Center of Colorado Water Conservancy District
Meeting of the Board of Directors
April 8, 2026

The monthly meeting of the Center of Colorado Water Conservancy District was held on Wednesday, April 8, 2026 at the main meeting room of the district offices located at 548 Front Street in Fairplay. Lisa McVicker, Board Chairman, called the meeting to order at 1:06 PM.

The member present in the office were Chris Fuller and Lynne Buchanan. Lisa McVicker, Wallie Weld and Craigs Steinmetz were present by teleconference. Nola Knudsen, Administrative Manager and Lisa Brown, Operation's Manager were present in the office. David Shohet, legal counsel, was present by teleconference.

APPROVAL OF THE AGENDA

1.1 Lisa McVicker added Discussion of the Arkansas River Basin Water Forum to Old Business, item 4.5. Item 4.1 re Webber Park from Old Business will be moved up under Approval of the Minutes. Lynne Buchanan made a motion to approve the agenda as amended. Wallie Weld seconded and the motion carried unanimously.

APPROVAL OF THE MINUTES

1.2 Wallie Weld moved to approve the March minutes amended with spelling edits. Lynne Buchanan seconded and the motion carried unanimously.

Stewardship West re: Webber Park revised budget and methodology: Lisa Brown introduced Luke Cherney to the board. She said the Webber Park project has had some ups and downs with the Forest Service and what their preferred treatment were and methods, and what they wanted to focus on. A couple of weeks ago, Lisa met with Luke and he took Lisa on a tour around the Webber Park area. The Forest Service has gone back to wanting to get the hand thinning done in in these different units around Webber Park. There are 52 acres that will tie together with areas that have already been mechanically treated. These areas are very steep and can only be accessed via hand crews. The methodology has gone back to the second revised application that was approved back in December. The ask was and still is $60,000. Lisa said the majority of the funds will be just for hand thinning and signage. They have eliminated archeological surveys altogether from this grant application. It will just be allotted between the hand thinning and the signage for public outreach.

Luke Cherney said the location of Webber Park is off CR77 just north of the town of Tarryall. Luke thanked the board for hearing them out and apologizing the back and forth we have had to deal with. When we originally came to you, the idea was to use the money you were allocating for Webber Park as a match to be able to leverage other funds so that we could complete treatment on around 600 acres of mechanical treatments. That is the second phase of the north Tarryall project and that is what Lisa was alluding to. There is an area of about 800 acres that have been treated mechanically and then there is another 600 acres for this Webber Park project that is adjacent to that. Because of various factors, the Forest Service's budget was not such that they were able to find funding for those 600 acres. That put us in a position of, well we have

$60,000 from the CCWCD that we want to spend and get work done out there, so we did have some back and forth that Lisa talked about. When we finally sat down with the forest service and advised them, we had identified these three units needing hand treatment that are going to tie together those acres that have already been treated and projected to be treated and would provide a linchpin to tie those areas together. It was an unknown timeline as to when we would be able to find adequate funds to treat 600 acres that would be on the order of one million dollars. We came back and asked the Forest Service to let us complete the hand cutting acres so when the other phase is treated it will be all tied together. That is when we came back and had a discussion to go back to utilizing the $60K funds to get this area treated. This is when I took Lisa for the tour and looked at those areas. We just wanted to come back and make sure everyone is in agreement for use of those funds.

Chris Fuller asked why there is so much hand work? Chris said Lisa Brown's answer was outstanding; it's a match stick between the mastication areas. Without doing this, it's worthless to do the others. The terrain is extremely steep and machines can't get in there. The way the area is, there are all these fingers and ridges that come down off the mountain and the ridge lines are so steep, a fire could easily jump and get into the pockets of very dense vegetation. Luke said they are cutting up to 8.9" in diameter. Everything 9" in diameter and larger will stay. Chris asked if they would be taking any standing death. Luke said that is a conundrum because those do provide really good wildlife habitat. In the forest plan, they have to have 5 per acre of these snags over a certain size. We are also getting Mountain Pine Beetle showing up in this area. We want to make sure we are cutting those trees so there may be some a little bit bigger. When we are on Forest Service we leave the larger snags. Lisa McVicker asked for the projected timeline. Luke said on the handwork would be coming up in May and June. We have a hand contractor coming to do the treatment on the Glen Isle project. We are partnering with Plate Canyon Fire Department. They will provide a chipper for Glen Isle. The Forest Service will be either hand piling or lop and scatter so we won't be bringing a chipper out there. The projected timeline will be before the end of the calendar year for sure and more likely before summer. There is an economy of scale for these projects. To have the 36 acres in Glen Isle plus these 52 acres, it helps to make this attractive and helps with the price as well; we are confident we can get all 52 of those acres treated.

David Shohet thinks the grant funding was approved in 2025 to be spent in 2026. They have to be spent by the end of 2026. Lisa Brown had extended our current grant cycle. Luke was told he might want to apply again. CCWCD has extended our current grant cycle to April 30th. She suggested Luke might want to go back with his colleagues and board and think about another application. Luke said they had some internal discussion and certainly have other projects we would like to go forward and could use some funding on. They didn't feel right asking for more funds until they could show they were spending what was already allocated. Now with the extended deadline, we would be excited to put in another application. We really appreciate your invitation and thank you again for being a part of these projects and helping us get these implemented and protect our forests.

ADMINISTRATIVE MATTERS

2.1 Administrator's Report: Nola Knudsen reviewed the check register with the Board. All board members were sent a listing of the bills paid via bill pay along with the minutes from the last meeting. The invoices totaled $21,759.58. The total cash assets after the payment of bills are $3,053,051.18 that includes $9,176.42 in the TBK bank. Nola provided a comparable of the cost between the usage of propane and natural gas, and the electric bills for years 2024, 2025, and 2026.

2.2 Treasurer's Report: Lynne Buchanan reviewed the deposit activity. Deposited into TBK Bank were rents from the Elevated Dental office for $1,000.00 and January rent and utilities from Knudsen Counseling for $1,037.71. Total deposit was $3,037.71, and $3.38 interest into TBK Bank. The Colotrust interest was $9,459.08. Nola just received information regarding the property tax money received that is not entered into the total assets as yet, that amount is $94,833.01.

Lynne Buchanan said the audit is ongoing. They are using new system to upload document that takes a little getting use to.

2.3 Invoices and Warrants: Wallie Weld moved to approve the invoices and warrants as presented. Chris Fuller seconded and the motion carried unanimously.

Nola provided chart summarizes the cost of electricity and natural gas for three years for a comparison of expense. In 2024 for electricity, yearly cost was $975.62 and 2025 the yearly cost was $2,995.96. There was a large spike in cost in March but the reason is unknown. It was noticed the heat in one area was left running a full day and night before found which may have been part of this increase. In 2024, the district was on propane; year-end cost was $6,675.10 whereas in 2025 natural gas was $8,348.66. The March expense of $4,629.91was a combination of labor installation and propane. During years 2024 and 2025, there was construction occurring. The use of these two utilities will continue to be monitored and reviewed again by the end of the year.

OPERATIONS MANAGER'S REPORT

Smelter Pipeline Reservoir (SPR):

- I visited the SPR 4 times in March. On March 8, a gage height of 8.62' was observed, for 22.34 AF in storage. The reservoir was still completely iced over. I visited a couple more times to monitor the ice melt for accounting purposes. The ice was completely melted on March 22. I obtained an end of the month reading on March 29, and the gage read 8.48' for 21.91 AF in storage. The accounting has been brought up to date and reviewed by Matt Loose.
- Matt calculated and coordinated an exchange of approximately 6 AF of Sessions Ditch credits stored in Spinney Mountain Reservoir to the SPR, which took care of OTR obligations and filled the SPR to just under 26 AF. This exchange occurred from April 2- April 7.
- The access road needed to be plowed once in March.

<u>**Additional Information:**</u> The urgency of that exchange was that there was water available in the Middle Fork that would not have been available once we hit April 15th. Coordinating with the water commissioner and the folks in Aurora to make that happen,

Chatfield Reallocation Project (CRP):

- There was no CRMC meeting held in March. The next meeting will be held virtually on April 28th.

- Accounting was received at the end of March and has been updated to the state system through February. On February 28, there was 117.26 AF in storage for CCWCD's use.
- Matt Loose attended the OAC meeting on March 25, and provided some updates:
  - o The ACOE opted to not provide an update on the annual flood control outlook, based on current conditions.
  - o DWR reported that river calls were expected to go between 1871 and 1909 in the near term. The current call as of April 7 is Aug. 10, 1871. An 1866 call is anticipated.
  - o DWR stated that we may already be seeing runoff.
  - o Denver Water mentioned that the snowpack is unprecedented. They are seeing quick decreases in snowpack with no associated increase in streamflow, and are concerned that runoff is much too early. Stage 1 drought restrictions have been enacted. They anticipate large releases from Dillon and Cheesman.
  - o Changes have been made to the DWR accounting spreadsheet, but Matt does not anticipate these changes to affect CCWCD.

James Tingle Reservoir (JTR)

- Accounting for February was received in mid-March. On February 28, CCWCD had 51.48 AF in storage, and the requested release of 1 AF of stored Randall Ditch credits occurred. 4.20 AF of stored Randall Ditch credits was planned to be released in March.
- I communicated the offer to HRW to lease about 100 AF of reserved water this year. The offer was accepted by HRW.
- W.W. Wheeler is currently working on the study of the Sessions Ditch.

<u>**Additional Information**</u>: CWCB has a gage expansion project focusing on diversion structures and reservoirs and the Sessions Ditch was targeted as one that would like to put on telemetry and have a stream gage there. It is a cooperator agreement which is a zero dollar per year agreement with the state. We have no obligation. CWCB still has a grant that has $800,000 available. Russel Stroud, one of the head hydrographers saw that as a key point to place a gage there. The only obligation to the cooperator is that in the event the equipment fails, DWR would fix the equipment and CCW would have pay for time and materials. David Shohet asked if it would be an instream gage or actually on the Ditch itself. Lisa said they are putting a lot of smaller ditches on telemetry. Lisa McVicker asked if David saw any privacy issues. David looks at it more as a dam safety issue; you always worry about vandalism or a terrorism act. If people have information knowing when you're diverting in and out of a dam, that could lead to an act of terrorism against the dam. David said the state could probably order this to be done if they wanted to.

South Platte Enhancement Board (SPEB):

- I attended the March 18th meeting in person. It was held in Ken Caryl.
- I gave a presentation on the history and development of CCWCD to the Board. One

item I spoke about was the CCWCD grant program and how some of those past awards relate to SPEB South Platte River Segments.

- Nathan Elder reported on the snowpack and weather trends.
- Matt Ashley reported that Spinney is at the lowest level since 2002.
- John Geerdes (CUSP) was planning to discuss a reimagined River Rangers program with the USFS, County Commissioners, and other interested parties in early April.
- Funds for grant for the fish ladder removal in Lake George have been drawn upon and about half remain.
- The SPEB grant announcement was scheduled to be sent out the first week in April. The maximum grant ask amount was set at $40,000.
- CPW and Aurora are planning to give updates to the Board this month.

Snowpack Report:

- Hoosier Pass is at 43% of median, Buckskin Joe at 20%, Michigan Creek at 2%. The median peak date is April 26th, with about 12" of SWE. There is less than 1" of SWE today. Rough & Tumble is at 7%. The Upper South Platte Basin is at 21% of median, with 19 days left until the usual median peak. The South Platte Basin is at 34%.

CCWCD Website Issues:

- The website has been functioning well. Updates have been made in a timely manner.

Wild Horse Reservoir:

- With the change of plans to the South alternative, the next WHR Cooperating Agency meeting has not yet been scheduled.

Additional Information: Lisa Brown shared a thought about the amount of money we have in the bank and water rights to acquire. She doesn't know if anyone has reached out or knows the status of Bar Star and the Indian Mountain augmentation plan. It is Lisa's understanding that James Ingles might be wanting to sell the plan. He has the ranch and property for sale; the water rights in that augmentation plan are a separate item. We might want to put this on the plan to review. David Shohet said the HASP board is meeting on Friday and Jon Rice is trying to repush the HASP board to look at purchase of storage space in Maddox Reservoir on the North Fork. It has been offered to us but the pricing that has been offered for storage space has been three to four times what it should be.

Kenosha Trout Club (KTC): No changes since last report.

Michigan Creek Restoration Plan (MCR): No changes since last report.

Bar Star Corporation (BSC): No changes since last report.

Indian Mountain Plan (IMP): No changes since last report.

Guffey-area Augmentation Plan (GAP): No changes since last report.

Division Two Delivery (DTD): No changes since last report.

Currant Creek Two (CCT): No changes since last report.

OLD BUSINESS

4.1 Update on 2025 Grant Agreements: Lisa Brown said she heard from 12-mile Ranch and they have made good progress on their project and they are about to install new headgate and structures out there. They aren't anticipating being able to put it to us as they have an 1882 right on Cave Creek. Lisa spoke with Jim Legg and he is away until May. She has a meeting set with him in May to help write his report. Lisa hasn't heard back from Vincent Tolpo with Shawnee Water Association, she but spoke with Dave Wissel because he is familiar with the project because they also got a grant from the Land and Water Trust Board for that project. The sticking point is getting the pipe through the culvert under highway 285. Lisa had thought they were putting pipping through an existing culver. At Glen Isle, Luke mentioned that all of the mechanical treatments are done and they are just doing hand clean up. Lisa thinks it looks really good.

4.1.1 Webber Park revised budget and methodology

4.2 548 Front St. Conference Room use agreement language: David Shohet said the conference room was used by the Republicans Caucus. The board thought we should get together an agreement and he has prepared a draft attached to his legal report. It was sent to Lisa Brown and Nola Kndusen. Lisa pointed out some items and Nola had some substantive issues with leasing the space to consider. She pointed out there are issues with how to access cleaning supplies, where they are located, along with potential issues with access to the kitchen space. We don't have to do anything at this moment. David included Nola's language in his draft. On of the things we had in terms and conditions was the renter would leave the thermostat …and had a blank area to be filled in. Nola's comment was we would not want them adjusting this. Also, if we want the renter to sweep or vacuum and clean up, we would have to move the supplies to an area of access. Nola's biggest concern was use of the kitchen during office areas when she may have clients. Would we want to lease out the kitchen? Nola said in the kitchen there is a microwave and a little broiler. There is no way to cook in there. The kitchen isn't stocked with plates, silverware, bowls etc. for a lease. One of her other concerns was when the Republicans were in the building, she was present to clean up and reorganize and the caucus people helped. Nola was trying to think of worst-case situations and said we might not want children running around with food either. Lisa McVicker suggested if anyone is wanting to rent the space, they should be willing to pay for cleaning. Lisa Brown doesn't want random groups in here. She thinks we should have affiliated services. No regular meetings. We could say an "X" number of times per year it will be available. Lisa McVicker said we are back to where we started. Let's table this and revisit on an as needed basis. Wallie Weld said the issues we have just been talking about are just the issues Indian Mountain has had.

4.3 CCWCD water law class – April 18th. Lisa Brown said she has had ads running and only a few have RSVP'd. She has food ready to order; a wrap platter with three different kinds of wraps all cut in half. Also mixed sandwiches and a cheese platter or crudites with deserts. Flyers are out around the county. She is just waiting on the RSVPs. Lisa Brown is questioning what number of participants is enough to justify the effort of making presentations. Lisa did get a flyer in the Flume and set back the registration time to give people a little more time. Lisa Brown reached out to Jon Rice and Glen Groethe but haven't responded. There were also a number of realtors that said they would spread the word but didn't commit for themselves. Lisa McVicker said it is okay to postpone. She doesn't think it is appropriate to ask the professionals to come up here to address three people. Lisa did extend the RSVP date to the 14th. The board discussed an attendance number and determined nothing at four or less participants and preferably six to eight.

Nola Knudsen met with the lady that has painted some of the murals in town. She met with this person and walked around the building and discussed some options. With one option, the back side of the building where the road asphalt damage was is very long and out of the view of the public. The artist suggested putting a mural on the shorter side of the building facing Main Street with trees and mountains and a river that wraps around to the long side of the building continuing the river on the lower part of the building to cover where the asphalt damage had been. Lisa McVicker said to ask her to get an estimate with numbers of animals, mountains etc.

Nola said she contacted Agent Drain to follow-up on the bathroom fix. Nola also suggested changing the Wi-Fi to have a guest number.

4.4 Discuss Park County Draft 1041 Permit regulation language: David updated the board regarding the 1041 permit updates. There was a meeting on March 17th and one yesterday. They will adopt new regulations and we will likely need to apply for 1041 permits if we go forward on different projects. David has participated in these hearings. They are pretty onerous and will require quite a bit of meeting time, hiring of experts to address the matters. There will be a $50,000 minimum payment to the county if you have to go through the 1041 permit in addition to consultant engineers HASP or CCW will need. Lisa Brown was curious if they incorporated the idea of scaling the $50K fee into new versions. David said he can't tell what changes they have made and made a comment about this. One of the results, of yesterday's public hearing was to ask them to send out a final version, red lined on the previous version and hopefully will have scaling language.

4.5 Arkansas Forum: Lisa McVicker registered to be a virtual participant, but the option is no longer available. She could get a refund or pass it on to another. We can also leave the fee as a donation to the Forum. The board agreed to leave the fee as a donation.

NEW BUSINESS
5.1 Extension of 2026 Grant Application Deadline: Lisa Brown said May first was on the advertisement for the extended date. Advertisement is currently running for that. She said she received a great letter from Audrey at Co-Co describing the application they are going to submit. It is related to the Central Colorado Forest Collaborative working with the Pikes Peak and South Park partnerships. They are looking at coordination and facilitation which will be 25% of their ask. This will involve planning, coordination, and facilitation of bi-monthly partnership meetings through December. 20% will go towards buildout of a story map and forward-looking planning tool which is a priority treatment area lookbook in Phase1. Phase 2 explores function of relative data layers to be used in collaborative project planning. In Phase 3, 55% will be wildfire mitigation engagement and education with local communities with one to three public events to be held. Key partners for that are Lake George Fire Protection District, South Park County Fire Protection District, Fire Adaptive of Colorado, Coalition of the Upper South Platte, and PSICC

US Forest Service in Park County. They will be sending in a complete application before the deadline.

Lisa Brown received an incomplete application from Hartsel Water. They plan on building a water station to make potable water available. Lisa said they were extremely vague with a handwritten application with things scribbles out. Lisa will email them back and say the application deadline has been extended. Please give more detail, provide a budget, show any donations, other partners on the project, and ask if they have talked to an engineer or can provide any studies.

5.2 Presentation of 2026 Scholarship Applications: Lisa Brown said we have received five scholarship applications. The first one is Caliana Elyse Heisler, a student at Platte Canyon. Her major will be Marine and Coastal sciences at Western Washington University. The next one is Jordana Evelyn Logue, also a Platte Canyon student. She has not decided where she will attend yet but she has three schools where she is planning to study Marine Biology or Biological Oceanography. Both of these students were involved in the River Watch program. Wrangler Thomas Elliot is a South Park High School student that lives in Alma. He is planning on attending Western Colorado University as a Business major with an environmental focus. Alexander Thomas Norman will be attending the School of Mines in Golden for Electrical Engineering. The issue is he lives in Florissant but goes to school here in Fairplay. He is not a CCWCD resident but he is in the water shed. The parents are in the Upper South Platte area. Jackson Miller is a scholarship recipient from last year. He wants to work in broad field of water conservation. Lisa McVicker stated while the oceanographic studies might seem on the outside of it, it shows environmental interest and sustainability of our water resources. Lisa McVicker suggested approval of all five. Chris Fuller moved to approve all applications received. Lynne Buchanan seconded and the motion carried unanimously.

5.3 Discuss 2026 Open House: Lisa Brown said Burro Days in July 25th this year. The board discussed possible additional give aways. Lisa will order additional dog bowls in two different sizes. Chris asked about any recreational river gadgets. Lisa will make sure we have everything as last year. The board prefers cookies rather than cupcakes this year. Lynne Buchanan will update the video with raptor towers and the SPR headgate. The budget will remain as last year.

UPDATE ON LEGAL ISSUES

David Shohet said we have entered into stipulation with Park County on their diligence case, He believes they will end up getting a decree on that case. This is the case where the State Land Board got into Park County's case and our case arguing that we don't have the right to store water in Spinney. He isn't sure how Park County got through that but Alison is the lead in both cases. Hopefully we can get that case wrapped up now that Park County satisfied whatever the State Land Board needed to store water in Spinney. saying we couldn't store water in Spinney.

EXECUTIVE SESSION

Wallie Weld moved the board adjourn to executive session pursuant to Section 24-6-402(4)(b) C.R.S for the purpose of discussion and legal advice for the James Tingle Reservoir issues. Chris Fuller seconded and the motion carried unanimously. The board returned to regular session at 3:08pm.

PATRONS COMMENTS

DIRECTOR'S ISSUES

Lisa McVicker will tell Arkansas we're giving a donation to them. She said she and Craig will be present in May for the Joint meeting. Lisa also said there is a HASP meeting on Friday. The Maddox Reservoir will be discussed. It is located across from Platte Canyon High school. There has been some push back because the price is high. She thinks Center should revisit it. David Shohet said Jon Rice and Dave Wissel want to visit this because there just aren't a lot of opportunities and here is some storage. Center and HASP have some money but David thinks it is too high a price. Chris Fuller said what if we offered a more responsible price. David said we offered $25Kaf for storage last Fall. David said he had represented Rogowski who had wet water stored in Spinney with no annual operation or maintenance costs. David thinks if Center is going to spend that amount of money, spend it on actual water that is stored at no additional costs to you. One of the issues is that Aurora wanted some of that water because it is limited to a certain area of Park County and we were going to have to change it to be available anywhere in Park County and Aurora said if you want to do that, we want half of the water. Lisa McVicker asked that David bring that issue back up for review.

Wallie Weld said in regard to the Hartsel water, he is going back to geology 101, he is relatively sure there is a fair amount of sulfur in geology in Hartsel. When you pull water out, the concentration of sulfur increases that is left there. The longevity of a well is at risk. He thinks a geological engineer might be somebody to talk to with regard to that. Chris Fuller said there is a lot of radons there also.

Lynne Buchanan is happy to be back and said thank you for the fruit basket. Her husband is doing well.

Craig Steinmetz said he went to his files and pulled out if you look at the utility graph together, you will see in 2025, March was $4095 for the gas. Craig said when the vote was being taken, he and Lynne exchanged a lot of questions. Heat pumps were put in and they will generally go down to zero degrees before they need back up gas. Craig will review that to see what kind of back up gas we have on those pumps. Chris Fuller said she finally got the information on the subdivisions in Park County. She will email Craig all the information she has.

Nola Knudsen reminded Craig Steinmetz and Wallie Weld to write their application letter to Judge Amanda Hunter.

Wallie Weld moved to adjourn. Lynne Buchanan seconded and the board adjourned at 3:35pm.

12:30 meeting in May.

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James Tingle Reservoir: David Shohet provided a review of the JTR. There is 235af of operational capacity in the JTR. Two hundred and five of it is Highlands Ranch Water and 30af is Center's. We jointly filed an application to appropriate water rights for that storage space. The total water right included the first fill and a refill. This is a total of 470af per year as a result. We never parted this out other than the split where it's 30af of the 205af, split in terms of the operational capacity. After we adjudicated that water right, we made a portion of those water rights absolute and there is a portion that remains conditional. We had to file an application for diligence in 2024, which raised the question if center did make its full 30af absolute through the first fill and second fill, and if so, we don't have to file a conditional application. At the time we didn't know what portion was absolute and what remained conditional. They decided to deal with this at a later date.

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Matt Loose took a looked at what he thought was an equitable appropriation of the split of the conditional water right and absolute water rights between HRW and Center. His approach was based on the ownership we each have of JTR. We suggested this to HRW. They sat on it for two years and two months ago sent us an agreement. They claimed they are entitled all of the refill amount that was made absolute giving Center none, meaning we only have 30af of the first fill absolute and zero for refill portion of our water right. One hundred percent remains conditional. David doesn't know how they came up with this decision. There was no explanation as to why they should be entitled to have all of the refill portion made absolute allocated to them. David thinks they will argue because they were doing the accounting and they needed the water; they took it all without discussing with Center. Dave tried to lay out some options of where to proceed. One option is to continue to try and discuss this allocation methodology but he doesn't think it is fair and equitable to Center. Another option is to just not give them a response and continue on the same path we are on now. It doesn't do us any harm to not respond and when it rears again, deal in the future. Although a little drastic, David said Center could seek judicial relief, but it is not recommended. Chris Fuller asked what are the cons of sticking with the thought of ownership percentage? David responded, when Lisa Brown, Matt Loose and he looked at, they stored the entire refill amount in Center's space in JTR. What they first talked about was the entire amount going to Center. That wasn't 100% fair and suggested to split it up on percentage of ownership. He thinks this is keeping it in line with the joint project, splitting on the basis of percentage rather than. Lisa McVicker doesn't think we should just not respond and thinks option 2 is the best response. She said we entered into this as a collaborative partnership. We're not a distributive negotiator. They needed the water and didn't choose the best way to talk to us, so we need to respond. Chris Fuller said we can stick with concept of split on ownership. David said the agreement between center and HRW says something to the effect that HRW initially took on the administration and accounting and day to day operation. Swithin has made comments that they thought Center would take on daily administration once the project was up and running. Maybe this is a negotiation perspective to say okay we will agree and you take over the administration. Lisa McVicker said maybe there is part we should take care of and a part

HRW could take over. Lisa McVicker said we should document it and maybe we could split it. Administration is important and if we need to pay our operations Manager more, then we should. We don't want to remain silent and we don't want to go to court.

David said we should reach out to HRW and say this is not in the spirit of cooperation, it doesn't make sense, and not equitable. We should set a meeting up with them to discuss this. Lisa McVicker suggested Lisa Brown be prepared to take the next steps in terms of administrative expectations.

Lynne Buchanan moved to adjourn to regular session. Wallie Weld seconded and the board returned to regular session at 3:08pm.