 The feasibility study for the Arkansas Valley
15 Conduit will be complete by August and we anticipate
16 discussing various funding strategies and options
17 with the Bureau of Reclamation in getting that
18 built. We anticipate that the design and
19 construction will begin in the next fiscal year.

20 We -- for the hydropower project that Roy
21 showed you on the slide there, we received a
22 \$17 million loan from the Colorado Water
23 Conservation Board. We're in the process of
24 finalizing, we have about six contracts that we need
25 to do all at one time to get the thing done, so

1 we're hoping that we'll be able to do that and we
2 tentatively have a special meeting planned later in
3 the month of our board, so that we can get all those
4 approved.

5 A little bit of information about it. It's a,
6 it's a design-build project. Our contractor is
7 anticipating that we would be able to generate up to
8 7.5 megawatts of power and that we'd be able to work
9 in a range of flow from 35 to 800 CFS, so it's a --
10 it has three separate turbines in it that can
11 operate at various flows coming out of the dam.

12 And as he also mentioned, we completed our
13 Master Storage Contract with the Bureau of
14 Reclamation. It's awaiting signature. We have that
15 ready to go by -- we'll be doing it later -- well,
16 pretty soon.

17 We have subcontracts with 16 communities.
18 There's about, I think, roughly 20 others that we
19 haven't executed subcontracts with, and the reason
20 for that is that those other communities are in it
21 solely for the Arkansas Valley Conduit, so when
22 that's -- when the conduit gets built, their
23 subcontracts for storage in Lake Pueblo will kick
24 in, and we have an -- and that's kicking off this
25 year with about 6500 Acre Feet.

1 Okay. I think I'll put this up, and I'd be
2 happy to answer any questions you have.

3 MR. RIZZUTO: Okay. Thank you, Chris.
4 Questions? David?

5 MR. BARFIELD: I think Jim reported two
6 years ago on a study on additional storage options
7 or small medium storage options, I guess. Are you
8 all -- do you know what the status of that study is?

9 MR. WOODKA: In Lake Pueblo or --

10 MR. BARFIELD: Well, I think as I heard
11 it, and it was fairly general, but I think it was
12 just looking at a wide variety of options for
13 additional storage.

14 MR. WOODKA: Oh, well, we do have some
15 conversations going on restoration of yield studies
16 with the partners in the six-party intergovernmental
17 agreement from 2004 and we're looking at some
18 storage options downstream of Pueblo for that, but
19 nothing's been decided yet. They've got some
20 studies done on it. At the last meeting we had,
21 they'd identified some sites. It's proprietary
22 right now because we're still in negotiations for
23 the land.

24 MR. BARFIELD: All right. Thanks.

25 MR. WOODKA: Anything else?

1 MR. RIZZUTO: James?

2 MR. EKLUND: Thank you, Chris, for your
3 report. I want to just call attention to the fact
4 that you wrote for very many years very successfully
5 with the Pueblo Chieftain on this topic of water.
6 It's good to have you in a different capacity that
7 we get to keep you in water in Colorado in some way,
8 shape or form, and there's a nice Exhibit A of that
9 point in the local news section of the Pueblo
10 Chieftain this morning, an article about hydropower
11 and a project and the budgeting that the water --
12 the district that you now are with is in the midst
13 of accomplishing, so welcome and thanks for
14 continuing to be engaged.

15 MR. WOODKA: Thank you. That was
16 actually my first function as a communications
17 officer, so...

18 MR. RIZZUTO: Thank you, Chris. Next,
19 Lower Arkansas Valley Water Conservancy District,
20 Jack Goble.

21 MR. GOBLE: Thank you, Mr. Chairman.
22 Again, Jack Goble with the Lower Arkansas Valley
23 Water Conservancy District. So the Lower Ark
24 District has participated in a number of activities
25 this year, but I'll just mention a few of the

1 highlights. So we completed a second successful
2 year of the Catlin following leasing pilot project
3 where 238 acres were fallowed on six Catlin Canal
4 farms and we were able to deliver 406 Acre Feet to
5 the town of Fountain and -- or the town of Fowler
6 and the cities of Fountain and Security, and I would
7 like to mention that it was a -- it worked out, I
8 guess it worked out in a good way having this
9 project this year with the, the contamination to the
10 aquifer for Fountain and Security. They are very
11 thankful for this project, so it worked out nice for
12 all involved.

13 We continue to operate two Rule 10 plans under
14 the Irrigation Improvement Rules: The Fort Lyon
15 Plan, where we have 145 sprinklers that cover
16 approximately just under 16,000 acres; and then we
17 have the Non-Fort Lyon Plan, which is numerous other
18 ditches where there were 80 sprinklers operating,
19 covering about 8500 acres, and I will mention we saw
20 about a 9% growth in sprinkler acreage from '15 to
21 '16.

22 We also received, recently received a couple
23 of grants from the Colorado Water Conservation
24 Board. The first offers rebates to farmers to
25 encourage their conversion to totalizing flow meters

1 on their irrigation wells to replace using the power
2 consumptive coefficient method, and we had -- well,
3 it looks like we'll have about 30 wells converted,
4 so we're happy with that.

5 The second, a second grant we received from
6 the CWCB was to conduct Phase I of a feasibility and
7 scoping study for a new storage account in John
8 Martin Reservoir that we hope will help facilitate
9 further development and irrigation improvements, and
10 hopefully help lead to eventually maybe some
11 improvement in water quality.

12 We'll also be starting to monitor water
13 quality in an area downstream of John Martin
14 Reservoir under the Fort Lyon Canal, where there are
15 currently very few irrigation improvements. We plan
16 to monitor water quality for a few years. The exact
17 number is yet to be determined, but we'd like to get
18 enough to get to establish a baseline to get good
19 baseline data and then implement some best
20 management practices, maybe lining laterals or
21 installing sprinklers, and then continue to monitor,
22 monitor the water quality to see if there's any
23 changes realized.

24 Colorado State University has done some work
25 on this to show in modeling that irrigation

1 improvements help water quality, but we'd like to
2 actually do some on the ground testing to see if
3 that's actually the case, and this work is being
4 funded by the Colorado Department of Health and
5 Environment and contracted to us through the
6 Colorado Department of Ag, and I believe Cindy Lair
7 with the Colorado Department of Ag would like to add
8 a few comments about this work.

9 MR. RIZZUTO: Okay, Cindy.

10 MS. LAIR: Thank you, Jack. Again, I'm
11 Cindy Lair. I'm with the Colorado Department of
12 Agriculture and I would really like to just give a
13 quick update. Last year, I talked about an RCPP
14 project that we were working on with Kansas. I want
15 to point out my colleague in Kansas, Steve Frost.
16 He and I have worked together quite a bit to try to
17 keep coordinated on water quality issues and how we
18 might be able to work together, and we started
19 working quite diligently on a -- on an RCPP
20 application.

21 That is the Regional Conservation Partnership
22 Program through the Natural Resources Conservation
23 Service, and we quickly found out that there was
24 another group that was in on the Colorado side of
25 things that was working on kind of a similar

1 application, and so Steve and I decided, well, part
2 of what we were working on was separate. He was
3 working what was going on in Kansas was separate
4 from what we were doing in Colorado. We hadn't
5 quite figured out how to connect that puzzle between
6 the two, even though we were still working
7 collaboratively on this application, and so we, we
8 continued to explore how that might work for us to
9 do things that would be of benefit to the water
10 quality in the Arkansas River, and what we came to
11 this year that I think is worth noting is having
12 a -- an agreement with the Water Quality Control
13 Division in Colorado, and that is going to fund a --
14 an update on the watershed plan for the Lower
15 Arkansas.

16 The one we currently have is more, I think the
17 36,000-foot view doesn't really get to the meat of
18 some of the problems like I think a smaller area
19 would focus on, and so Blake Osborne with Colorado
20 Extension, he's the extension water specialist in
21 the Arkansas River Basin in Colorado and he will be
22 spearheading this process to redo the watershed
23 plan, and we're really focusing on below John Martin
24 Reservoir. I would like to point out that we would
25 welcome Kansas's participation and input in our

1 process and we will be releasing information on when
2 we have our meetings and scoping to make sure that
3 you're able to be involved.

4 I think what has really helped things a lot is
5 to have the Lower Arkansas Valley Water Conservancy
6 District be a part of this. They have recognized
7 that the water quality piece is really important and
8 they, representing the irrigators in the Lower
9 Arkansas River Basin, they said we have to get ahead
10 of this and we have to be the drivers of this, and
11 so it has been the perfect storm of the alignment of
12 the planets to have the right partners in place and
13 to get the money there to help power the activities
14 that we're doing.

15 I don't really remember a time in quite a few
16 years where we've had this type of synergy of
17 partnership. This group is going to facilitate a, a
18 producer-focused workshop on February 21st where we
19 will really talk about water quality and its impact
20 to the producers in the Arkansas River and its --
21 how it will impact their bottom line, the potential
22 for our future regulation, and I think that getting
23 them involved, getting the producers involved,
24 having them see their value in, in the solutions for
25 implementing these best management practices will

1 get us farther down the road, I think.

2 So I just really want to thank the Lower
3 Arkansas Valley Water Conservancy District. They've
4 provided great leadership in this and I think you're
5 going to see a lot more activity when it comes to
6 water quality work in the Arkansas River, and
7 obviously, it's not going to change things overnight
8 when we're looking at selenium and uranium, but
9 we're off to a really good start, so thanks a lot.

10 MR. RIZZUTO: Anything else, Jack?

11 MR. GOBLE: Oh, I just -- I was just
12 going to ask for any questions or --

13 MR. RIZZUTO: Okay. Questions of Jack or
14 Chris (sic)?

15 MR. BARFIELD: Not really a question; a
16 comment. Just appreciate your report, Jack, and
17 then your comments, Cindy, and really the work that
18 you all are doing, and again, we want to be engaged
19 and really supportive. We think these sort of
20 collaborative sort of approaches are really the way
21 to move forward, so just thank you.

22 MR. RIZZUTO: Thank you. Arkansas River
23 Basin Roundtable, James Eklund.

24 MR. EKLUND: Thank you, Mr. Chairman.
25 Just a real quick show of hands. How many people

1 are members of the Basin Roundtable here in the
2 Arkansas in the audience? Do we have any? There's
3 a few sprinkled around. Thanks for your attendance
4 at those meetings, showing up and representing your
5 interests and having the conversations that need to
6 be had.

7 We have a few things that we -- that have come
8 to the forefront, primarily the fires that happened
9 in the upper part of the Basin this year, wildfire
10 that you heard about from the Bureau, and we've,
11 we've got a group called the Arkansas River
12 Watershed Collaborative that has been meeting to try
13 and figure out if there is a -- an approach, a
14 collaborative approach with multiple stakeholders
15 that could be brought to bear on those burn scars,
16 because they're going to be something we have to
17 deal with in terms of water quality and runoff and
18 watershed health for some time to come, so we're
19 excited that the basin is kind of taking control of
20 its own destiny and making sure that we address the
21 important burn scar areas.

22 The Catlin lease fallow project is the other
23 big thing, and all the activity that Jack and Cindy
24 Lair just laid out, those kind of stole the show on
25 the Arkansas River Basin Roundtable, so I will bring

1 that, I guess, to a close, and I can talk more about
2 the water plan if there aren't any questions,
3 Mr. Chairman.

4 MR. RIZZUTO: Questions? None? Okay.
5 We'll move right into the Colorado State Water Plan,
6 James.

7 MR. EKLUND: Thank you again. So
8 Colorado State Water Plan has a number of measurable
9 objectives on storage, on conservation, on
10 agricultural, trying to get away from buy-and-dry
11 transactions being the only way forward for
12 municipal growth in this State, so we have our work
13 cut out for us, but we think we've got a really good
14 road map to follow here on each of those metrics.

15 So for conservation, we identified back clear
16 in 2003 that we had a looming 560,000 Acre Foot gap
17 between supply and demand statewide, and being no
18 economist, I've heard that that's a bad thing. We
19 need to address that.

20 So what we've done is we've tried to hit it
21 from the supply side and the demand side. From the
22 supply side, that's storage. 400,000 Acre Feet of
23 new storage needs to come online in the State of
24 Colorado between now and 2050, so we'll be working
25 with our federal partners and local partners on that

1 effort.

2 400,000 Acre Feet on the supply -- on the
3 demand side needs to come from conservation, in
4 addition to what we are already seeing, so if we
5 feel like if we can hit it from both of those sides,
6 then we can zero out that gap so standing in 2030,
7 looking at 2050 projected uses and supply, we can
8 say we've got a zero gap forecast, so that's the
9 idea.

10 The water plan is a grass roots based process.
11 As you've heard me talk about over the last couple
12 of years now, we have these Basin Roundtables in
13 every basin in the State. It's the largest civic
14 engagement process in Colorado history and we're
15 pretty darn proud of it, to be frank, so we think
16 we've got the road map forward to deal with really
17 difficult challenges, whether they're of these burn
18 scars that I just talked about in the Arkansas and
19 other basins, or beetle kill in other parts of our
20 watersheds. It's just really all around the State,
21 we have now a method and a structure that allows us
22 to get right at the issue and get the conversation
23 at the right level, and that's at the grass roots,
24 boots on the ground level that we, we want to have
25 that conversation start.

1 So in addition to all the ground work and all
2 the effort that you've heard about over the course
3 of this meeting, we have a lot of really excellent
4 work going on and with irrigated agriculture, so our
5 measurable objective there is 500 -- well, right
6 now, we're at about 3,000 Acre Feet rough justice
7 statewide on alternatives to buy-and-dry.

8 So buy-and-dry is the permanent purchase of
9 water rights off of, you know, by a municipality, in
10 most cases transfer that water off the land in
11 perpetuity and the drying of the land, and we call
12 it buy-and-dry, and it's meant to be a derogatory
13 phrase, because we don't like it, and if we do that
14 statewide, we can see upwards of 700,000 acres taken
15 out of production between now and 2050, and that is
16 not the Colorado we want our kids and grandkids to
17 inherit. So we want to make sure we're plotting a
18 path forward that's better than that, and what we've
19 got in the water plan is a measurable objective that
20 that 3,000 Acre Feet of alternatives to buy-and-dry
21 needs to grow to 50,000 Acre Feet of alternatives to
22 buy-and-dry water in those, in those types of
23 transactions as opposed to the outright buy-and-dry
24 transactions.

25 So I'll stop going on and on about that, but

1 the staff from all the State departments that you've
2 seen and you'll hear from today, including Cindy and
3 Steve Miller and Erik Skeie, we have a great team of
4 folks, as well as our State Engineer, working on
5 these issues and trying to plot a really good path
6 forward for the State of Colorado. So with that,
7 I'll answer any questions.

8 MR. RIZZUTO: Questions of James? Good
9 job.

10 Okay. Colorado Parks and Wildlife, Brett
11 Ackerman.

12 MR. ACKERMAN: Good morning,
13 Mr. Chairman, members of the Administration. Again,
14 Brett Ackerman, Colorado Parks and Wildlife. I'm
15 here today to talk about the Permanent Pool at John
16 Martin. You've heard from me the last few years
17 about the Permanent Pool and have given
18 presentations in the past.

19 My intent here today is just to give a brief
20 update on the progress of this project throughout
21 this year. The Special Engineering Committee
22 meeting -- the Special Engineering Committee has met
23 a number of times and part of the business that
24 they've dealt with is the Permanent Pool, and so
25 we've had some significant conversations. We

1 continue to have conversations about the Permanent
2 Pool.

3 Just in a nutshell, as a reminder, the issue
4 with the Permanent Pool in John Martin Reservoir is
5 that it has been decreed, but we don't have
6 sufficient sources to keep that Permanent Pool full
7 at the times when it matters the most, during low
8 water years. So again, we're able to put water in
9 the Permanent Pool when there's a lot of water
10 available. As there becomes less water available
11 and we need that Permanent Pool, we're unable to put
12 water in the Permanent Pool and, therefore, it
13 doesn't fulfill its purpose of maintaining the
14 fishery and the boating opportunities during those
15 low water years, so we've been in communication with
16 the State of Kansas and ditches in Colorado to try
17 to look at new sources for the Permanent Pool. We
18 focused in on the Highland Ditch and continue to
19 have conversations about the Highland Ditch. We
20 weren't quite there yet for this meeting and so
21 we're not asking for a resolution here today.

22 One of the things that I wanted to point out
23 is that in my previous presentations, we have
24 committed and my agency has committed to put water
25 in the Permanent Pool during these wet years, and as

1 we've had a couple of wet years these past couple of
2 years, we have put water into the Permanent Pool,
3 and so I believe currently, it sits at about 7500
4 Acre Feet of the 10,000 Acre Foot Permanent Pool.

5 We continue to look for opportunities to do
6 that, but it is beginning to dwindle already from
7 the water that we've put in and we're hoping that in
8 2016 (sic), we can reach agreement and ask ARCA,
9 Mr. Chairman, to hold a special meeting sometime in
10 the spring to approve a resolution. Again, we're
11 not there yet. We're hopeful that we will be able
12 to get there, and if we are able to get there, we're
13 hoping to get in contact with ARCA and request that
14 special meeting, and that's all I have to report,
15 Mr. Chairman, on this issue.

16 MR. RIZZUTO: Thank you, Brett.

17 Questions of Brett? None? Good.

18 MR. ACKERMAN: May I just make one more
19 comment, Mr. Chairman?

20 MR. RIZZUTO: Please.

21 MR. ACKERMAN: I just wanted to -- I'd be
22 remiss if I didn't thank the State of Kansas for
23 their cooperation and input on this issue. It's not
24 an easy issue. It's been around for over 40 years
25 and I appreciate Kansas's engagement and very

1 productive approach to this issue. Thank you.

2 MR. RIZZUTO: Okay. Next, I'd like to
3 call on Kevin Salter do the Ten-Year Compact
4 Compliance, and to let everyone know, I'm going to
5 do Kevin and then Colorado PDF and then the
6 Irrigation Improvement Rule, and then I'll take a
7 short break. Kevin.

8 MR. SALTER: Thank you, Mr. Chair.
9 Again, Kevin Salter with the State of Kansas. Each
10 year, we go through a process throughout the entire
11 year dealing with Colorado's compliance with the
12 Compact. The end result of that is this table.
13 It's a Ten-Year compliance table. There's no good
14 place to kind of put this, so we've asked that the
15 ARCA make this a part of their record.

16 So at the period of time that we're looking at
17 this time is from calendar year 2006 through
18 calendar year 2015. The bottom line number on that,
19 if you sum all the annual results, is a Stateline
20 accretion of 28,116 Acre Feet. Yesterday during the
21 committee meetings, we went through this in a little
22 more detail and I'd be happy to ask any questions --
23 answer any questions that you might have.

24 MR. RIZZUTO: Questions of Kevin?
25 Doesn't look like it.

1 MR. SALTER: Okay. I'd like to thank
2 Kelley Thompson and some of the staff in Colorado
3 Division of Water Resources and the Spronk Water
4 Engineers for their help in putting this together.

5 MR. RIZZUTO: Thank you. Kelley
6 Thompson, Colorado Presumed Depletion Factor
7 evaluation.

8 MR. BARFIELD: Mr. Chairman, should we
9 make that Ten-Year Accounting table Exhibit F? Is
10 that acceptable?

11 MR. RIZZUTO: That is.

12 MR. BARFIELD: Okay. Thank you.

13 MR. THOMPSON: Thank you, Chairman
14 Rizzuto. Again, my name is Kelley Thompson from the
15 Colorado Division of Water Resources. I'll just
16 give a really brief update on the annual Presumptive
17 Depletion Factor evaluation that we did for 2016,
18 and again, these are used to relate to pumping
19 amounts to the stream depletion amounts, and we're
20 directed by Amended Appendix A.4 of the *Kansas*
21 *v. Colorado* decree to re-evaluate the supplemental
22 flood furrow irrigation PDF each year, and so for
23 year 2017, our evaluation did indicate that we
24 should use a value of 36.0%, and the Kansas experts
25 did look at that evaluation and confirm that number,

1 so we'd recommend that Division 2 and the well
2 augmentation groups do use that at 36.0%, so that's
3 all it is. Thank you.

4 MR. RIZZUTO: Questions of Kelly? None?
5 Okay. Next, I'd like to call Bill Tyner, Colorado
6 Irrigation Improvement Rules.

7 MR. TYNER: Thank you, Mr. Chairman and
8 members of the Commission. Kevin is going to just
9 put up the last slide of a presentation that I
10 provided to him. The entire presentation is
11 available for use by anyone interested in more
12 detail on Irrigation Improvement Rules. It's hard
13 to believe that we've gone through five years now
14 since these new rules were first implemented back in
15 2011, but the implementation has worked out to be
16 pretty smooth.

17 Jack Goble gave some highlights on the two
18 Lower Arkansas Valley Water Conservancy District
19 plans that they've successfully operated and want to
20 express appreciation once again for their district
21 and their ability to step in and fill that need when
22 farmers would have been in a difficult situation,
23 had there not been a conservancy district to step up
24 and help them implement those first plans; and then
25 the Lower Arkansas Water Management Association has

1 also done a plan in the last three years, I believe,
2 and appreciate them also being able to provide some
3 additional options below John Martin.

4 All of their sprinklers are under the Lamar
5 Canal right now, but they likely will be sponsoring
6 some additional improvements throughout the lower
7 basin in the upcoming years. Our sprinkler acreage
8 overall, most of which is in those Lower Arkansas
9 Valley Water Conservancy District plans, Jack gave
10 some acreages in his presentation, but the total of
11 all three plans is 27,138 sprinkler acres that are
12 covered by the improvement rules plans. 343 acres
13 of drip irrigation are covered by those plans.

14 One lateral improvement was done under the
15 Catlin Canal that included 542 acres of irrigated
16 lands that's covered by one of the Lower Arkansas
17 Valley Water Conservancy District plans. Return
18 flow maintenance obligations are a little bit lower
19 due to the implementation of the study results from
20 a pond seepage study that Lower Arkansas Valley
21 Water Conservancy District helped some farmers do
22 under the Fort Lyon Canal and a couple of ponds
23 under some adjacent canals, and that two-year study
24 showed that the amount of pond seepage was indeed
25 greater than we had originally assumed in the return

1 flow modeling, and so this is the first year that we
2 fully implemented the results of that study, and so
3 the obligation to maintain return flows went down a
4 little bit since some return flows were more than we
5 expected through the head stabilization ponds.

6 Nevertheless, among the three plans, nearly 1300
7 Acre Feet of return flow maintenance has been
8 provided from other, other sources to ensure that
9 we're in compliance with the Compact, and senior
10 water rights in Colorado are protected as irrigation
11 improvements are put in.

12 We talked a little bit yesterday about the
13 fact that to preserve water quality, it may
14 ironically be necessary to go back and line some of
15 those head stabilization ponds to maybe reduce salt
16 loading, and that will cause a little bit of a
17 transition to have to be made in some of these
18 plans. We're hopeful that the possibility of
19 additional storage in a new account in John Martin
20 will help facilitate that, but that will be a topic
21 of discussion in the upcoming years to see if that
22 will work.

23 And then just very quickly, at the risk of
24 taking time right before the break, I appreciated
25 Steve Kastner acknowledging Jeff Montoya, our Water

1 Commissioner down in Water District 19, and just
2 wanted to also say that John Van Oort is our
3 supervisor of all of our water commissioners and our
4 river reservoir operations staff, and John just does
5 a fantastic job of helping our staff keep up with
6 technology and do our jobs better.

7 Phil Reynolds in the division office handles
8 our river and reservoir operation work for John
9 Martin Reservoir, Trinidad Reservoir and Pueblo
10 Reservoir, you know, makes sure that releases and
11 the accounting of those releases are -- and storage
12 are done properly, and does an excellent job.

13 Rachel Zancanella is our new assistant
14 division engineer doing litigation work there in the
15 Pueblo office and, you know, provides tremendous
16 support for watching water court cases that could
17 have Compact implications; and then in our water
18 districts in this lower part of the basin, Lonnie
19 Spady, Rebecca Nichols, Janet Myers, our groundwater
20 commissioners, Dan DiRezza, Chad Brumit and Don
21 Morton work tirelessly to try to make sure that
22 water is managed properly, and work with a lot of
23 integrity to try to work with water users to ensure
24 that that's done.

25 And wanted to thank Kevin Salter and Rachel

1 Duran and Brandy Cole, who I had a chance to work
2 with a lot in reviewing dryup of irrigated lands for
3 augmentation purposes, the review of these
4 Irrigation Improvement Rules, and it's been good to
5 work with them through this process. They're
6 pleasant to work with in these sometimes contentious
7 situations, so I wanted to thank them.

8 Want to thank Steve Witte, who has been my
9 boss for 20 years with the Division of Water
10 Resources and really appreciate him; and finally,
11 last but not least, I've appreciated Dick Wolfe
12 being our State Engineer for 10 years. I've
13 relentlessly tried to convince him not to retire
14 before I did, but doggone if he isn't going to beat
15 me a little bit, so I want to thank him, and then
16 that's it for my presentation.

17 MR. RIZZUTO: Thank you, Bill. Questions
18 of Bill? None? Thank you. At this time, I will
19 take a nine-minute break, so we'll come back at
20 9:50.

21 (A break was then taken from
22 9:39 a.m. to 9:59 a.m.)

23 MR. RIZZUTO: Okay. So with that, at
24 10:01 Mountain Standard Time, I will call the
25 meeting back to order, and first order of business,

1 report of Special Engineering Committee, David
2 Barfield.

3 MR. BARFIELD: Thank you, Mr. Chairman.
4 Last year -- the Special Engineering Committee is
5 something that ARCA created a number of years ago to
6 sort of deal with the issues that needed a little
7 more focused attention and particularly needed the
8 involvement of the Colorado State Engineer and his
9 staff, as well as myself and my staff, in sort of a
10 more intimate environment where we can really dig in
11 and try and solve some prickly issues.

12 Before I start on the report, I guess I --
13 Bill Tyner sort of started it, but I want to sort of
14 add to some remarks about State Engineer Dick Wolfe
15 and his coming retirement. We actually -- Hal
16 Simpson, a former State Engineer of Colorado, and
17 David Pope, my predecessor, both retired essentially
18 the same time, and Dick and I actually sort of
19 became acting, in our acting capacities about the
20 same time, and anyway, it's been a pleasure working
21 with you, Dick, and really all of your staff these
22 last 10 years and sort of trying to tackle some of
23 these issues that Dick and I also are very engaged
24 on issues on our Republican River Compact, which
25 have required a lot of attention in recent years as

1 well, and culminated this last August in approving
2 some long-term resolutions to our -- sort of the
3 administration of that basin, both for the Colorado
4 Upper Basin and with Nebraska, and just a lot of
5 hard work to get those things done, and this SEC
6 assignments that we're going to be reporting on,
7 we're sort of really been starting to dig in in
8 recent months and are going to continue to make a
9 hard push to sort of work through some issues in the
10 next six months, but anyway, appreciate Dick and
11 really all of your staff.

12 You know, there's been a lot of good work done
13 in these 10 years. We could talk about the Colorado
14 Irrigation Improvement Rules and we've made some
15 significant improvements to the H-I Model; you know,
16 the PDF evaluations that you've heard about, and
17 there was a lot of complex stuff that we have to
18 deal with and it's been a good period. Appreciate
19 the response to help us understand the complexity of
20 you all's operations and so we can do our job to
21 ensure that Kansas is getting what it's entitled to.

22 So with that, I'll go on to the SEC itself.
23 The, the 19 -- the 2015 ARCA meeting asked the SEC
24 to sort of deal with three different types of
25 issues. One is sort of the normal task of taking

1 things on our matrix of sort of unresolved issues
2 related particularly to John Martin accounting and
3 sort of resolve them, and the second -- and there
4 were sort of specific issues cited. One of them
5 we'll hear about under Agenda Item 13.C.i. It will
6 be resolved in another Water Issues Matrix issue as
7 well.

8 We were asked to really dig into this
9 Permanent Pool issue, and you've already heard Brett
10 provide a report on that and we certainly are
11 committed to sort of work through that process and
12 find something that sort of works for everybody and
13 then work on a series of sort of long-standing
14 unresolved issues related to the LAWMA decree, and
15 again, we've -- we're looking at sort of the suite
16 of the 15 issues that are sort of unresolved, and
17 again, sort of trying to figure out what of those
18 issues can be resolved in the short-term in
19 particular, so I think we're making good progress on
20 those and we've got a meeting scheduled for early
21 next month and sort of work assignments that are
22 even ongoing between now and then, so I'll leave it
23 at that.

24 MR. RIZZUTO: Any questions of David?
25 Thanks, David. Next, I don't see Steph so, okay,

1 we'll continue on. Committee written summaries, 9,
2 10 and 11 is part of the agenda. They will become
3 one exhibit after we go through them.

4 So first, I'll call on Scott Brazil, report of
5 the Engineering Committee.

6 MR. BRAZIL: Okay. On the Engineering
7 Committee, we heard a brief report from Kelley
8 Thompson from the Colorado Division of Water
9 Resources on the status of the Colorado Decision
10 Support System on the Arkansas River.

11 The committee also received a presentation
12 from Chris Gnau, G-n-a-u, I think, from the Bureau
13 of Reclamation on the statistics related to the
14 double mass analysis historical use in the Trinidad
15 Operating Principles Ten-Year Review and the
16 schedule of initial work for the Ten-Year Review for
17 the 2005 to 2014 period.

18 We also heard from Bob Rice on the Bureau of
19 Reclamation on the City of Trinidad's proposed
20 amendments to the Trinidad Operating Principles that
21 were first proposed in 2012. We also heard an
22 update on the 2016 GP Farms operations from Bill
23 Tyner, noting the improved pumping, actual pumping,
24 and the State's involvement with water court case
25 15-CW-3067.

1 Received a presentation from Jack Goble from
2 the Lower Arkansas Conservancy District on the
3 second year of the Catlin Canal lease fallow pilot
4 project, and we also heard from Jack on the study
5 for a new storage account in John Martin Reservoir.
6 We heard from Brett Ackerman from the Colorado Parks
7 and Wildlife on the Permanent Pool and we heard an
8 update on the Fountain Creek flood control study
9 from Larry Small, which is probably a long way from
10 getting anything accomplished on it.

11 We heard an update from David Barfield from
12 the Division of Water Resources in Kansas on the
13 LAWMA water court decree, a presentation from the
14 USGS, heard a report from Garrett Ross of the Corps
15 of Army Engineers, a reservoir master plan rewrite
16 project. The committee received a report from --
17 oh, I already did that one.

18 We heard from Kevin Salter on the funding of
19 the aging flume on the Frontier Ditch and we heard a
20 request to look at the cost of the gages on the
21 Frontier and possibly monitoring on the Las Animas
22 Consolidated wasteways, and that's our report.

23 MR. RIZZUTO: Questions?

24 MR. BARFIELD: So I guess I would just
25 ask that the report be attached to the minutes, and

1 there are two action items that are noted in the
2 report: One related to asking Kevin Salter to help
3 us with the sort of funding that might be required
4 for that Frontier Ditch flume replacement, and the
5 other to provide cost on adding those Las Animas
6 Consolidated wasteways to the Colorado system there,
7 so I think there's no action by ARCA, other than
8 maybe attaching this to the record.

9 MR. RIZZUTO: All right. Okay. At this
10 time, we'll do report of Operations Committee. Hal
11 Scheuerman.

12 MR. SCHEUERMAN: Good morning. I'd like
13 to thank everybody for coming today. My partner in
14 crime was Lane Malone yesterday, and we heard
15 several reports yesterday. We, the committee,
16 received Compact Year 2016 reports from the
17 Operations Secretary, Steve Witte, and the assistant
18 secretary -- Assistant Operations Secretary, Kevin
19 Salter.

20 The committee also received a 2016 report of
21 Offset Account from Bill Tyner. The committee
22 received Colorado's Presumptive Depletion Factor
23 evaluation report from Kelley Thompson. The
24 committee heard an update from Kevin Salter on the
25 Water Issues Matrix and disputed issues.

1 The committee heard an update on the
2 implementation of the Irrigation Improvement Rules
3 with Bill Tyner. The committee received an update
4 on the status of the 2017 Offset Account review from
5 Kevin Salter that was presented to ARCA to be -- to
6 be presented to ARCA at their 2017 Annual Meeting.

7 The committee was informed by Kevin Salter of
8 two resolutions up for consideration. The first one
9 is the accounting for storage pursuant to Section
10 III(A) of the resolution concerning an Operating
11 Plan for John Martin Reservoir as amended, and the
12 second one regarding the resolution of Water Issues
13 Matrix Number 33, which is the transit loss on
14 reservoir-to-reservoir deliveries.

15 We had three action items that we had listed
16 on our -- from our meeting. The first is the
17 Ten-Year Compact accounting table, 2006 to 2015 was
18 presented. The committee recommended this table be
19 made an exhibit, and that has already been done, I
20 believe, under section 7, Item -- Item 7.A. The
21 committee also acknowledged their receipt of Compact
22 Year 2016 reports of the Operations Secretary and
23 the Assistant Operations Secretary. The last item
24 the committee referred for consideration of the 2006
25 through 2015 Operations Secretary and Assistant

1 Operations Secretary reports to the Special
2 Engineering Committee, and that's the end of my
3 report.

4 MR. RIZZUTO: Questions of Hal? None?
5 At this time, Operations Secretary report, Steve
6 Witte.

7 MR. WITTE: Good morning, Mr. Chairman
8 and members of the administration. We started out
9 the Compact Year last year with about 206,000 Acre
10 Feet in storage, and at the end of the Compact Year,
11 we had only 93,804 remaining, so we had a net loss
12 of about 112,000 Acre Feet of storage in the
13 reservoir.

14 Over the course of the year, we added 43,600
15 and some Acre Feet during the winter compact storage
16 period, and then there was an additional 1500 and
17 some Acre Feet added during the summer storage for
18 a, for a total gain to conservation storage of about
19 45,000 Acre Feet.

20 The -- during the year or at the end of
21 Compact Year 2015, the Las Animas Consolidated had
22 about 900 and -- about 900 Acre Feet of water
23 remaining in their Section III account that they had
24 not been able to place to beneficial use, so
25 pursuant to Section III of the 1980 Operating

1 Resolution, that amount of water got transferred
2 back to conservation storage; and there was a
3 similar transfer that was necessary at the end of
4 this Compact Year, a far lesser amount, less than
5 100 Acre Feet, but wanted to report that that --
6 that was done.

7 During the winter storage period, the Compact
8 is also water stored under Section III under -- we
9 refer to it as the Pueblo Winter Water Storage
10 Program, and 35% of that is assessed as a storage
11 charge and distributed in various ways. 65% of that
12 then is available to Colorado water users under
13 Section III.

14 The total amount that was available to
15 Colorado water users was 8,288 Acre Feet and then,
16 as I said, the balance went to pay back first a
17 deficit to the State of Kansas as a result of
18 underdelivery in 2015. Next, 1700 Acre Feet went
19 into the Transit Loss Account, and the remainder of
20 that 35% then became -- was distributed between
21 Colorado water users and Kansas water users.

22 I won't go into a great deal of detail on the
23 Offset Account, because there's a report following
24 this one on that, on the operation of that
25 individual account. It's safe to say that there was

1 water added to the Offset Account from three sources
2 last year: The Highland Canal, the Keesee Ditch
3 water right, and water acquired by the Lower
4 Arkansas Water Management Association from Colorado
5 Springs Utilities.

6 There was a net loss to the Permanent Pool
7 over the course of the year. Brett touched on this,
8 but even in a year like this one, when 1784 Acre
9 Feet was added, with evaporative losses assessed,
10 there was a net loss of about 296 Acre Feet over the
11 course of the year.

12 Kansas called for three deliveries during the
13 year. The first delivery was of water strictly
14 drawn from the Kansas Section II account. The
15 second was a combination of water drawn from both
16 the Offset Account and Section II, and then there
17 was a third run of just water from the Offset
18 Account.

19 Yesterday, I -- I discovered an error in the
20 text of my report. I'd like to correct that now,
21 and I made a mistake in reporting to the, to the
22 committee that there was no deficit. Actually, the,
23 the accounting supplements in the report do
24 recognize that there was an underdelivery of 72 Acre
25 Feet that was made on the second run from Section

1 II. We didn't have an opportunity to pay that back
2 during the 2016 Compact Year, but if you go into
3 this year's accounting, the current year, 2017, the
4 payback of 72 Acre Feet is reflected in that
5 account, and so I'll bring that up again next year,
6 but I also wanted to point it out here today.

7 I mentioned that there were deliveries out of
8 the Offset Account previously that I think a total
9 of 5,683 Acre Feet was released. Of that, our
10 crediting accounting showed a delivery of about
11 4,044 Acre Feet of fully consumable water to the
12 State of Kansas. Colorado water users called for
13 releases of 45,252 Acre Feet from their Section II
14 accounts, and so I think that summarizes the major
15 activities that took place in the implementation of
16 the 1980 Operating Resolution for Compact Year 2016.

17 I submitted my written report to the committee
18 yesterday formally. I previously distributed that
19 on December 1st and sent copies to the Recording
20 Secretary, so unless there are questions, I think
21 that concludes my report.

22 MR. RIZZUTO: Questions? Thanks, Steve.
23 Okay. Next, Mr. Kevin Salter, Assistant Operations
24 Secretary report.

25 MR. SALTER: Yes. Kevin Salter,

1 Assistant Operations Secretary for the Compact.

2 I'll be brief. We had a little bit longer time
3 yesterday before the committee showing some graphs
4 of John Martin Reservoir and the releases that were
5 made to Kansas.

6 I kind of started off. Steve and I have
7 agreed to really try to foster the communication
8 between the State staffs. That was facilitated
9 between the Operations and Assistant Operations
10 Secretaries by two meetings between our staffs. One
11 of those was with the Operations Committee last year
12 when we walked through the Water Issues Matrix.

13 Throughout the year, I really appreciate the
14 communication level that's going on between the
15 staffs and, as things come up, we try to get those
16 resolved so they don't become a bigger issue down
17 the road. The Kansas deliveries is one of those
18 things where we spend a lot of time communicating
19 both prior to releasing from John Martin Reservoir,
20 during, and then after, as we work to agree to the
21 accounting for those releases. We did come to
22 agreement on all three releases during the year, and
23 so that's always a good thing.

24 The Pueblo Winter Water Storage Program is
25 something that I've talked about for a number of

1 years. We are working to make some real progress to
2 resolve some of those issues, some of that occurring
3 within the Special Engineering Committee.

4 Speaking of the Water Issues Matrix, we are --
5 again, report to the Administration that we have two
6 issues that were resolved and there will be
7 resolutions on those issues upcoming, so appreciate
8 everybody's work in getting those done. Hopefully
9 we'll have some more progress report next year.

10 Again, we do have a Special Engineering
11 Committee, and I appreciate all the work and stuff
12 that's -- all the work that's going into that
13 committee, and we hope to have some real good
14 progress over the next six months and hopefully even
15 beyond that time to resolve some of the issues.

16 Then I'd like to thank Rachel and Brandy of my
17 staff that help support me in what I do. I also
18 want to point out Rachel and Erik for all their work
19 that they did yesterday in helping the committees
20 get action items together and put before the
21 committees to get the reports done today and all the
22 other work that they have done to kind of make this
23 meeting go well, as well as Stephanie Gonzales in
24 finding the new location. We have little bugs with
25 it, but it is different and I appreciate her work.

1 So that's my report. Thank you.

2 MR. RIZZUTO: Questions of Kevin? Okay.
3 Offset Account Report, Bill Tyner. And Steve, are
4 you going to join him or just let Bill carry the
5 ball?

6 MR. WITTE: No, just Bill.

7 MR. TYNER: Good morning. Once again. I
8 think Kevin's going to put up just a single slide.
9 Since nobody's used this joke yet, I feel like we're
10 all giving a slanted perspective.

11 No big deal if we don't.

12 MR. SALTER: There it is.

13 MR. TYNER: Okay. Just a real simple
14 presentation on what happened in the Offset Account
15 for this Compact Year. The Lower Arkansas Water
16 Management Association was the -- a one well
17 association that provided water to the Offset
18 Account for this particular year. March 31st, they
19 transferred 575 Acre Feet of water into the Offset
20 Account from their Article 2 account in John Martin
21 Reservoir. 500 Acre Feet of that was to pay the
22 storage charge to Kansas for the use of the Offset
23 Account for 2016. 75 Acre Feet was Stateline return
24 flows and transit loss water owed to Kansas from the
25 use of the Keesee water right for that purpose.

1 5,114 Acre Feet were delivered to the Offset
2 Account, as Steve mentioned, and those came from the
3 Highland Canal water right, the Keesee water right,
4 and then large portions from water purchased by
5 Lower Arkansas Water Management Association from
6 Colorado Springs Utilities and delivered from
7 upstream reservoirs to the account.

8 Kansas made the two releases that involved
9 Offset Account water, as previously described.
10 Released a little over 5,400 Acre Feet of water from
11 the account out of John Martin Reservoir. The
12 Stateline credit for LAWMA under the Crediting
13 Agreement amounted to 4,044 Acre Feet, and then
14 there would have been some additional water on top
15 of that credit that would have arrived at the
16 Stateline under the Crediting Agreement, and then
17 the only other element of accounting for the Offset
18 Account was the evaporation from the account, and it
19 amounted to 1,721 Acre Feet for this Compact Year.
20 So the beginning balance at the start was 5,877 Acre
21 Feet and after the activity during the year, the end
22 of the year balance was 4,431 Acre Feet, and that's
23 all I had on the Offset Account.

24 MR. RIZZUTO: Okay. Thank you, Bill.
25 Questions? None? Okay.

1 MR. MILLER: I think there's only one
2 item --

3 MR. RIZZUTO: Go up to the mic, Steve.

4 MR. MILLER: There's only one item left
5 to do for your committee, for this committee, right,
6 on the agenda, or are you all done?

7 MR. HAYZLETT: Recommendations from the
8 Operations Committee.

9 MR. MILLER: Why don't you do that and
10 then Mr. Farmer is here and he could lead off with
11 the Admin and Legal Committee in just a couple
12 minutes, okay, to finish up -- my recommendation is
13 to finish up this committee, and when you start the
14 next committee, the first item would be Mr. Farmer's
15 auditor's report.

16 MR. RIZZUTO: Okay. Just the Operations
17 Committee recommendations.

18 MR. BARFIELD: Let me -- so just the
19 housekeeping, I guess my understanding in terms of
20 what we attach to the record typically is the
21 Operations Secretary report summary, the Assistant
22 Operations Secretary report, and the Offset Account
23 Report summary. I guess I would propose we attach
24 those to the record, so do we want to give those
25 numbers here?

1 MR. RIZZUTO: As an exhibit?

2 MR. BARFIELD: Yes, as exhibits.

3 MR. RIZZUTO: Okay. Probably we should,
4 so we can keep track.

5 MR. BARFIELD: All right. So let me just
6 suggest G, then, I believe we are on.

7 MR. RIZZUTO: Right.

8 MR. BARFIELD: That would be the
9 Operations Secretary report summary. H would be the
10 Assistant Operations Secretary report and I would be
11 the Offset Account summary, and we need to attach
12 the committee summaries, but maybe we can do all of
13 them at one time at the end.

14 MR. RIZZUTO: At one time.

15 MR. BARFIELD: If that's acceptable.

16 MR. RIZZUTO: Okay. Everyone agreeable?
17 Okay. We'll now move on to the report of
18 Administrative and Legal Committee, and we'll go a
19 little out of order, Randy. I'd like to call our
20 auditor, Ron Farmer, forward.

21 MR. FARMER: Good morning. I usually
22 don't need one of these, but I guess I'll go ahead
23 and use it. Okay. What I'd like to do is spend a
24 couple of minutes to talk about what an audit is,
25 maybe compare it for those of you who have been here

1 a while.

2 MR. RIZZUTO: If you hold that a little
3 bit away from you, hopefully it will work.

4 MR. FARMER: Okay. But an audit is an
5 exempt basis of the books and records of a client in
6 order to give an opinion on a set of financial
7 statements. When I went through that process for
8 June 30, '15, some of you know there was an error of
9 about \$13,000, and that -- to let everybody know,
10 nobody took \$13,000, so there was no embezzlement or
11 anything that was showing up. It was actually the
12 balance that you had on your previous financial
13 statements that was \$13,000 short, okay, so there
14 was an adjustment made. Basically I just ignored
15 what was done in the past and started all over, and
16 I thought maybe going through '15-'16, that that
17 difference would show up and I'd either made a
18 mistake or there was a timing difference or
19 whatever, but that didn't happen, so the \$13,000
20 error happened in previous years. It's neither here
21 nor there at this point. It was just a dollar
22 amount that was not correct on the financial
23 statements that you all received.

24 The other thing is on an audit is you have to
25 have a reporting framework to be able to give an

1 opinion, and the reporting framework currently in --
2 well, really for all future years, is the
3 governmental accounting standards. You are a
4 governmental entity or a quasi-governmental entity.
5 You're not a not-for-profit. You're not a
6 for-profit, even though you may make money, which is
7 fine, but the only thing that's left is governmental
8 accounting standards, and they're a little bit
9 different from a for-profit organization in how the
10 books are set up and how the reconciliations are
11 done between the financials; but nevertheless, you
12 are considered a governmental entity and
13 governmental accounting standards are what's been
14 applied to the two audits that were done for '15 and
15 '16, okay. Any questions that anyone has so far?

16 Okay. At the end of '15, and I don't know if
17 you all have seen this or not, there was about
18 \$62,000 cash, and that was a reconciled cash
19 balance. There was a \$96,000 receivable which was
20 due. The amounts from Kansas and Colorado had
21 neither been paid by June 30th, '15. Those were
22 paid in '15-'16, and then also the '15-'16
23 assessments were paid also.

24 One of the reasons for that receivable was
25 that if they weren't recognized as a revenue in the

1 '14-'15 year, you would have had a huge loss, and
2 then in the '15-'16 year, you would have shown two
3 years' assessments. So to get some comparability
4 between the years, there was an accrual set up for
5 that receivable, and the books are on the modified
6 accrual and the financials are on the modified
7 accrual.

8 So at the end of '15, you had an equity
9 position of \$158,000, and then that number, which is
10 basically the cash and receivables, rolled forward
11 into '15-'16, and then at the end of '16, your cash
12 balance was 178,000, which was also your reconciled
13 position. There were no receivables at the June 30,
14 '16 and everything reconciled or tied out. All the
15 expenses were in order based upon the procedures
16 that are used.

17 You're a small entity, so internal controls
18 aren't the best, but yet, two people do sign checks,
19 which is always one of these things where I thought
20 you looked at the check. No, I thought you looked
21 at the check, so two signatures are not always the
22 best thing, but they're better than one for this
23 size organization.

24 Okay. And the expenses are pretty broad, or I
25 shouldn't say broad. They fall into four broad

1 categories, with the largest one naturally being the
2 gaging and -- let me find that right quick -- the
3 gaging stations and the studies. That's the largest
4 single line item expense, and then professional fees
5 follow that. Okay. But overall, both years had a
6 clean opinion or an unmodified opinion, which just
7 means that the financial statements fairly present
8 the financial position as of June 30, '15 and
9 June 30, '16, so from that standpoint, everything is
10 fine. Okay. Any questions?

11 MR. RIZZUTO: Questions? None.

12 MR. FARMER: Okay.

13 MR. MILLER: I might suggest that we will
14 be approving these two audits that Ron just
15 described, and we can do it right now or we could
16 wait until the committee gives its recommendation to
17 approve it, but before we get off this topic, we
18 will be approving both of those agendas and I think
19 the committee last night recommended those two
20 audits. The committee did recommend that last night
21 and Stephanie has the copies to put in the minutes.

22 MR. RIZZUTO: We've got it under our
23 action items, which we'll do in a little bit, Steve.

24 MR. MILLER: We're going to let Ronnie
25 leave, but so if there's no questions, approval will

1 be the next step.

2 MR. FARMER: Thank you.

3 MR. RIZZUTO: Thank you.

4 MR. MILLER: I might add, I did talk to
5 Ronnie briefly about something we talked about last
6 night, to have the Administrative and Legal
7 Committee sit down with Ronnie and Stephanie and
8 myself, maybe someone else from Kansas this spring,
9 and make sure that we have a path going forward that
10 really makes this seamless for this coming year's
11 audit.

12 One other item needs to be done is we need to
13 retain Ronnie to do the audit for the current year
14 we're in. There's a representation letter that
15 Stephanie will be asked to sign, and I'm not sure if
16 that's on the agenda or not, but we need to take
17 care of that piece of business yet today, too.

18 MR. FARMER: Okay.

19 MR. RIZZUTO: Okay. Good. Thank you.
20 Thanks very much, Ronnie.

21 Okay. At this time, I'll go back to the
22 agenda and report of Administrative and Legal
23 Committee for December 8th, Randy Hayzlett.

24 MR. HAYZLETT: Yes. The Administrative
25 and Legal Committee, James Eklund, member, and

1 myself met yesterday, December 8th, in this room.
2 The committee reviewed the 2016 Annual Meeting
3 agenda and took note that Item 6.B., Larry Small's
4 report, was given to the Engineering Committee on
5 December 8th and would not be present today.

6 The committee heard a report from Stephanie
7 Gonzales, Recording Secretary and Treasurer for
8 ARCA. Committee heard an update from the States on
9 the status of the transcripts from prior annual
10 meetings, 1998 to '99, 2014, 2015, and a special
11 telephonic meeting held in September of 2016. The
12 committee heard an update on the status of ARCA
13 annual reports 1994 and 2015 from the States noting
14 the process and to complete the reviews and to get
15 the reports published.

16 The committee also received an update from
17 Rachel with KDA and Erik from the Colorado Water
18 Conservation Board on the ARCA web site renewal and
19 received a presentation demonstrating possible
20 documents to be posted on the web site that relate
21 to upcoming meetings. The committee, with that,
22 recommended that documents posted to the web site do
23 not need to be approved by the Administration.
24 However, draft documents must be clearly labeled as
25 such until they have gone through the Administration

1 and, in addition, any changes to the ARCA web site
2 should be circulated to the Administration and given
3 a comment period of at least seven days before going
4 live on the web site.

5 The committee also heard an update on the
6 CoAgMet funding status and cost-share agreement, and
7 we had some action items that will be deferred to
8 Item 13 on the agenda.

9 MR. RIZZUTO: Okay. Questions? None?

10 Stephanie, I see you on the agenda. Any
11 reports? And this will be Stephanie Gonzales,
12 Recording Secretary and Treasurer report.

13 MS. GONZALES: Thank you, Mr. Chairman.
14 I just wanted to reiterate we've got the audit
15 completed. We'll have the future meetings with
16 Mr. Farmer and, hopefully, some of the committee
17 members can sit in on that with Mr. Miller and work
18 out some procedures for streamlining some payments.
19 And we received the Kansas assessment payment and I
20 believe Colorado is approved and should be in the
21 mail, and I believe I think we've got everything
22 else taken care of from last night for payment
23 authorizations.

24 MR. RIZZUTO: Any questions of Stephanie?

25 MR. MILLER: Maybe you better say what

1 contracts you're -- put on the record what contracts
2 you're going to sign, based on actions last night,
3 or what invoices you've been authorized to pay.

4 MS. GONZALES: Okay. I believe we have
5 the CoAgMet agreement that has been approved or will
6 be approved.

7 MR. MILLER: The invoice.

8 MS. GONZALES: The invoice, yes, for --
9 you'll go over when it expires.

10 MR. RIZZUTO: Maybe, Steve, do you want
11 to --

12 MS. GONZALES: Yeah, I believe you had
13 the expiration as 2018, but we're through 2018 at
14 the (inaudible).

15 MR. RIZZUTO: Okay. Go ahead.

16 MR. MILLER: We want ARCA as a body, with
17 the advice of the Administrative and Legal
18 Committee, to authorize Stephanie to sign certain
19 agreements, and we'll talk about three of those in
20 another five or six minutes. I just wanted to make
21 it clear that once you authorize her to sign a
22 contract, she is then authorized to pay the bill
23 pursuant to that contract when it comes in, without
24 further ARCA action. So we talked last night about
25 a couple of invoices she was holding until today's

1 meeting because she wasn't certain she should pay
2 them, and I think it would be good just to get it
3 clear that once we sign a contract, we -- that's
4 also authorizes the treasurer to pay the bills under
5 those contracts when they come in.

6 And so the two invoices she was holding is one
7 for CoAgMet for \$5,000 pursuant to an existing
8 agreement, and the other is \$12,400 for the State
9 satellite system, also pursuant to an existing
10 contract. Now, the satellite contract will expire
11 before we meet again, so later on, we'll talk about
12 renewing that agreement, but -- so if anybody has
13 any concern that she's paying invoices without
14 approval, my view is that the approval came when you
15 told her to sign the contract. I hope I didn't
16 confuse that.

17 MR. RIZZUTO: Any questions or concerns?

18 MR. MILLER: Do you have any other bills
19 you're holding?

20 MS. GONZALES: No.

21 MR. RIZZUTO: Okay. So just two as of
22 right now; correct?

23 MS. GONZALES: Thank you.

24 MR. RIZZUTO: Thank you. That completes
25 the committee reports and we should make all the

1 committee reports attached to the final report, so
2 that would be Exhibit J.

3 MR. BARFIELD: Right.

4 MR. RIZZUTO: Okay. Is there any new
5 business to come before the ARCA board? None?

6 Okay. We'll move into action items and we'll
7 start with approval of the 2014 minutes.

8 MR. BARFIELD: Okay. I guess I'm just
9 going to do a series of recommendations, or so I
10 would move that ARCA approve the December 17, 2014
11 Annual Meeting minutes, and let me go ahead and --
12 as well as the September 19, 2016 special meeting
13 summary.

14 MR. RIZZUTO: Okay. Second?

15 MR. BRAZIL: Second.

16 MR. RIZZUTO: Discussion? How does
17 Kansas vote?

18 MR. BARFIELD: Aye.

19 MR. RIZZUTO: How does Colorado vote?

20 MR. BRAZIL: Aye.

21 MR. RIZZUTO: Okay. Adopted. Next?

22 MR. BARFIELD: Okay.

23 MR. RIZZUTO: You're doing all the
24 motions, David?

25 MR. BARFIELD: James was supposed to, but

1 he stepped outside.

2 MR. RIZZUTO: Okay.

3 MR. BARFIELD: I can take care of it, I'm
4 sure. So under financial matters then, I would
5 recommend that ARCA approve the audit reports for
6 both Fiscal Year 2014-15, as well as the audit
7 report for Fiscal 2015-16, and in addition, that it
8 retain the auditor to continue work going forward on
9 audits.

10 MR. RIZZUTO: Okay. Go ahead and keep
11 the mic. I can talk loud enough. Second?

12 MR. BRAZIL: Second.

13 MR. RIZZUTO: Okay. Discussion? All in
14 favor?

15 MR. EKLUND: Aye.

16 MR. BARFIELD: Aye.

17 MR. RIZZUTO: How does Colorado vote?

18 MR. EKLUND: Yes.

19 MR. RIZZUTO: How does Kansas vote?

20 MR. BARFIELD: Yes.

21 MR. RIZZUTO: Okay. Adopted.

22 MR. MILLER: I don't know if this is on,
23 but so those two audit reports would become exhibits
24 to the minutes. We'll sign them back here after we
25 adjourn and then distribute the four copies.

1 MR. RIZZUTO: So Audit Report 2014-15
2 will be Exhibit K and Audit Report 2015-16 will be
3 Exhibit L.

4 MR. BARFIELD: Very good. Okay. Next is
5 approval of the USGS gaging contracts, so I would
6 move that ARCA authorize -- well, are we approving
7 the contracts?

8 MR. MILLER: Yeah. You will be
9 authorizing Stephanie to sign the proposed JFAs with
10 both Colorado and Kansas districts. We have copies
11 in the rear that we'll make exhibits after the
12 signatures is completed. Just for identification,
13 those agreements were both States for calendar year
14 2017, and the dollar amount of those agreements has
15 been incorporated into the budget for this year and
16 the coming year.

17 MR. BARFIELD: Okay. So the motion is
18 that ARCA approve the USGS gaging contracts for
19 calendar year 2017.

20 MR. RIZZUTO: Second?

21 MR. EKLUND: Second.

22 MR. RIZZUTO: Okay. Discussion? How
23 does Kansas vote?

24 MR. BARFIELD: Aye.

25 MR. RIZZUTO: How does Colorado vote?

1 MR. EKLUND: Aye.

2 MR. RIZZUTO: Okay. Adopted.

3 MR. BARFIELD: Okay. Next one is the
4 satellite monitoring system. I would recommend or I
5 would move that ARCA authorize the renewal of the
6 Colorado satellite monitoring system contract for
7 Fiscal Year 2017-18.

8 MR. MILLER: Actually --

9 MR. RIZZUTO: Steve?

10 MR. MILLER: That's a renewal of an
11 agreement that expires in June of 2017. The renewal
12 agreement is for an additional five-year period that
13 would run through 2022, and the dollar amount is
14 12,400 per year. We had copies of that. As soon as
15 Chairman Rizzuto signs it, if you authorize him to
16 do so, we'll make those exhibits as well, make that
17 agreement an exhibit.

18 MR. BARFIELD: So the motion would be not
19 to approve it for just one year, but for five years.

20 MR. MILLER: For five years.

21 MR. RIZZUTO: Okay. Second?

22 MR. EKLUND: Second.

23 MR. RIZZUTO: Discussion? How does
24 Kansas vote?

25 MR. BARFIELD: Aye.

1 MR. RIZZUTO: How does Colorado vote?

2 MR. EKLUND: Aye.

3 MR. RIZZUTO: Adopted.

4 MR. BARFIELD: Okay. Next would be our
5 budgets, so I would move that ARCA adopt the revised
6 budget for Fiscal Year 2016-17 and also adopt the
7 budget for Fiscal Year 2017-18.

8 MR. RIZZUTO: Second.

9 MR. EKLUND: Second.

10 MR. MILLER: If I could just say a word
11 about those before you act on it.

12 MR. RIZZUTO: Steve.

13 MR. MILLER: So the 2016-17 is a budget
14 revision and to a budget you adopted last year that
15 we're in the middle of this current year, but I
16 found a math mistake in there and took the
17 opportunity of correcting that math mistake to
18 update our cash balance position based on the audit
19 report we had gotten, so it's marked here on the
20 Exhibit, which is FY 16-17 Budget Revision 1.

21 MR. BARFIELD: Okay. Understood.

22 MR. MILLER: And the 2017-18 budget, the
23 most significant thing on that is we made a small
24 reduction to the State assessments, in recognition
25 of our comfortable cash balance that we have.

1 MR. RIZZUTO: Okay.

2 MR. BARFIELD: So we should attach those
3 as an exhibit as well.

4 MR. MILLER: Yeah. If you pass these,
5 Stephanie will then sign them indicating the action
6 that was taken today, and then we'll make those,
7 both of those budgets, exhibits as well.

8 MR. BARFIELD: So can the revised '16-'17
9 budget be M and the fiscal '17-'18 budget be N? Is
10 that acceptable?

11 MR. RIZZUTO: That's good.

12 MR. BARFIELD: Very good.

13 MR. EKLUND: We have a motion pending.

14 MR. BARFIELD: Do we? We didn't actually
15 vote on that one.

16 MR. RIZZUTO: No, no. We were in the
17 discussion phase.

18 MR. BARFIELD: Thank you.

19 MR. RIZZUTO: Okay. How does Kansas
20 vote?

21 MR. BARFIELD: Aye.

22 MR. RIZZUTO: Colorado?

23 MR. EKLUND: Aye.

24 MR. RIZZUTO: Adopted. Now, to the
25 exhibits.

1 MR. EKLUND: Yes, we're on N, and we also
2 need to take action on this, even though Steve
3 talked about it. Okay. All right. We're on Item
4 Number 8 in the Administrative and Legal Committee
5 report action item list, and I would move -- the
6 committee recommended adoption of alternative to
7 Fiscal Year 2017-'18 budget and assessment, which
8 reduces the State assessments as Steve Miller just
9 indicated, and that it be an exhibit to the 2016
10 transcript as number -- or sorry -- letter N, and I
11 would move. I would so move.

12 MR. RIZZUTO: Okay. Second?

13 MR. BARFIELD: Second.

14 MR. RIZZUTO: Discussion? How does
15 Kansas vote?

16 MR. BARFIELD: Aye.

17 MR. RIZZUTO: How does Colorado vote?

18 MR. EKLUND: Aye.

19 MR. RIZZUTO: Adopted. Okay. That gets
20 us through those. Now we're to -- oh, David.

21 MR. BARFIELD: Just looking at the
22 report, you know, the action items, do we need to do
23 anything on Item 6, the committee recommends that
24 Stephanie Gonzales sign the court reporter check for
25 2014 Annual Meeting's minutes? Do we actually need

1 to take action?

2 MR. RIZZUTO: I don't think so.

3 MR. BARFIELD: All right. And the same
4 on Number 2 about the web site. Just by accepting
5 the action items, let's just say we agree.

6 MR. EKLUND: I agree.

7 MR. RIZZUTO: Any disagreement?

8 MR. EKLUND: No disagreement.

9 MR. BARFIELD: Thank you.

10 MR. RIZZUTO: Thank you. Resolutions.
11 Who was going -- anyone take those up or we'll just
12 act on them? One is the resolution concerning an
13 operation plan for John Martin Reservoir as amended,
14 and the other is a resolution of Water Issues Matrix
15 Issue 33.

16 MR. BARFIELD: Let me take a shot at it.
17 I think we usually do read these into the record, so
18 let me go ahead and do that again.

19 As I reported, the Special Engineering
20 Committee has been doing work, I guess, on the
21 matrix issues, and so we have these two resolutions
22 that the Special Engineering Committee has forwarded
23 to consideration of ARCA.

24 Okay. The first one is Special Engineering
25 Committee recommendation H, dated September, 2016.

1 The title of it is Accounting for Storage Pursuant
2 to Section III A of the "Resolution Concerning an
3 Operating Plan for John Martin Reservoir (as
4 amended)". Let me go ahead and read it.

5 The ARCA created a Special Engineering
6 Committee by means of Resolution No. 2005-1 and
7 directed said Committee to develop recommendations
8 to ARCA which will reduce or eliminate disputes
9 between the States.

10 Pursuant to said Resolution, James Eklund and
11 Dick Wolfe for Colorado, David Barfield and Randy
12 Hayzlett for Kansas, and James Rizzuto, Federal
13 member, ex-officio, were appointed members of the
14 Special Engineering Committee.

15 The States agree that the "Resolution
16 Concerning an Operating Plan for John Martin
17 Reservoir (as amended)" the ("1980 Operating Plan")
18 plays a pivotal role in the efficient management of
19 water use in both Colorado and Kansas in compliance
20 with the Arkansas River Compact.

21 The States recognize that Section III A of the
22 1980 Operating Plan states, quote, the Amity may
23 store such water as it could otherwise divert from
24 the Arkansas River for storage in the Great Plains
25 Reservoir system in its account granted in Section

1 III -- I'm sorry -- Section II II. This water will
2 be in addition to water released into the Amity
3 account under Section II II.

4 Without waiving the positions of either State
5 regarding the existence or nonexistence of an
6 account in John Martin Reservoir that reflects the
7 content of water that Amity could otherwise divert
8 for storage in the Great Plains Reservoir system,
9 without further amendment to the 1980 Operating Plan
10 and in order to document and preserve the historic
11 practices and operations, ARCA should direct the
12 Operations Secretary to continue using, quote,
13 Section III, dash, Amity, close quote, as an
14 accounting category to distinguish the type of water
15 authorized to be stored by Amity pursuant to Section
16 III A from the type of water to which the Amity is
17 entitled pursuant to Section II II.

18 That's the end of the resolution. So this is
19 basically saying we're going to continue to do
20 things as we've been doing it without actually
21 amending the operating principle. So with that, I
22 would move that ARCA adopt the Special Engineering
23 Committee Recommendation H.

24 MR. RIZZUTO: Okay. Second?

25 MR. EKLUND: Second.

1 MR. RIZZUTO: James? Discussion?

2 MR. BARFIELD: We have some discussion on
3 it.

4 MR. RIZZUTO: Okay. Kevin.

5 MR. SALTER: That was the recommendation
6 you read, David, into it. I think there's an
7 associated resolution with that.

8 MR. BARFIELD: Right. Okay. Well, thank
9 you. I probably should have just read the
10 resolution. It's actually this one here. All
11 right. Let me go ahead and do it. So basically, so
12 ARCA's resolution 2016, and we'll make this dash A.

13 MR. SALTER: 01.

14 MR. BARFIELD: Resolution 2016-01 will be
15 for the Accounting for Storage Pursuant to Section
16 III (A) of the "Resolution Concerning an Operating
17 Plan for John Martin Reservoir," and so basically
18 this resolution just says that we hereby accept the
19 recommendation of the Special Engineering Committee
20 with respect to an accounting for storage pursuant
21 to Section III (A) of the 1980 plan, and be it
22 further resolved in order to document and preserve
23 the historic practices and operations, ARCA hereby
24 directs the Operations Secretary to continue using,
25 quote, Amity -- I'm sorry -- quote, Section III,

1 dash Amity, closed quote, as an accounting category
2 to distinguish the type of water authorized to be
3 stored by Amity pursuant to Section III A from the
4 type of water to which Amity is entitled pursuant to
5 Section II II.

6 So, my motion now is to recommend the adoption
7 of Resolution 2016-01 on this subject.

8 MR. RIZZUTO: Okay. There was a second.
9 There was an original motion. James?

10 MR. EKLUND: The second to the motion
11 would be amenable to withdrawing the original motion
12 and substituting a new motion moving the resolution,
13 adoption of the resolution that you just read.

14 MR. BARFIELD: And I accept your
15 corrections to my --

16 MR. RIZZUTO: We have to withdraw the
17 original motion, new motion, and second.
18 Discussion? How does Kansas vote?

19 MR. BARFIELD: Aye.

20 MR. RIZZUTO: How does Colorado vote?

21 MR. EKLUND: Aye.

22 MR. RIZZUTO: Adopted.

23 MR. BARFIELD: I don't know if I should
24 let James do the other one.

25 MR. RIZZUTO: Well, you want to do it,

1 David, or we can turn it over to James.

2 MR. BARFIELD: Either. James?

3 MR. EKLUND: Yeah, if he gives me the
4 item to read.

5 MR. BARFIELD: I've got the ARCA
6 resolution but not the Special Engineering
7 Committee. Oh, here it is. Okay.

8 MR. EKLUND: Okay. I would move adoption
9 of the resolution as follows: Regarding the
10 Resolution of Water Issues Matrix Issue 33, dash,
11 Transit Loss on Reservoir-to-Reservoir Deliveries.

12 Whereas, beginning in 2007 a dispute between
13 the States arose regarding the "recapture of transit
14 losses on reservoir-to-reservoir deliveries"
15 hereafter referred to as this practice, in
16 quotations; and

17 Whereas, this practice was added to the Water
18 Issues Matrix in December, 2008 as Issue 33; and

19 Whereas, this practice was based on
20 information contained within the USGS Water
21 Resources investigations 78-75 that given certain
22 assumptions, the unconsumed portion of the transit
23 loss would return to the river; and

24 Whereas, based on findings contained within
25 the Russell K. Livingston report *Transit Losses and*

1 *Travel Times of Reservoir Releases along the*
2 *Arkansas River from Pueblo Reservoir to John Martin*
3 *Reservoir* (January, 2011) the Operations Secretary
4 discontinued this practice; and

5 Whereas, the Operations Secretary documented
6 discontinuing this practice in the *Annual Report of*
7 *the Operations Secretary Concerning the Operation of*
8 *John Martin Reservoir* for Compact Year 2011 (bottom
9 of the fifth page in the pdf of this document); and

10 Now therefore, be it resolved that the
11 Colorado -- I'm sorry -- that the Arkansas River
12 Compact Administration recognize with the
13 discontinuation of recapture of transit losses on
14 reservoir-to-reservoir deliveries from Compact Year
15 2011 forward, the controversy between the States has
16 been removed.

17 Adopted by the Arkansas River Compact
18 Administration at its 2016 Annual Meeting on
19 December 9th in Lamar, Colorado.

20 MR. RIZZUTO: Okay. That is the motion
21 for adoption. Second?

22 MR. BARFIELD: Kansas would second.

23 MR. RIZZUTO: Okay. Discussion? How
24 does Kansas vote?

25 MR. BARFIELD: Aye.

1 MR. RIZZUTO: How does Colorado vote?

2 MR. EKLUND: Aye.

3 MR. RIZZUTO: Adopted. Officer and
4 committee appointments, election of officers, and I
5 don't see any reason we can't make a motion on all
6 of them and then vote on them as a group, so I'll go
7 to Colorado. Motion?

8 MR. EKLUND: I would move the slate of
9 ARCA officers: Vice-Chair, Randy Hayzlett;
10 Recording Secretary/Treasurer, Stephanie Gonzales;
11 Operations Secretary, Steve Witte; Assistant
12 Operations Secretary, Kevin Salter.

13 MR. RIZZUTO: Okay. Second?

14 MR. BARFIELD: I'll second.

15 MR. RIZZUTO: Discussion? How does
16 Colorado vote?

17 MR. EKLUND: Aye.

18 MR. RIZZUTO: How does Kansas vote?

19 MR. BARFIELD: Aye.

20 MR. RIZZUTO: Adopted. Okay. Then the
21 appointment of the committee chairs and members. On
22 the Engineering Committee: David Barfield, chair,
23 and Scott Brazil, member. Operations Committee:
24 Lane Malone, chair; Hal Scheuerman, member.
25 Administrative and Legal Committee: James Eklund,

1 chair; Randy Hayzlett, member.

2 Any other things to come up from committees
3 that we may have forgotten?

4 MR. BARFIELD: The resolutions, we
5 probably should attach as exhibits.

6 MR. RIZZUTO: Which would be O and P?

7 MR. BARFIELD: Correct.

8 MR. RIZZUTO: Okay. Public comment at
9 this time. Any public comment? And if so, I would
10 ask you to come forward. If you have a card, give
11 it to the court reporter and then go to the mic. No
12 public comment? Okay.

13 Then we'll go to future meetings. Discussion.
14 The 2017 Annual Meeting by default is set for
15 December 12th, 2017, in Lamar. Any discussion?
16 Randy.

17 MR. HAYZLETT: The Administrative and
18 Legal Committee discussed the Annual Meeting and we
19 recommend December 6 for committee meetings and
20 December 7 for the Annual Meeting to be held in
21 Lamar.

22 MR. BARFIELD: Do we need to make that a
23 motion, since it's not the standard date?

24 MR. RIZZUTO: I would say we probably
25 should.

1 MR. BARFIELD: All right. I would move
2 that we have the Annual Meeting next year on
3 December 7, 2017 in Lamar and committee meetings the
4 preceding afternoon.

5 MR. EKLUND: Second.

6 MR. RIZZUTO: Just to interject, no one's
7 interested in La Junta? I will put that on the
8 table for future discussions.

9 MR. EKLUND: Okay.

10 MR. RIZZUTO: Any discussion? Okay. How
11 does Kansas vote?

12 MR. BARFIELD: Aye.

13 MR. RIZZUTO: Colorado?

14 MR. EKLUND: Aye.

15 MR. RIZZUTO: Okay. Next year's Annual
16 Meeting will be December 6 and 7 in Lamar, Colorado.
17 Any other business to come before the board? None?
18 Motion to adjourn?

19 MR. BARFIELD: I would move we adjourn.

20 MR. RIZZUTO: Second?

21 MR. EKLUND: Second.

22 MR. RIZZUTO: No discussion. We are
23 adjourned at 11:04 a.m.

24 (Proceedings concluded at 11:04 a.m.
25 Mountain Standard Time.)

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 23rd day of October, 2017.

12
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