

MEMORANDUM

March 5, 1996

TO: Water District 57R Files

FROM: Cindy Hodges *cyh*

RE: 1996 Annual Meeting

I attended the annual meeting on March 4. A prominent item on the agenda this year was the payment of attorney fees incurred on behalf of the District. Counsel had been retained in January to help negotiate a petition filed in SRBA court against the language in the Reynolds Decree general provisions. A draft stipulation was submitted to the SRBA court yesterday which the District hopes will resolve the issue.

The initial concern by some water users was that the actions taken by a few persons, without the common consent of all, would not benefit the District as a whole. Per Phil Rassier's recommendation, I suggested to the District that it might be more appropriate for the concerned parties to form a separate water user's association (under Title 30) for the collection and disbursement of the attorney's fees. After considerable discussion, however, those in attendance agreed that the purpose of those actions was to protect all decreed water rights in the drainage (both side of the issue were well represented). The costs incurred by hiring the attorney were upheld as beneficial to all water users, and it was decided the cost should be shared District-wide in some fashion.

A resolution was passed which provided for a special assessment to be made against all water users to collect the funds necessary to pay legal fees, up to a maximum of \$10,000. A \$50.00 minimum charge will be made against all water users. The balance is to be collected as an additional pro-rata charge against each user based on the past seven years delivered flows. Charges will be calculated this year. Each member may spread their assessed charge over three years (one-third payment each year along with regular budget contribution), in accordance with the payment plan offered by the law firm. The resolution passed with one dissenting vote and three members abstaining.

Jerry Hoagland spent considerable time preparing information for the court; Connie Brandau was instrumental in gathering and collating historical delivery information for use during the annual meeting. I commend both their efforts.

I also presented to the group information relative to worker's compensation requirements. My presentation was very brief, as the meeting had run long. I left a copy of Tim Luke's memo and the Insurance Fund phone numbers with Connie.

No other changes occurred in District operation or officials. Chairman (Richard Brandau), secretary (Jerry Hoagland), advisory committee and Watermaster were all re-elected; general budget remained at \$5,000.