

**UPPER ARKANSAS WATER
CONSERVANCY DISTRICT**

Regular Meeting of the Board of Directors

**October 14, 2021
1:30 P.M.**

A regular meeting of the Board of Directors of the Upper Arkansas Water Conservancy District was held Thursday, October 14, 2021, commencing at 1:30pm at the District offices, 339 East Hwy 50, Salida, Colorado, following the Water Activity Enterprise committee meeting, notice having been given by posting of Notice and Agenda on October 13, 2021, at the offices of the Upper Arkansas Water Conservancy District, 339 East Hwy 50, Salida, Colorado.

DIRECTORS PRESENT (IN PERSON)

Tim C. Canterbury	Tony Telck	Brett McMurry
Tom French	Thomas Goodwin	Warren Diesslin
Gregory W. Felt	Richard Hilderbrand	Robert B. (Bill) Donley
Mike Shields	Albert Eggleston	Franklin J. (Jay) Moore (Honorary)

DIRECTORS PRESENT (BY REMOTE VIDEO AND AUDIO CONFERENCING)

Tim Payne
Mannie Colon

DIRECTORS ABSENT

Tony Telck

DISTRICT OFFICIALS/STAFF MEMBERS PRESENT

Ralph L. (Terry) Scanga, General Manager	Jennifer A. Scanga, Secretary
Jord Gertson, Hydrologist	Kendall Burgemeister, Attorney
Gracy Goodwin, Projects Manager	

DISTRICT OFFICIALS/STAFF MEMBERS PRESENT (BY REMOTE VIDEO AND AUDIO CONFERENCING)

Richard Brown, Legislative Consultant	Wendy Ryan, Engineer
Denise Sanchez, Office Manager	

DISTRICT OFFICIALS ABSENT

Chris Manera, Engineer
Ken Baker, Consultant

STATE OFFICIALS PRESENT

None

STATE OFFICIALS PRESENT (BY REMOTE VIDEO AND AUDIO CONFERENCING)

Dan Henrichs, Water Commissioner, District 11
Will Scott, Water Commissioner, District 12

STATE OFFICIALS ABSENT

Brian Sutton, Augmentation Coordinator
Bill Tyner, Division Engineer

EX-OFFICIO REPRESENTATIVE PRESENT

Bob Hartzman, Canon City Water Superintendent
Tom Flower, Custer County Commissioner

EX-OFFICIO REPRESENTATIVES PRESENT (BY REMOTE VIDEO AND AUDIO CONFERENCING)

None

RECORD OF PROCEEDING

EX-OFFICIO REPRESENTATIVES ABSENT

Brian Berger, Poncha Springs Administrator
Dwayne McFall, Fremont County Commissioner
Michael Patterson, Florence City Manager
John Roorda, Chaffee County Planning Manager
Dave Schneider, District Manager, Round Mountain WSD
Shawn Williams, Buena Vista Public Works Director
Philip Puckett, Buena Vista Town Administrator

GUESTS PRESENT

Eric Young, Stotler & Young, CPA

GUESTS PRESENT (BY REMOTE VIDEO AND AUDIO CONFERNING)

Joe Stone, Heart of the Rockies Radio
Cathy Garcia, Southern Colorado Regional Director for Congresswoman, Lauren Boebert
Sarah Mudge, Lake County Commissioner
Jim Blasing, Director at Pueblo West Utilities
Bobby Banham, Pueblo West Utilities

PLEDGE OF ALLEGIANCE

Chairman Canterbury led attendees in the Pledge of Allegiance.

INTRODUCTION OF GUESTS

Guests were asked to introduce themselves.

Chairman Canterbury welcomed newly appointed and sworn in Board member, Albert Eggleston representing R-32-J.

A Certificate of Appreciation was awarded to Honorary Board Member, Jay Moore for his 10 years of service and commitment to the UAWCD Board of Directors.

MINUTES OF THE MEETING OF September 9, 2021

The minutes of the meeting of September 9, 2021, were approved upon motion by Director Donley with second by Director Felt.

FINANCIAL REPORTS

Upon motion by Director Goodwin with second by Director Shields, the Board approved the monthly financial reports dated September 9, 2021.

The quarterly financials were reviewed by Manager Scanga.

PROGRAM PRESENTATIONS

Ex-Officio Mr. Bob Hartzman announced his retirement from Canon City Waterworks and thanked the Board and gave a special acknowledgement to Manager Scanga for imparting his knowledge and wisdom to him and being a mentor to him regarding water rights in the Upper Basin and the complexity of water law. He expressed his appreciation to the Board for providing water to individuals and being a good watchdog in the Upper Arkansas River Basin.

Custer County Commissioner Tom Flower informed the Board of an augmentation presentation by Manager Scanga with CSU in Westcliffe on November 4th beginning at 6pm. He also mentioned that the Office of Emergency Management would like to have the opportunity to speak with the Board about the Fire Hazard Mitigation Agreement.

EX-OFFICIO REPORTS

There were no ex-officio reports

PROJECT MANAGEMENT REPORT- Gracy Goodwin

PM Goodwin gave an update on the progress of October projects.

RECORD OF PROCEEDING

Ice Lake Outlet & Spillway:

- Removal and replacement of last culvert
- Outlet and spillway construction are finished
- Waiting on a grate to place over spillway
- The final work is being completed on the measuring device
- October progress report has been submitted

DeWeese Dye Ditch Gaging Project:

- A meeting took place with the DeWeese Dye Ditch Company formulating a proposal.

PM Goodwin stated that the flume is fully submerged and once the flume is repaired it will give another 150-acre feet of water in addition to what is already being offered in exchange for storage space.

Round Mountain Reservoir Feasibility Study:

- A meeting was coordinated with Round Mountain and Engineering Analytics reviewing the feasibility study.

Water Balance Study-Phase 2

- Progress report was submitted
- The final report from Colorado State University (CSU) on Ag Water Balance and Irrigation Scheduling was received.
- The United States Geological Survey (USGS) final report is in queue for internal review and then the draft will be made available for review before publishing.

Trout Creek Park Alluvial Storage:

- Executive Summary and revised map sent to the Department of Corrections (DOC)
- Progress report sent and a phone call was made to grant contact
- There is a new director at the Colorado Corrections Industries (CCI)

Chairman Canterbury suggested giving DOC a push to get the Trout Creek Park Alluvial Storage moving forward. He said it has been in the works for many years now and he would like to see it completed soon.

Director Eggleston commented that with all the turnover in management at DOC, he understands the difficulty in reaching the right people to get the job done.

CONSULTANT REPORT – Ken Baker & Richard Brown

Legislative Consultant Brown reported on current legislative updates.

Mr. Brown discussed the re-districting of congressional and state legislative boundaries are ending through the work of the commissions. He said the proposed map for Congressional District has been filed with the State Supreme Court and the State Supreme Court has cleared on its docket for consideration. Mr. Brown explained that there are several groups and organizations that have filed Amicus Briefs because they want to rearrange some of the boundaries to better represent the groups they work with. He stated that no one knows how the process will work because it has never been done before and the State Supreme Court has been final arbiter for the past 30 or 40 years and have some history and two of the justices were formerly with the Attorney General's office practicing law and re-districting things. Mr. Brown continued stating that the commissions for the house and Senate have completed their work and the maps will be filed in the Supreme Court and the same process will be accomplished with Amicus Briefs. He discussed further that he is keeping an eye on what district boundaries are going to mean for the geographical area that is serviced by the UAWCD and it has been a moving target. Every time there seems to be a clear boundary it erodes and then there is a new one.

Mr. Brown stated that the current State Senator Kerry Donovan announced that she will run against Congresswoman Lauren Boebert in the 3rd Congressional. He added that the boundary lines have been moved so Donovan is no longer in the 3rd Congressional and she has suspended fundraising for her campaign pending final lines from the State Supreme Court. Mr. Brown said that technically under the US Constitution a person does not need to live in the congressional district to represent it, they just have to live in the State but he expressed that to try and do that makes for weak representation.

RECORD OF PROCEEDING

Mr. Brown stated that he thought Senator Donovan might resign her Senate seat in early January and let State Representative Dylan Roberts take the vacancy and run for Senate seat, however with the lines changing it might disenfranchise him. Mr. Brown said that Representative Hanks who represents a big chunk of the area, announced that he is not running for reelection, he will run against incumbent Michael Bennett for the US Senate. He added that what is interesting is for a person to serve in a legislative district they must have resided in that district for a full year prior to election. Mr. Brown expressed that without clear boundaries for residency, many people will probably file a candidacy paper and then if the lines are not where they want them to be, they will have to withdraw from contention.

In other matters Mr. Brown discussed draft bills for the next legislative session. He said there are 7 bills that will be considered by the Water Resources Review Committee (WRRC) on the 28th of October and he stated he will be sending a summary of those bills to Manager Scanga and Consultant Baker for review of areas that may be of interest or concern. Mr. Brown added that other interim committees are doing the same thing and he received one coming out of the Tax and Finance Committee for change of classification of property that is being used for short term rentals from residential to affordable commercial much like a Bed and Breakfast which will change the formula for assessment and will result in a significant property tax increase. He stated that he didn't see anything in the bill draft that would put it before the voters under the Tabor provisions as being an increase or change in tax policy. Mr. Brown said there are many other bills coming out of Tax & Finance for allocation and distribution of Federal Stimulus money.

COMMITTEE REPORTS

None

RESUME REVIEW COMMITTEE

Nothing of significance in the September resume.

MANAGER'S REPORT – Terry Scanga

Presentation of the 2021 Budget:

Eric Young, CPA of Stotler & Young, PC, presented to the Board the 2022 Budget Report.

Mr. Young summarized the requirements for approval of the budget, which include a written budget narrative, 3 years of comparative data, no deficit spending, and a budget resolution. Mr. Young gave a summary of taxation as relates to the general fund with details on the voter approved mill, annual levy calculations for the tax revenue limit. Mr. Young stated that for the 2022 Budget year Tabor was the most restrictive due to the increase in property values. He explained that there is sometimes a discrepancy between what is budgeted as opposed to what is collected and that there are few discrepancies from last year. Mr. Young said that final valuations are released by the county in November. He also brought attention to the capital outlay figure which is in the budget for water rights acquisitions and is the number that is used to balance the budget.

General Fund

Director Donley asked about the 20% increase in total revenue in the General Fund. Manager Scanga explained that in the General Fund is contains less on-liquid assets than the Enterprise. He stated that the estimated beginning fund balance is a combination of liquid and non-liquid assets and much of the increase is from carry over funds.

Manager Scanga further explained that there were some adjustments in the preliminary budgets presented last month. He said the Hydrologist's wages were calculated incorrectly and that amount has since been corrected. Manager Scanga stated that everything else is identical to what it was.

Mr. Young clarified that the beginning fund balance number comes directly off the most recent 2020 Audit Report. He said that the 2022 beginning fund balance is an estimated value based off the 2021 revenue over expenditure. He added that it should be an actual representation of the real amount and that the actual revenue does not include what the fund balance is in the prior year or the capital outlay. Mr. Young stated that the ending fund balance should be close to what the liquid assets are.

RECORD OF PROCEEDING

Manager Scanga explained to Board members that the capital outlay is available to meet expenditures. He said that after anticipating expenses, anything left over is put into the capital outlay. He further explained that every penny is budgeted so that there are funds available for the potential purchase of a water right acquisition or funding of a project. Manager Scanga added that expenditures over \$5000 are approved by the Board.

Director Hilderbrand inquired about year to year increases and noted that there is a significant increase in Capital Outlay for 2022. He asked if funds can be transferred from the General Fund to the Enterprise Fund and what the capital outlay could be used for? Manager Scanga said they could be transferred but there are limitations. Atty Burgemeister clarified that legally what can be transferred to the Enterprise is 10% of the Enterprise total revenue in any given year in the form of grants. He added that in terms of policy, transfers are decided on by the Board. He further added that grant money includes cash subsidies from the General Fund not to include in-kind contributions. Atty Burgemeister clarified for Director Donley that funds from the Enterprise can be transferred to the General Fund and counted as income.

Manager Scanga explained what the capital outlay revenue could be used for. He stated that the funds are available for litigation to defend water rights within the basin, engineering, building repairs and maintenance. He added that the District is basically the operational component and the Capital Outlay may be used for upgrades within the infrastructure.

Enterprise Fund

Mr. Young reviewed the Enterprise Fund and stated that the only restriction is that only 10% of the total revenue can come from Colorado grants. He noted that if the grant is designated for a specific use then it does not fall under the definition of grant money.

Manager Scanga mentioned one change made from last month's review of the budget. He stated that there was an increase in Rule 14 rates, and he adjusted the revenue to account for the increase.

Mr. Young explained that there are not many discrepancies from prior years, and nothing was changed from the prior budget meeting.

Mr. Young indicated that the Enterprise fund is labeled as net assets or net position and budgeted cash reserves is a starting point and is the liquid money available to spend. Manager Scanga said to look at it as net of non-liquid assets. He explained that the District has a debt to the Colorado Water Conservation Board (CWCB) for a loan that is taken against assets accumulated from day one and assets are valued at cost. He explained that the difference between beginning net assets, non-liquid and liquid, is the value of assets at cost, minus depreciation and any debts. He explained that essentially, he takes the amount of liquid assets and figures what the funds will be for next year and uses that as the starting point.

Director Hilderbrand suggested adding a separate line on the Enterprise budget report showing a subtotal of revenue that does not include cash reserves. Manager Scanga said he could add a line that indicates total estimated revenue for 2022 and then a grand total.

Director Goodwin asked the mill levy rate for the 2022 General Fund? Mr. Young stated that it is .398 mill.

Manager Scanga discussed with the Board the 10% wage increase for employees. He said the large increase is due to the increase in the cost of living in Chaffee County. Manager Scanga expressed the benefit to having trained, knowledgeable employees and said he appreciates the staff the District has and an increase in wages is essential to retain good staff. He added that retraining new staff takes more money and resources. He added that Social Security tax has been increased by 5.9%.

Director Felt informed the Board about a recent budget hearing for the 11th Judicial District Attorney's office, including Custer, Fremont, Park and Chaffee counties. He said there was quite a disparity in terms of what the commissioners from the other counties felt was reasonable or what they were planning

RECORD OF PROCEEDING

to give their employees as a raise as opposed to Chaffee County. Director Felt said the reason for mentioning it is because he believes most of the District employees live in Chaffee County and therefore are part of this economy. He stated that as a county he is not sure what they are doing but for the rank and file employees, they are giving a much larger pay increase than what has been historically done because the county hasn't been keeping up. Director Felt expressed his support for a 10% wage increase for 2022 for District employees and realizes the struggle to keep employees and feels a significant wage increase is necessary for the cost living in this county.

Director Goodwin mentioned a website that compares each county's cost of living and it was noted that Chaffee County has a 34% higher living cost than Fremont County and feels it justifies the need for a wage increase. He added that it does not only apply to housing but also health care, food, and other living necessities. Director Goodwin said he is in complete support of the employee wage increase.

Manager Scanga clarified for Director Hilderbrand that there is a wage study in progress with the Southeastern Colorado Water Conservancy District (SECWCD) for a comparison of wage classifications with the UAWCD. He added that the study will be completed next year.

There was discussion among Board members regarding scheduling of the Budget Hearing. A motion was made by Director Felt, seconded by Director Goodwin to schedule the Budget Hearing for Thursday, November 11, 2021, at 2:00 p.m. It was approved unanimously by the Board.

Augmentation Forfeiture:

Upon Motion by Director Donley, Seconded by Director Goodwin, the Board unanimously approved to void the 9 augmentation certificates discussed in the earlier Enterprise Meeting. The nine augmentation certificates are as follows: #173, #484, #526, #647, #696, #730, #877, #984, and #1161.

Water Rights Development Plans:

Manager Scanga recommended actions to be taken to develop water resources to further the District's goals and continue protection of Upper Basin resources. He said that as a primary focus, he is recommending beginning the drafting of an application to change the District's share of the Cameron Ditch. He stated that most of the engineering evaluation of this water right has been completed and the sooner the District files this application, the better. Manager Scanga also recommended focusing on the development of engineering and drafting of applications for changing the Union Ditch shares the District will be using pursuant to the Fremont County DOT augmentation agreement, and the additional Thompson Ditch water acquired from Yale Lakes Estates. He asked for direction from the Board to undertake these recommended activities.

Chairman Canterbury expressed that thinking of demand management he feels it would be beneficial to look into purchasing Twin Lakes water if it becomes available instead of relying on project water in the event of demand management or curtailment and the impact to water rights within the District. He added that he is not saying to give up project water to better the District portfolio with resources in our own Basin and to go after it more aggressively. He further added that it does not necessarily have to be Twin Lakes water but any native water source.

Manager Scanga stated that the goal is to add more native sources of water and less reliance upon transmountain water and there is a standard policy to purchase Twin Lakes water when available and leasing of those shares too.

Chairman Canterbury suggested having CWCB present their Demand Management presentation so Board members who deal with Demand Management through the Ark Basin Round Table can use that information and ask important questions.

Director Felt clarified that a lot of the Twin Lakes water is transmountain water and senior to the Colorado River Compact, so it puts it into a different category than the Fry-Ark water the District relies on.

RECORD OF PROCEEDING

Manager Scanga said that occasionally there is an opportunity for the District to be able to take water in lieu of money for augmentation and often an individual will come to the District for augmentation who already has some shares that are being used for augmentation but are looking to expand. He said that he works out an arrangement where Twin Lakes water goes into the District portfolio and we provide augmentation. Manager Scanga added that it provides more reliability in our portfolio. Manager Scanga stated that another opportunity is to send out requests to individuals who have shares not being used to lease with the option to purchase in the future. He commented that Twin Lakes shares are expensive, and the net yield is approximately .73- or .74-acre feet recognized by the State. In other words, one-share = .73-acre feet and the average yield is about .90-acre feet and the high is 1.10 AF yield. He said that the State is going to recognize .73-acre feet per share and the cost will be approximately \$50,000 per share. Manager Scanga stated that the opportunity for gaining 50 shares of Twin Lakes is slim. He said that we have 77 acre-feet every year from CPW and another 18 shares from another entity in exchange for augmentation which equates to about 95-acre feet of water. Manager Scanga added that the District will be receiving 1 share from Young Life as part of trade of augmentation. He said there will be more opportunities for acquiring Twin Lakes water and the District typically gets 202-acre feet of non-evaporative Twin Lakes water each year from a 40-year lease with Pueblo Board of Water Work. The storage report for the month confirmed a total of 700 acre-feet of Twin Lakes water. Manager Scanga explained that the money put into the water acquisition account is specifically for the purchase of Twin Lakes water and other rights that may become available during any year. He clarified that Twin Lakes water has always been the underpinning for the District's augmentation plan.

Upon motion by Director French, with a second by Director Felt, the Board approved to move forward with the water rights development plans recommended by Manager Scanga.

Water Storage

Manager Scanga discussed further three water storage activities that the District is presently engaged. He said these are the Cottonwood Lake rehabilitation, DeWeese enlargement feasibility, and Round Mountain Reservoir. Manager Scanga stated that Cottonwood Lake will require authorization from the USFS as part of a new special use permit.

Manager Scanga discussed an additional activity involving adding new sources of water and prospective sources for storage authorization in our excess Capacity space in Pueblo Reservoir. He said these new sources will require environmental evaluation under the Master Contract through the SECWCD.

Manager Scanga stated that negotiations with Correctional Industries are continuing for the Alluvial Storage project in Trout Creek. He said that an executive summary has been sent to the Industries contact and the project team is awaiting a follow up meeting. He reiterated what Director Eggleston commented that due to a lot of department head changes the District will have to re-inform the new management on the project.

Upon a motion made by Director Hilderbrand, seconded by Director Eggleston, the Board approved to move forward on a new alluvial storage to be developed on the Young Life property, adjacent to Cottonwood Creek.

ENGINEER'S REPORT – Wendy Ryan, Colorado River Engineering (CRE)

Engineer Ryan gave a brief update on work in progress on the opposition of the Hoover Ditch case. She stated that the 26-day 2 report is due on December 1st.

LEGAL REPORT – Law of the Rockies, Kendall Burgemeister

Attorney Burgemeister reported on the status and developments of several UAWCD applications. A copy of the legal report was provided to Board members prior to the meeting.

UAWCD Applications:

Chalk Creek & Cherry Creek Conditional Exchanges-

- Chalk Creek Exchange (94CW41) and Cherry Creek Exchange (94CW42) water rights provide replacement of depletions from structures on these tributaries pursuant to 92CW84/06CW32.

RECORD OF PROCEEDING

Upon motion by Director Goodwin, seconded by Director Donley, the Board approved to file applications to make 94CW41 and 94CW42 exchanges absolute to the extent possible and for a finding of reasonable diligence on any portion not made absolute.

21CW3033: Application to make 04CW96 exchanges absolute in part and for finding of diligence

- Developments: Statement of opposition filed by CWCB
- Status: Waiting for Division Engineer's consultation report. Opposed by CWCB and Aurora.

21CW3030: Application to make 96CW17 Exchange absolute in its entirety

- Developments: Division Engineer consultation recommends making UAWCD share absolute in the entirety, but questioned Buena Vista's claimed absolute amount.
- Status: Waiting for Town response to Division Engineer's consultation report

19CW3089: Change of Cottonwood Irrigation Ditch

- Developments: No significant developments
- Status: Before the Referee until May 31, 2022. Opposer comments due October 29th. Next status conference is November 5th.

18CW3048: Joint application to change Silver Creek-Ronk Ditch water

- Developments: Decree entered.

Applications UAWCD is Opposing:

21CW3044

- Developments: Statement of Opposition filed. Initial conversation with Applicant's attorney
- Status: Waiting for statement of opposition deadline, consultation report, and initial proposed ruling and engineering.

19CW3061

- Developments: Received revised proposed decree from Applicant.
- Status: Before the Water Court. Trial scheduled for March 2022. UAWCD expert report due November 1, 2022.

Atty Burgemeister mentioned a few other legal updates. He said that he met with Lee Miller and Jim Broderick from the Southeast District to discuss a variety of issues. He also mentioned that he is working with PM Goodwin and Manager Scanga on a proposal with DeWeese Dye Ditch Reservoir Company.

Atty Burgemeister further explained work in progress on a couple different proposals with individuals looking to do a deal where they provide a source of raw water in exchange for augmentation through the District. He added that the proposals are similar to the one with Young Life discussed earlier.

Atty Burgemeister also stated that he helped Manager Scanga compose a letter to an individual who was unwilling to comply with the new policy to submit a photo of his water meter. Manager Scanga confirmed that the individual finally supplied the required photo although under protest. He said he explained to the individual that the District needs to be able to verify and confirm the accuracy of the reading.

In other matters, the Board discussed the General Manager's contract. Chairman Canterbury stated that after reviewing the contract, he felt no changes were needed and expressed that what was negotiated on during the executive session still stands.

Atty Burgemeister mentioned an issue brought to his attention by a couple Board members which he overlooked. He said it was in the old contract and carried over to the new contract and relates to the compensation in lieu of health care coverage. He stated that there are things the District must do to allow that provision to remain in the contract. Atty Burgemeister added that the same type of coverage must be offered to all employees who qualify for health insurance coverage, which is the ability to opt out and receive cash in lieu of coverage and all employee policies would need to be updated to keep all policies consistent.

Manager Scanga suggested Atty Burgemeister meet with the District's accountant and insurance agent to get the policies up to date.

RECORD OF PROCEEDING

Director Colon asked if we go forward with the approval of the General Manager's contract, is the District tied to all other employees for health care benefits or does it only apply to the Manager?

Atty Burgemeister answered that it brings up another minor change, stating that the way the provision is worded in the contract as carried over from the old contract, is that compensation in lieu of group insurance coverage is based on the cost of coverage to the District/Enterprise. He said that instead of it being based on cost of coverage calculation, the way most Human Resources departments recommend, and in compliance with Federal tax law is to set a specific amount. In other words, if an employee opts out of health coverage, they will receive a specific amount of compensation per month.

Upon motion by Director Donley, with a second by Director French the Board unanimously approved to have a final General Manager Contract completed by Atty Burgemeister with the discussed changes. The contract was approved with a vote of "Aye".

Manager Scanga thanked the Board for their work on the contract.

CHAIRMAN AND DIRECTOR REPORTS

Several Board members expressed gratitude to Bob Hartzman for his time on the Board as ex-officio for the Town of Canon City.

NOTICES & MEETINGS

Arkansas Valley Roundtable- November 10, 2021, 12:30 pm, Pueblo & virtual
IBCC Meeting-October 21, 2021, time & location TBD

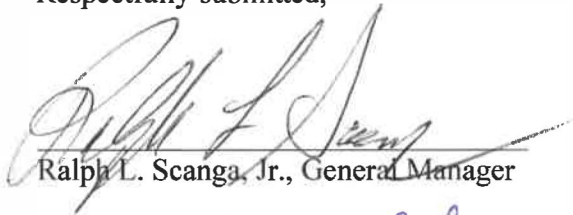
ADJOURN

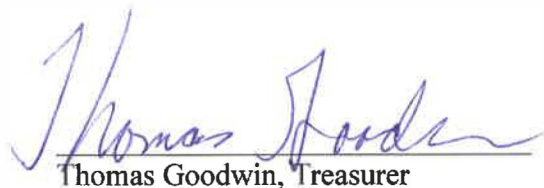
There being no further business to come before the Board or Enterprise and upon motion by Director Donley, seconded by Director Hilderbrand and approval of the Board, the meeting adjourned at 4:05 pm.

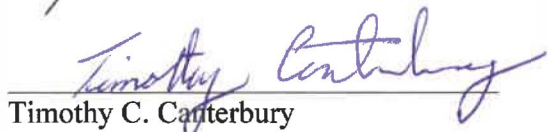
[The remainder of this page is intentionally left blank.]

RECORD OF PROCEEDING

Respectfully submitted,


Ralph L. Scanga, Jr., General Manager


Thomas Goodwin, Treasurer

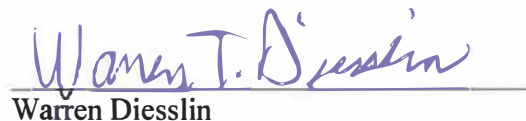

Timothy C. Canterbury

approved remotely - no signature
Richard Hilderbrand

approved remotely - no signature
Mannie Colon


Albert Eggleston

approved remotely - no signature
Robert B. Donley

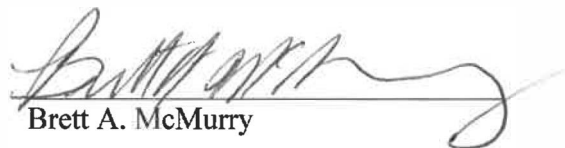

Warren Diesslin

absent - no signature
Gregory W. Felt

absent - no signature
Tim Payne


Tom E. French

approved - no signature
Tony Telck


Brett A. McMurry

absent - no signature
Mike Shields