

Sterling, Colorado, May 8, 2009

MINUTES of a meeting of the Board of Directors of The North Sterling Irrigation District held at their office in Sterling at 12:30 P.M., May 8<sup>th</sup>, 2009.

Directors David Hernandez, James Aranci, David Breidenbach, Secretary James Yahn, and Leon Rose were present.

The group immediately left for lunch at the River City Grill and arrived back at the District's Office at 1:30 p.m.

Minutes of Board meeting held April 7<sup>th</sup>, 2009 were approved as received.

Expense for the month of April was allowed in the total amount of \$61,433.72 and ordered paid as shown on sheets attached to and made a part of these minutes by due action of the Board, all Directors present voting aye.

Secretary Yahn reported that the approval letter from the State Engineer's Office for spillway design was received today. Mr. Yahn stated that he instructed our engineer to make 2 extra copies of the plans and specifications and to put them in an electronic format as well, which can be sent to contractors. Mr. Yahn stated that this will be an extra charge from the engineer. Mr. Yahn also stated that he was in the process finalizing bid documents and he has discussed the bidding process with Tim Feehan of the Colorado Water Conservation Board (CWCB). Mr. Yahn informed the board that in the bid documents the District can give estimated quantities of materials or have the contractors determine the quantities. Mr. Yahn stated that it would cost \$2,000 to \$2,500 to obtain estimated quantities. It was the consensus of the Board to have contractors determine the quantities. Mr. Yahn stated the CWCB will take our spillway construction loan under consideration on May 19 at their board meeting. The board instructed Mr. Yahn to advertise for bids as soon as the bid documents are finalized. Mr. Yahn stated that he has conversations and questions for our engineer from time to time that are outside the scope of the work that the engineer was authorized to perform. Mr. Yahn requested that the engineer be allowed to bill us for those types of conversations. It was the consensus of the board to allow the billing.

Secretary Yahn stated that he had contacted ERO Resources Corporation for a proposal to prepare a Natural Resources Assessment Report for the spillway project. Mr. Yahn stated that he had asked for a proposal because he received a Natural Resources Data map from the State Parks. The proposal estimated the cost at \$4,200. Mr. Yahn stated that he had placed a phone call with the state park people to ask what the purpose of the map was and if they would assist in an assessment of natural resources. Mr. Yahn was awaiting a return call. Mr. Yahn suggested that this issue be discussed later in the meeting with our attorney. It was the consensus of the board to discuss the issue with our attorney.

Secretary Yahn updated the board on the river headgate project. Mr. Yahn stated that the gates have been made and Concrete Specialties is waiting on specifications for pouring the tee. The board instructed Mr. Yahn to obtain a cost for the additional pier and opening mechanism since there will be three gates instead of two.

At this time our attorney, Ronni Sperling, called to advise the board of upcoming work. Ms. Sperling stated that she had requested that the North Sterling be substituted for Jim Aranci in several cases, only two of the applicants would not consent to the substitution. It was the consensus of the board to pay for any

work of the remaining two cases on behalf of Director Aranci. Ms. Sperling informed the board that she had filed the opposition in the Brighton case. It was agreed that she would email an update prior to each board meeting and a conference call would only be held if there were questions. Mr. Yahn asked Ms. Sperling about whether the District needed a Natural Resources Assessment prior to the spillway construction. Ms. Sperling stated she did not know and suggested that Mr. Yahn discuss the need with the state park representatives. Mr. Yahn stated that there was nothing in the resume of concern to the District. At this time the conference call was ended.

Mr. Yahn updated the board on the hydroelectric feasibility study. He stated that a grant for \$1,700 was approved by the Governor's Energy Office to help pay for the first two tasks of the feasibility study and Highline Electric agreed to split the remaining cost. Mr. Yahn stated that with this information, he instructed the engineer to begin the study.

Mr. Yahn stated that he has been working on a water lease with Hillrose Ranch for their hunting area. The lease is for this year and will pay the District \$55 per acre foot for 35.7 acre feet of water and if the Ranch's substitute water supply plan is approved they will pay an additional \$470 per acre foot. It was moved by Director Aranci and seconded by Director Breidenbach to enter into the lease. Upon being put to a vote the motion passed.

Secretary Yahn stated that he had discussed purchasing a table at the NJC Gala for the Hope Scholarship with the Logan and Iliff Irrigation Districts. The Logan and Iliff Districts together agreed to split a table with the North Sterling. After some discussion it was moved by Director Aranci and seconded by Director Breidenbach to purchase one half of a table at the Gala at a cost of \$750. Upon being put to a vote the motion passed. It was also the consensus of the board that this contribution would be done in lieu of purchasing livestock at the fair, this year.

Secretary Yahn reported that the current storage is 73,440 acre feet, current flow in the outlet is 335 cfs for 304.5 cfs ordered today and 275.75 cfs order for tomorrow. Mr. Yahn stated that 6,074 acre feet was delivered on a direct flow basis.

With no further business to come before the Board the meeting was adjourned at 2:30 P.M.

Respectfully Submitted,

James T. Yahn, Secretary