



# 2022 Business Plan (2022-2024)



Southeastern Colorado Water Conservancy District

[www.secwcd.com](http://www.secwcd.com)



**1958**

The Southeastern Colorado Water Conservancy District was formed for the primary purpose of forming and operating the Fryingpan-Arkansas Project.

**1962**

The Fry-Ark Project was approved by Congress.

**1981**

Repayment Contract for Project signed with the Bureau of Reclamation.

**1995**

The District formed an Enterprise Activity. The Enterprise is the business arm of the District.

**2020**

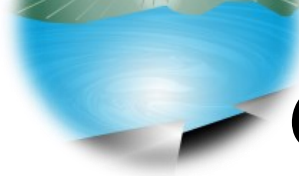
Hydroelectric Power subfund created in the Enterprise Budget.

**2021**

Arkansas Valley Conduit subfund created in the Enterprise Budget.

**2021**

Repayment Contract conversion signed.



# 60 years of Progress

The Fryingpan-Arkansas Project will be 60 years in the making in 2022, and the progress that was envisioned in the middle of the previous century is starting to unfold.

“Water time” is a way of looking at things that measures accomplishments by generations, rather than just years.

In the case of the Fryingpan-Arkansas Project, a generation that witnessed the powerful destruction of floods, and the horrifying consequences of drought dreamed of a future where the blows of these events could be softened. Control of the water by storage and improved supply during the dry times were the goals.

The next generation arrived after World War II, with a can-do attitude to build a project that would meet these goals. They formed the Southeastern Colorado Water Conservancy District to be stewards of a precious resource; to develop the Fryingpan-Arkansas Project.

Then came the builders. Decades were spent creating the dams, tunnels and hydropower plants that make up the infrastructure of the Fryingpan-Arkansas Project.

In 2022, the Southeastern District is challenged not only with being the caretakers of this wondrous legacy, but to use the same sort of vision as previous generations to continue to improve and develop the Project for the benefit of Southern Colorado.

The 2022 Business Plan is a roadmap for meeting this challenge. This year’s plan looks at work that is anticipated in the next three years, and includes a section that anticipates projects that are the horizon beyond that three-year window. It is meant to be a forward-looking document that captures the essence of operations, programs and projects that meet the purposes of the District and the Project.

The Business Plan aligns with the 2022 Strategic Plan and will follow the fund structure used in the 2022 Budget.

Expenditures listed in the Business Plan for 2022 align with the Budget, while years 2023 and 2024 are Advisory Years and are subject to change.

Finally, potential future programs are listed in the 2022 Business Plan, as a reminder of work yet to be completed for generations to come.

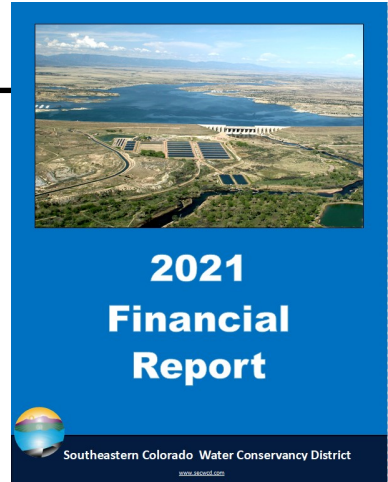
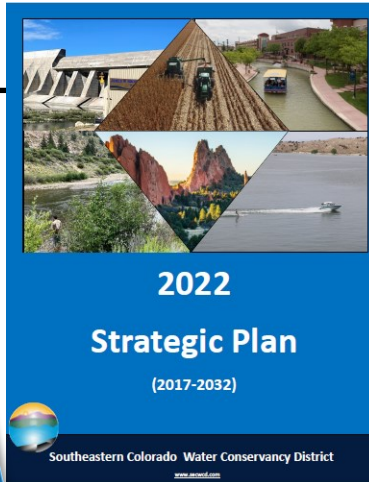
## 2022 BUSINESS PLAN/INTRODUCTION

# Measuring Progress in 2021

Fryingpan-Arkansas Project		Lead Office (s)	Description/Goals	2021 Progress	2022 Target
Repayment Contract	Finance/Legal		Repay Fry-Ark Debt	83%	85%
Operation, Maintenance & Replacement	Finance		Payments for District Share	100%	100%
OM&R Credits	Finance		Credit to District OM&R	100%	100%
Fryingpan-Arkansas Reserve Fund	Finance		Increase Fund Balance	100%	100%
Miscellaneous Revenues	Finance		Reclamation Fund for AVC	100%	100%
Excess Capacity Master Contract	Programs		Contract for Pueblo Reservoir Accounts	100%	100%
Winter Water	Engineering Water Resources		Coordinate Winter Water Storage	100%	100%
Reclamation Reform Act	Engineering Water Resources		Track Irrigated Acres	100%	100%
District Operations		Lead Office (s)	Description/Goals	2021 Progress	2022 Target
Human Resources	Administration		Transitional Planning and Stability	90%	100%
District Headquarters	Administration		Maintain District Building	100%	100%
District Grounds	Administration		Maintain District grounds	75%	100%
Records Management	Communications		Develop Electronic Filing System	5%	25%
Fleet Management	Administration		3 Vehicles, 6-Year Rotation	100%	100%
Boundaries & Inclusion	Engineering Water Resources		Accurate Boundaries & Inclusions	80%	100%
Water Rights Protection	Legal		Diligence, Protection of Water Rights	100%	100%
Outside & Professional Services	Administration		Outside help for all areas	75%	100%
Water Conservation & Education	Communications		Conservation Planning in 2022	50%	100%
Communications & Outreach	Communications		Develop Communication Plan	50%	100%
Financial Study	Finance		Financial Study in 2022	50%	100%
Reserve Funds	Finance		Establish Reserve Structure	50%	100%
Asset Valuation & Condition Assessment	Engineering Water Resources		Complete Condition Assessment	50%	100%
Recovery of Storage	Programs		Develop Storage Recovery Plan	50%	100%
Streamflow Forecasting	Engineering Water Resources		More Accurate Water Supply Forecast	50%	100%
CoAgMet Monitoring	Engineering Water Resources		Ongoing Weather Monitoring	100%	100%
Watershed Health	Programs		Cooperative Basinwide Program	5%	25%
Enterprise Operations		Lead Office (s)	Description/Goals	2021 Progress	2022 Target
Water Quality Monitoring	Engineering Water Resources		USGS Cooperative Programs	100%	100%
Colorado River Programs	Legal		Colorado River Activities	100%	100%
Fountain Creek Transit Loss Model	Engineering Water Resources		Cooperative Basinwide Program	100%	100%
Regional Resource Planning Group	Engineering Water Resources		Cooperative Basinwide Program	50%	100%
Safety of Dams	Finance		Repay Safety of Dams Debt	88%	92%
Upper Basin Storage	Engineering Water Resources		Cooperative Basinwide Program	5%	25%
Restoration of Yield	Engineering Water Resources		Cooperative Basinwide Program	25%	25%
Arkansas Valley Conduit		Lead Office (s)	Description/Goals	2021 Progress	2022 Target
AVC Construction Plan	Engineering Planning		Enterprise Construction Project	5%	25%
Hydroelectric Power		Lead Office (s)	Description/Goals	2021 Progress	2022 Target
James W. Broderick Hydropower Plant	Engineering Planning		Enterprise Construction Project	100%	100%

Key:
Completion
Implementation
Design
Planning

This chart shows the progress of Business Plan elements according to the office of primary responsibility. In general, most projects, programs and operations overlap and interact.



# Using the 2022 Business Plan

The 2022 Business Plan is meant to align with the 2022 Adopted Budget, the 2022 Strategic Plan and the 2021 Financial Report. The Business Plan is a three-year roadmap that looks at what is expected to occur in the near future, while evaluating how programs fit with the long-term goals of the Strategic Plan, the annual workplan as described in the Budget, and the financial review of the previous year in the Financial Report.

In the 2022 Business Plan, a three-year work plan is included in the Executive Summary that highlights activities by department.

All programs, projects and activities are individually described in the section immediately following the Executive Summary.

The Business Plan concludes with the three-year budget and forecast.

# Southeastern Work Plan, 2022-2024

## Legal Department

### USBR Contracts

#### Fry-Ark Repayment Contract

The Fryingpan-Arkansas Project converted Repayment Contract between Reclamation and the District was signed in late 2021. It establishes District repayment, OM&R, and use of Fry-Ark revenues in perpetuity.

#### Three-Party AVC Contract

A contract among Reclamation, the District and Pueblo Water was negotiated in late 2021, and will be signed in 2022. It established payments and conditions for the Arkansas Valley Conduit.

#### AVC Repayment Contract

The Arkansas Valley Conduit Repayment Contract between Reclamation and the District establishes payment of the District's 35% share of the AVC, and operating conditions.

#### Fountain Valley Authority Contract

The Fountain Valley Authority repaid its debt to Reclamation in 2021. The Authority contract through SECWCD expires in 2024, and must be renewed before that time.

### Water Court

#### Division 2 Diligence Filings

Diligence filings for water storage, conveyance, diversions and exchanges in the Arkansas River basin will be made in 2022.

#### Water Court Cases

Water cases will continue to be monitored in Division 2 water court, and throughout other divisions in Colorado, to determine whether Fry-Ark Project water rights could be impacted. No major cases are foreseen.

#### Division 5 Diligence Filings

Diligence filings for water diversions and conveyance in the Colorado River basin will be made in 2024.

### Colorado River

#### Colorado River Issues

Legal staff will continue to monitor Colorado River issues that involve partnerships within Colorado, among Upper Basin states, and among Lower Basin states, including tribes.

### AVC Agreements

#### AVC Governance Agreement

A governance agreement for the Arkansas Valley Conduit will be needed in early 2022. The agreement will set the format for future OM&R and financial decisions that will be needed when the AVC is built.

#### Fiscal Agent Agreement

A fiscal agent is needed in order to accept grants for the AVC that exceed the SECWCD Enterprise limits under state law, and for smaller water companies that are not eligible for government funding. The fiscal agent might also assume other financial functions related to AVC. This needs to be in place in early 2022.

#### AVC Participant Agreements

Agreements for delivery and excess capacity storage (in most cases) between SECWCD and participants will be needed as participants come on-line. In 2022, this includes Avondale and Boone.

### Legislation

#### Colorado Water Conservation Board AVC Package

Once a fiscal agent is determined for AVC, legislation will be needed to modify the \$100 million finance package approved by the state in 2020 to allow grants to be accepted by the fiscal agent on AVC's behalf.

#### Monitor State Legislation

SECWCD legal staff will monitor state legislation for action that affects the Fry-Ark Project, the District or the Enterprise.

### Other Issues

#### Conflict of Interest

Conflict of interest policies for staff, Board members and contractors will be reviewed in 2022.

#### Succession Planning

An in-house lawyer will be added during this three-year planning window to assure that there is no gap in legal services during transition of current staff.

# Southeastern Work Plan, 2022-2024

## Administration

### Human Resources

#### Salary Survey

Salary surveys are done every three years to align SECWCD salaries with similar agencies throughout the region. In 2022 there will be a salary survey completed, but no benefit survey.

#### Human Resources Manual

The SECWCD Human Resources Manual will be reviewed and updated in 2022.

#### New Staff Positions

New staff positions are needed in the following areas:

- 1) Legal department (succession planning)
- 2) Engineering (workflow management)
- 3) Arkansas Valley Conduit (increased workload)
- 4) Gardener (part-time)

### Technology

#### Records Management

For several years, the District has been looking at a way to digitize existing documents, and store new documents in a way that would allow easier access. In 2022, options will be reviewed with the goal of beginning implementation.

#### OnBoard Development

The District will continue to develop improvements for the OnBoard software used for meetings. In 2020, the District chose OnBoard as the software that would be used for virtual meetings. In 2021, the District purchased electronic tablets for Board members to conveniently access OnBoard. When hybrid meetings became possible, OnBoard allowed Board members to access meeting documents electronically. In 2022 and beyond, the District will continue to fully integrate OnBoard as a hybrid meeting platform.

#### Board Room, Executive Conference Room Upgrades

Audio and visual features of the Board Room and Executive Conference Room need to be optimized for either virtual or in-person meetings. Work began on improvements in 2019, but was interrupted by pandemic restrictions. After nearly two years of virtual or hybrid meetings, the parameters for the upgrades have become clearer.

### Headquarters

#### Air Conditioning & Heating

The air conditioning units were installed at the same time the building was construction in 2000, or when the addition was built in 2004. One of the five units failed in 2021, so replacement is imminent. Two units will be replaced in 2022, and the others within the three-year period.

#### Landscape Demonstration Project

A landscape demonstration project is planned for the northeast corner of the building in 2022. The project has a dual purpose of stabilizing the headquarters foundation.

#### Fleet Management

Purchase of a new vehicle for the District was delayed during the pandemic because of reduced travel. A new vehicle is scheduled for purchase in 2022.

### Grounds

#### Landscape Master Plan

Several signs in the outdoor garden area were updated in 2021. An outdoor landscaping service was hired to maintain the three-acre lot. There were some volunteer work days by the Pueblo Master Gardeners. What is needed in 2022 is a comprehensive master plan for landscape to be implanted in the upcoming three-year period.



# Southeastern Work Plan, 2022-2024

## Finance Department

### Annual Processes

#### Year-end balances

Year end balances for 2021 are determined in January 2022.

#### Budget Publications

The published 2022 Budget, Business Plan and Strategic Plan will be reviewed in January and February.

#### Annual Audit

The annual audit will be in February and March.

#### Preliminary Budget For Modeling

Cost of service and rate design models will be run during April and May.

#### Proposed Rate Schedule

A rate schedule will be proposed in the June-July time frame with stakeholder outreach if changes are likely.

### Financial Studies

#### Three-Year Financial Study

The 2019 Financial Study recommended a three-year cost-of-service and rate study. This study will begin in April, with the goal of completion in August.

#### Past Financial Study Issues

The issues of surcharges and the structure of reserve funds were addressed in the 2019 Financial Study and will require Board attention during this three-year period.

#### Investment Policy

The investment policy will be reviewed and updated in 2022.

#### Finance Manual

The finance manual will be reviewed and updated in 2022.

### Hydropower

#### Colorado Water Conservation Board Loan Closure

Loan closure for the \$17.2 million CWCB loan to help build the James W. Broderick Hydropower Plant is projected to be toward the end of 2022, after mechanical plugs required by the Lease of Power Privilege with Reclamation are manufactured and delivered.

### 2023 Budget Steps

#### Budget Call

The Executive Director and Budget Officer meet with department heads in July to discuss budget submissions in July 2022.

#### Staff Input

Staff input is collected by the Budget Officer during September. Financial information, goals and objectives are assembled into one document.

#### Review and Approval

The Executive Director and Budget Officer meet on each section of the budget to discuss changes. A final review is provided to the Board of Directors no later than October 15.

#### Public Presentation

A public presentation of the budget will be made in November, and a public hearing on the budget is conducted at the November Board meeting.

#### Budget Adoption

Any changes in the budget are disclosed to the Board of Directors. The Directors will vote to adopt the budget in December. The budget will be adjusted according to final tax assessment information from all nine counties within the District. A full budget publication will be provided to the Colorado Department of Local Affairs by January 31, 2023.

### Arkansas Valley Conduit

#### Fiscal Agent

A fiscal agent will be chosen to allow for the acceptance of large grants beyond the capacity of the Enterprise, and for water companies that are not publicly incorporated.

#### Governance

The Enterprise Board will enter agreements for governance of AVC finances, OM&R and contractual obligations.

### Capital Projects

#### Restoration of Yield (ROY)

The Enterprise is a partner in the ROY program that is building a reservoir near Boone. In 2021, \$150,000 (SECWCD's share) was paid to purchase the land. The reservoir will be built in about 10 years, and \$200,000 set aside annually will fund SECWCD's share of construction costs.



# Southeastern Work Plan, 2022-2024

## Engineering/Planning and Development

### Condition Assessment

#### Fryingpan-Arkansas Feature Evaluation

In 2020, the District hired Providence Investment Consultants to study Fry-Ark features in order to assign present-day values, and to rate features for longevity and risk factors. The study was completed in 2021.

#### Fryingpan-Arkansas Condition Assessment

The next phase of the project will be to assess the condition of the Fry-Ark features, in order to establish the need for reserves in future years.

#### District, Enterprise Evaluation and Condition Assessment

The District's headquarters and the Enterprise's James W. Broderick Hydropower Plant were included in the Providence study as well. Replacement schedules are used in the Capital Improvement Plan.

### Recovery of Storage

#### Pueblo Reservoir Evaluation

Mott MacDonald was hired in 2020 to evaluate the rate of sedimentation at Pueblo Reservoir and determine what methods would be most useful in recovering storage. Phase I of the study developed costs for dredging or dam enlargement, the two most feasible methods. Phase II began in 2021, and looks at prevention of future loss and impacts on storage. Recommendations for 2022 are to study upstream sources of sedimentation for possible remediation.

### Storage Options

#### Upper Arkansas Storage Project

The District has budgeted funds for participation in an underground, multipurpose storage project in the Upper Arkansas River basin. The project is being spearheaded by the Upper Arkansas Water Conservancy District and has not moved for several years.

#### John Martin Storage Project

The Colorado Division of Water Resources continues to investigate the possibility of excess capacity storage in John Martin Reservoir. While the project could be useful to SECWCD, no progress has been made for several years.

### Basin Partnerships

#### Regional Resource Planning Group

The Regional Resource Planning Group last met in 2018, following 15 years of planning water quality studies on the Arkansas River. The group will meet in 2022 to discuss active monitoring of baseline water quality,

#### Arkansas River Contingency Planning

SECWCD has initiated discussions with Front Range Water Council partners in the Arkansas River basin on how entities would react and assist each other during prolonged periods of decreased or increased water supply, whether from reduced imports or native water flows. Those discussions will continue in 2022.

#### Restoration of Yield

The District is a partner with signatories of a 2004 agreement that allows bypassed flows through Pueblo to be recaptured downstream and exchanged. Land near Boone was purchased for a reservoir in 2021, but the reservoir is not likely to be built for about 10 years.

#### Voluntary Flow Management Program

The District participates in a program that optimizes flows above Pueblo Reservoir for both recreation and fish habitat. District staff will continue to meet regularly with program participants to review the program.

#### Aquatic Nuisance Species Control

In 2022, the District will continue to help fund boat inspections during winter months to reduce the threat of aquatic nuisance species at Pueblo Reservoir.

### Water Efficiency

#### Hydrologic Variability

The District will continue looking at ways to more accurately forecast water conditions, and reviewing the impacts of dry, average and wet years on Project and non-Project water supply.

#### Acquiring New Water

The District has the ability to acquire new water rights, but has never used it. The Board has the option to employ this strategy during water-short periods.

# Southeastern Work Plan, 2022-2024

## Engineering/Water Resources

### Operations

#### Water Allocation

In 2022, water will be allocated according to the Allocation Principles and Policies of the District. Water is allocated according to Reclamation's May 1 forecast of imports from the Fryingpan River basin. The Enterprise collects payments, and the rate for water sales will not change from 2021. In 2021, imports totaled 30,880 acre-feet (64% of average), producing 25,544 acre-feet of allocations, and 4,130 acre-feet of return flows.

#### Pueblo Reservoir Storage

The Enterprise collects surcharges on storage of municipal carryover of Project Water in Pueblo Reservoir. Space is specified under Allocation Principles and District policy. The 2019 Financial Study suggested charges for carryover storage, but no Board action has been taken. Surcharges are collected on other types of water storage in Pueblo Reservoir.

#### Excess Capacity Master Contract

The District contracts with Reclamation for excess capacity storage in Pueblo Reservoir on behalf of stakeholders. Contracted storage in 2022 will be 6,595 acre-feet at \$43.76 per acre-foot. Payments are passed through to Reclamation.

#### USGS Joint Funding Agreement

The U.S. Geological Survey monitors water quality at sites on the Arkansas River and key tributaries. The Enterprise collects payments from Enlargement, Excess Capacity, and Arkansas Valley Conduit participants through quarterly billings.

#### Reclamation Reform Act

The District monitors farm size to comply with the Reclamation Reform Act. An audit is scheduled to resume in 2022, after delays in 2020 and 2021 caused by the pandemic.

#### Fountain Creek Transit Loss Model

The District participates with Fountain Creek water users (both within and outside the District) to account for Project Water return flows on Fountain Creek. Payments for return flows could accrue in 2022, which would be paid in 2023.

#### Winter Water

The District hosts the annual meeting of Winter Water participants each year in October, to review the operations of the previous water year (October 1-September 30)

### Programs

#### Boundaries and Inclusion

In 2022, the District continue to "true up" boundaries as a result of municipal annexations, and include some landowners by petition. Wilson Water Group assisted the District in defining the boundaries via GIS in recent years.

#### Water Resources Monitoring

In 2022, the District will continue to monitor water resources by tracking snowpack, reservoir levels, streamflow, precipitation, and drought conditions. The District works in partnership with other agencies and stakeholders to identify conditions and management strategies throughout the year.

#### Arkansas Valley Weather Stations

The District will support the Colorado State University CO-AgMet weather monitoring program in the Arkansas River Basin. The program monitors temperature, wind, crop water use and evapotranspiration at weather stations at sites along the Arkansas River from Salida to the Kansas state line. The Upper Arkansas Water Conservancy District is the lead agency in the Arkansas Valley.

#### Weather Modification

The District is a participant in the Colorado Water Conservation Board's Colorado River basin weather modification program. The program uses cloud-seeding as a strategy to increase snowpack. Participants include West Slope interests and Front Range water importers.

### Pilot Program

#### Agricultural First Right of Refusal/Return Flow Policy

The District hosted meetings in December to discuss changes in the Return Flow Policy that resulted from the Agricultural First Right of Refusal Pilot Program, which started in 2014. The program developed a method for ditch companies to claim their own return flows for both surface water (Rule 10) and groundwater (Rule 14) augmentation. The changes to the Return Flow Policy will affect only agricultural water users east of Pueblo, although parts of the policy have been more logically rearranged. They establish administration by farm unit based on the differing needs of Rule 10 and Rule 14, establishing equity for these uses. The Board is expected to vote on the revised Return Flow Policy in March.

# Southeastern Work Plan, 2022-2024

## Arkansas Valley Conduit

### Funding

#### Federal Infrastructure Funding

The District will continue to seek funding from the Infrastructure Investment and Jobs Act passed in 2021. The act provides \$55 billion for drinking water, with some of those funds dedicated to Reclamation projects such as the Arkansas Valley Conduit (AVC). This money would fund the federal portion of the AVC, and the goal is to accelerate construction to complete the AVC by 2029, rather than 2035.

#### American Rescue Plan

The American Rescue Plan Act provided money to municipalities and counties. The District met with all AVC incorporated participants and counties in 2021 to request the use of these funds for planning and/or construction of the Enterprise portion of AVC (delivery lines and spurs).

#### Federal Appropriations

The District will support line-item funding in the federal budget for AVC in 2022.

#### Colorado Water Conservation Board (CWCB)

Funding from the CWCB \$100 million finance package will be accessed in late 2022 or early 2023. The Enterprise will need to establish a fiscal agent to accept grants in excess of constitutional limits. If the AVC plan is accelerated CWCB loan money will be needed by as soon as 2023 to complete design and begin construction.

#### Other Funding Sources

The Enterprise will work to establish where other funding can be applied to AVC in 2022. Funds from the Colorado Water Resources and Power Development Authority are available for AVC participants. There may also be USDA rural development and Community Development Block Grant money available for participant costs.

### Outreach

#### Construction Groundbreaking

Construction on the first leg of the AVC, to Boone and Avondale in Pueblo County, will begin in late 2022. A public groundbreaking ceremony will be planned.

### Contracts

#### Three-Party AVC Contract

A contract among Reclamation, the District and Pueblo Water was negotiated in late 2021, and will be signed in 2022. It established payments and conditions for the Arkansas Valley Conduit.

#### AVC Repayment Contract

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#### AVC Participant Contracts

Contracts for delivery and excess capacity storage (in most cases) between SECWCD and participants will be needed as participants come on-line. In 2022, this includes Avondale and Boone.

### Technical Support

#### AVC Technical Meetings

Meetings among the Enterprise, consultants and participants will continue in 2022 to discuss ways to make the AVC more efficient and prepare participants for the introduction of a new source of water into their systems. Emphasis will be on Crowley County and the La Junta area, where regionalization concepts can significantly reduce the overall costs of AVC and help participants get reliable water supply sooner.

# Southeastern Work Plan, 2022-2024

## James W. Broderick Hydropower Plant

### Funding

#### Colorado Water Conservation Board (CWCB) Loan Closure

Loan closure for the \$17.2 million CWCB loan to help build the James W. Broderick Hydropower Plant is projected to be toward the end of 2022, after mechanical plugs required by the Lease of Power Privilege with Reclamation are manufactured and delivered.

### Operations

#### Mechanical Plugs

Reclamation requires mechanical plugs on site as part of the Lease of Power Privilege at Pueblo Dam. The manufacture of the plugs was delayed during the pandemic, but will be completed in 2022. The plugs are used to prevent water from entering the penstocks if other systems fail.

#### Erosion Control

A concrete apron will be installed on the east side driveway of the powerhouse in 2022 to reduce erosion from water running across the area and from vehicle traffic. Measures will be taken to reduce erosion on the slopes surrounding the Hydro Plant.

#### Revegetation Approval

Colorado Parks and Wildlife botanists will evaluate revegetation practices for the area associated with construction.

#### Cathodic Protection

Cathodic protection passed inspection in 2021, and will be evaluated again in 2025.

#### SCADA Improvements

Black Hills Energy SCADA information will be integrated with Southeastern Water Activity Enterprise record-keeping. This will reduce the reporting requirements for the Hydro Plant by automating what is now a manual process.

### Training

#### Completion of Training Videos

Enterprise staff is preparing training videos which will complement existing training materials at the Hydro Plant.

### Outreach

#### James W. Broderick Hydropower Plant Tours

Water Education Colorado, the Arkansas River Basin Water Forum, federal officials, two grade-school groups and others toured the James W. Broderick Hydropower Plant in 2021. District staff will continue to be available for tours in 2022.



# Southeastern Work Plan, 2022-2024

## Communication & Outreach

### Fry-Ark 60<sup>th</sup> Anniversary

#### Fryingpan-Arkansas Project is 60 Years Old

The Fryingpan-Arkansas Project was authorized in 1962, and 2022 will mark its 60th year. The District is planning presentations, publications, displays, a tour and other activities to celebrate the milestone.

### Arkansas Valley Conduit

#### Technical Outreach

During 2021, District Board members, staff and consultants reached out to all Arkansas Valley Conduit participants, both to request American Rescue Plan Act funding and to reconnect them to the AVC project. The AVC project changed in 2019, and received major funding in 2020. During the pandemic, the face-to-face communication with policy leaders was difficult. During 2022, District staff and consultants will go back to those communities to discuss details of AVC deliveries.

#### Construction Groundbreaking

Construction on the first leg of the AVC, to Boone and Avondale in Pueblo County, will begin in late 2022. A public groundbreaking ceremony will be planned.



### Hydropower Plant

#### James W. Broderick Hydropower Plant Tours

Water Education Colorado, the Arkansas River Basin Water Forum, federal officials, two grade-school groups and others toured the James W. Broderick Hydropower Plant in 2021. District staff will continue to be available for tours in 2022.

### Partnerships

#### Arkansas River Basin Water Forum

The Arkansas River Basin Water Forum is being planned as a live event in Salida during April 2022. The District contributed to live and virtual activities sponsored by the Forum in 2021.

#### Arkansas Basin Roundtable

The District is active in the Public Education and Public Outreach Committee of the Arkansas Basin Roundtable. The Roundtable will have a slightly larger budget this year, and is planning to collaborate on a variety of issues in 2022.

#### Water Education Colorado (WECO) Colorado Water '22

Water Education Colorado is planning both live and virtual events for Colorado Water 2022. The District was an active participant in Water 2012, and the celebration this year dovetails with the 60th anniversary of the Fry-Ark Project. The District also contributed to WECO events in 2021.

#### Other State and National Groups

As needed, the District works with groups such as Colorado Water Congress, National Water Resources Association, Colorado River Water Users Association, Colorado Ditch and Reservoir Company Alliance and Family Farm Alliance on presentations about Fryingpan-Arkansas Project, District or Arkansas River issues. As opportunities arise in 2022, the District will participate.

### Media Matters

#### News Releases

District staff issues news releases to regional media for major milestones of the District, Board members, projects and programs. These are prepared as needed.

#### News Media Requests

District staff fields questions from news media, and in some cases makes connections with experts to provide information to reporters or news producers on Project, District and Arkansas River issues.

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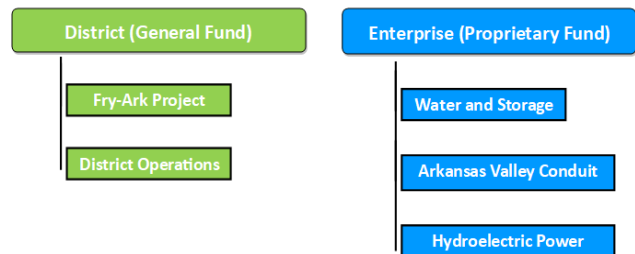
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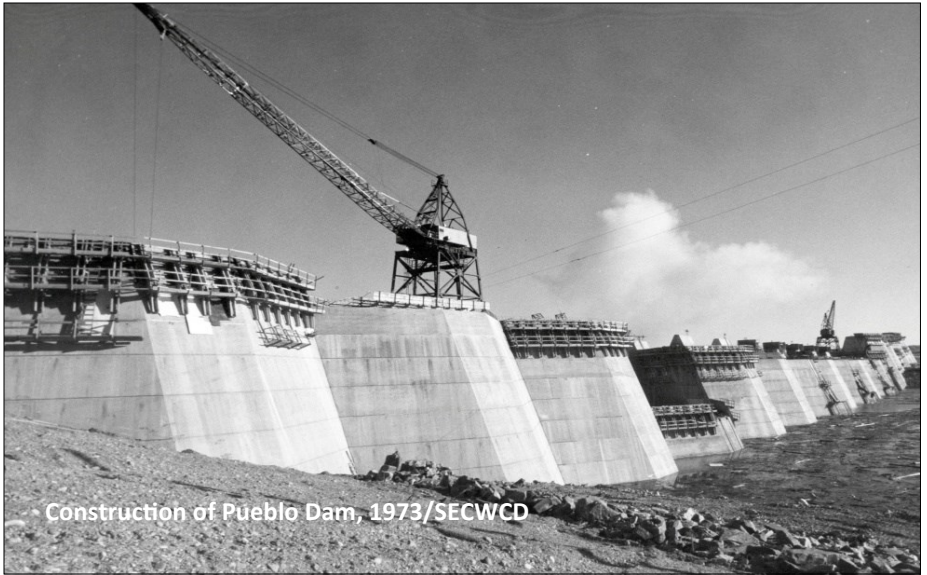
Items in the 2022 Business Plan are coded according to Strategic Plan (left) and District Fund Guide (right), depending on which areas they intersect.



# Repayment Contract

## Background & Purpose:

The total cost to build the Fry- ingpan-Arkansas Project was calculated as \$585 million in 1981. The District’s share of that cost was \$134.7 million, and the Repayment Contract allowed the District 50 years to repay that cost. The District paid off the municipal and industrial share first, to eliminate the 3.046 interest charge. The debt will be paid off on December 31, 2031.



## Amendment 11 Spread Payments Until 2031

In 2018, Reclamation and the District signed Amendment 11 to the Repayment Contract. This allows the District to pay a fixed amount each year, making the remainder of ad valorem tax collections available for operations, maintenance and replacement (OM&R) of the Fryingpan-Arkansas Project, and for a reserve fund to pay for extraordinary maintenance, betterments or catastrophic events.

## 2021 Activity

The District negotiated a conversion contract with Reclamation as provided for in the 1982 Repayment Contract. The new Repayment Contract sets forth conditions in perpetuity that are substantially similar to the previous Contract, including the repayment schedule.

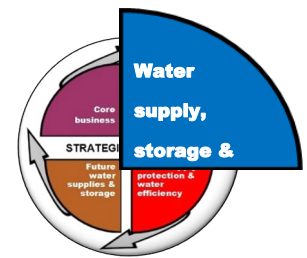
## 2022 Action Plan

Payments are invoiced by the Bureau of Reclamation for repayment on June 30 and December 31 each year.

Revenue for payments comes from the Project mill levy, which is assessed to portions of nine Colorado counties. This is expected to generate about \$8.8 million in 2022.

Fry-Ark Project debt is an amortized bi-annual payment which will be paid in full December 2031. Total annual expenses include the debt repayment of \$1,467,572.

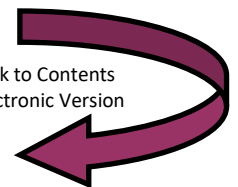
### Strategic Plan Interface



### Budget Fund

**Fry-Ark Project**

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Fry-Ark Debt Repayment	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Payments continue until 2031	\$1,467,572	\$1,467,572	\$1,467,572	\$1,467,572



# Operations, Maintenance and Replacement

## Background & Purpose:

The District is responsible for a portion of all Fryingpan-Arkansas Project operations, maintenance and replacement (OM&R) by the Bureau of Reclamation. Depending on the feature of the Project, the District's share is between 47-56 percent. Cost allocations for the Project were determined in 1981. Other sources of repayment include electric power generation from the Mount Elbert Power Plant, and payments from other contracts.



Fry-Ark Collection System/SECWCD

## 2022 Action Plan

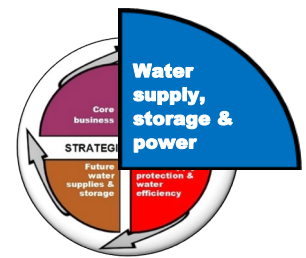
Payments are invoiced by the Bureau of Reclamation for OM&R on June 30 and December 31 each year. The estimated total bill for 2022 is \$2,529,272. Fry-Ark Project OM&R credits are payments made to Reclamation on other contracts, and are expected to total \$455,269. The net payments to Reclamation total \$2,074,006.

Revenue for payments comes from the Project mill levy, which is assessed to portions of nine Colorado counties. This is expected to generate about \$8.8 million in 2022.



Tools, Mount Elbert Power Plant/SECWCD

## Strategic Plan Interface



## Budget Fund

Fry-Ark Project



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Fryingpan-Arkansas OM&R	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Payments to Reclamation	\$0.00	\$2,074,006	\$2,105,175	\$1,914,960

# Operations, Maintenance and Replacement Credits

## Background & Purpose:

Revenues from Bureau of Reclamation charges on certain contracts help offset OM&R costs of the Fryingpan-Arkansas Project that otherwise would be paid by the District.



Pueblo Dam/SECWCD

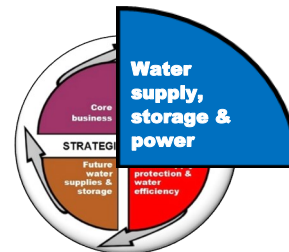
## 2022 Action Plan

Credits of \$455,269 are anticipated to offset OM&R charges of about \$2.5 million.



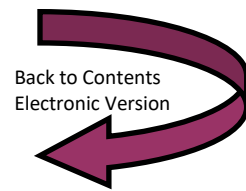
Granite Siphon/SECWCD

## Strategic Plan Interface



## Budget Fund

Fry-Ark Project



Fry-Ark Project Credits	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Credited to Fry-Ark OM&R through other contracts	\$0.00	\$455,269	\$462,111	\$420,357

# Fryingpan-Arkansas Reserve Fund Balance

## Background & Purpose:

A Reserve Fund for the Fryingpan-Arkansas Project was established in the 11th Amendment to the Fry-Ark Contract in 2018, and confirmed in the 2022 Repayment Contract conversion. The Reserve Fund can be used for extraordinary expenses of the Fry-Ark Project with the consent of the District and Reclamation.



Hunter Creek/SECWCD

## 2021 Activity

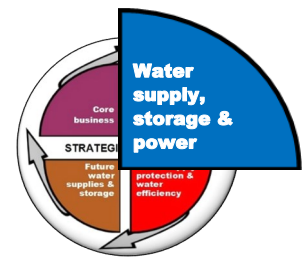
The Fryingpan-Arkansas Reserve Fund balance at December 31, 2021, was \$14.9 million.



## Fry-Ark Reserve Fund Balance Potential Activities

- ✓ Joint seal repair at Pueblo Dam
- ✓ Interconnect at Pueblo Dam
- ✓ Recovery of Storage Activities
- ✓ Twin Lakes extraordinary maintenance
- ✓ Turquoise Lake extraordinary maintenance
- ✓ West Slope Collection System extraordinary maintenance and betterments.

## Strategic Plan Interface



## 2022 Action Plan

The District continued discussions with Reclamation's Eastern Colorado Area Office for use of Reserve Funds, and potentially Infrastructure Funds for the next steps of the Recovery of Storage and Asset Valuation studies.

## Budget Fund

**Fry-Ark Project**



Fry-Ark Reserve Fund Balance	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Reserves (Estimated 2022-2024)	\$14.9 million	\$20.2 million	\$25.7 million	\$31.5 million

# Fry-Ark Project Miscellaneous Revenues

## Background & Purpose:

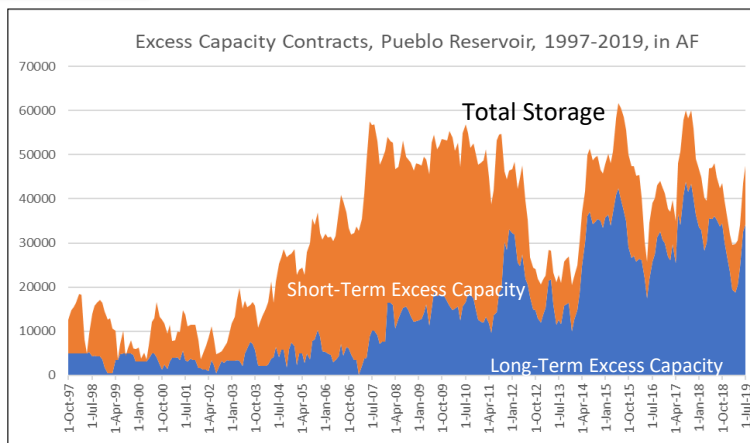
Since 1986, excess capacity contracts in Pueblo Reservoir have been issued by Reclamation, when there is insufficient Fry-Ark Project water to fill the reservoir. Under PL 111-11, those revenues can be applied to unfinished parts of the Fry-Ark Project. Since 2009, the South Outlet Works, Ruedi Reservoir, and Fountain Valley Conduit received miscellaneous revenues. Miscellaneous revenues now go toward construction and repayment of the Arkansas Valley Conduit.



Pueblo Dam/SECWCD

## 2021 Activity

Miscellaneous revenues were applied to the Fountain Valley Conduit for the final time in 2021. The FVC which was completed in 1985, and miscellaneous revenues reduced the 40-year payment period.



LONG-TERM CONTRACT	MAXIMUM AF	2022 AF	EXPIRATION
PUEBLO WATER	15,000	15,000	2025
CITY OF AURORA	10,000	10,000	2047
SOUTHERN DELIVERY SYSTEM	42,000	34,525	2049
SECWCD MASTER CONTRACT	29,938	6,595	2056
DONALA WATER & SANITATION	499	499	2058
BUREAU OF LAND MANAGEMENT	500	500	2058
TRIVIEW METRO DISTRICT	999	999	2062
<b>LONG-TERM TOTAL</b>	<b>98,936</b>	<b>68,118</b>	
<b>TEMPORARY ANNUAL</b>	<b>25,000</b>	<b>7,400</b>	<b>Annually</b>
<b>TOTAL EXCESS CAPACITY</b>	<b>123,936</b>	<b>75,518</b>	

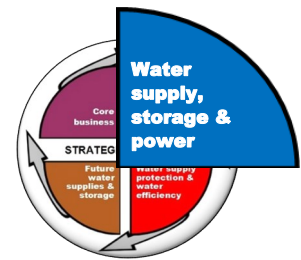
**Excess Capacity Contracts in Pueblo Reservoir total 75,518 acre-feet annually. Reclamation’s charge for long-term contracts within the District in 2022 is \$43.76 per acre-foot. The out-of-district rate in 2022 is \$56.11 per acre-foot.**

## 2022 Action Plan

The Fountain Valley Conduit will make its final payment to Reclamation for construction of the Fountain Valley Conduit in 2022.

About \$3.5 million will be available for federal costs on the Arkansas Valley Conduit, because other parts of the Project in PL 111-11 have been fully funded.

## Strategic Plan Interface



## Budget Fund

Fry-Ark Project

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Fry-Ark Miscellaneous Revenues	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Estimated Revenue Collection from Contracts	\$3.3 million	\$3.5 million	\$3.7 million	\$3.9 million

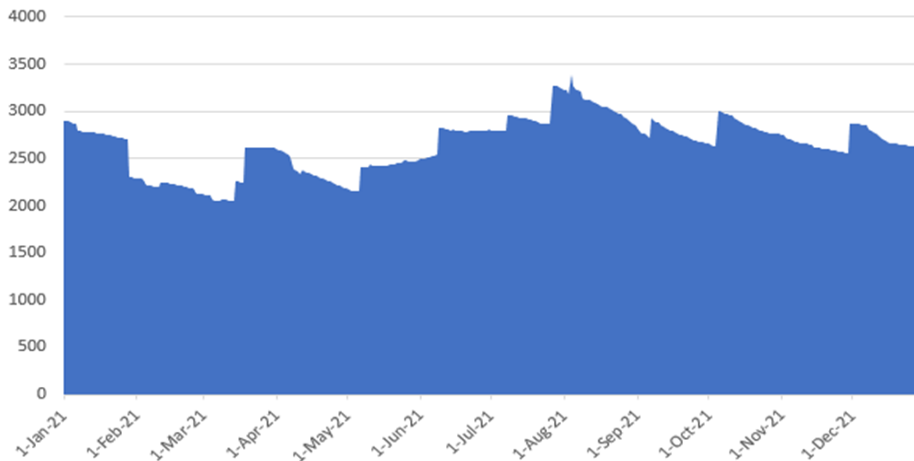
# Excess Capacity Master Contract

## Background & Purpose:

A 40-year Excess Capacity Master Contract between the District and Bureau was signed in 2016. It allows 37 entities within the District to store water in Pueblo Reservoir if and when space is available. So far, 16 participants have elected to sign contracts, and 21 more are expected to sign on as the Arkansas Valley Conduit is completed. Maximum storage is 29,938 acre-feet, with 6,595 under contract in 2022.



Excess Capacity Master Contract Storage 2021



## 2021 Activity

A total of 6,575 acre-feet were under contract at \$42.99 per acre-foot, generating \$282,659 in revenues. Storage levels ranged from 2,049-3,396 acre-feet.

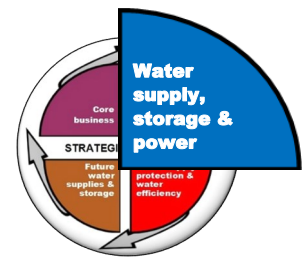
## 2022 Action Plan

Penrose added 20 acre-feet to its request for 2022, bringing the total to 6,595 acre-feet at \$43.76 per acre-foot, a payment of \$288,597.

## 2022 CONTRACT PARTICIPANTS

- |                |                  |
|----------------|------------------|
| Canon City     | Pueblo West      |
| Florence       | Rocky Ford       |
| Fountain       | Salida           |
| La Junta       | Security         |
| Lower Ark WCD  | St. Charles Mesa |
| Olney Springs  | Stratmoor Hills  |
| Penrose        | Upper Ark WCD    |
| Poncha Springs | Widefield        |

## Strategic Plan Interface



## Budget Fund

Fry-Ark Project

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Electronic Version

Excess Capacity Master Contract	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Revenues collected and sent to Reclamation	\$282,659	\$288,597	\$293,741	\$299,017

# Winter Water

## Background & Purpose:

The Winter Water storage program allows native water to be stored from November 15-March 15 each year. The water is divided according to the priority in which it otherwise would have been used. Water can be stored in Pueblo Reservoir, John Martin Reservoir or in reservoirs owned by the canal companies. The District collects payments for Pueblo Reservoir storage, which are forwarded to Reclamation and applied to the Arkansas Valley Conduit under the Contract.



Frozen Canal/Colorado Division of Water Resources

## 2021 Activity

A total of 83,667 acre-feet of water were stored in the 2020-21 Winter Water Program, with 30,517 stored in Pueblo Reservoir. This was about 65 percent of average. Payments to Reclamation totaled \$85,449, or \$2.80 for each acre-foot in Pueblo Reservoir. In October, the District hosted the annual meeting of the Winter Water Board for Trustees at Otero Junior College in La Junta.

## 2022 Action Plan

Winter Water is projected to provide 42,000 acre-feet in Pueblo Reservoir, based on the 20-year average.

Early indications (November 30 report) show that the 2021-22 Winter Water Program was storing the same amount as the previous year, about 75 percent of average.

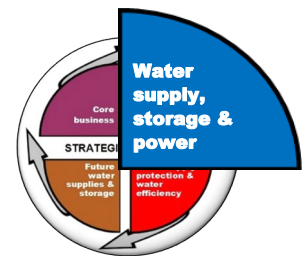
The District will host the annual meeting in La Junta during October.

## WINTER WATER PROGRAM

### Participants:

- The Southeastern Colorado Water Conservancy District
- Amity Mutual Irrigation Company
- Bessemer Irrigating Ditch Company
- Catlin Canal Company
- The Colorado Canal Company
- The Fort Lyon Canal Company
- The High Line Canal Company
- The Holbrook Mutual Irrigating Company
- Lake Henry Reservoir Company
- Lake Meredith Reservoir Company
- Las Animas Consolidated Canal Company
- Oxford Farmers Ditch Company
- Riverside Dairy Ditch
- West Pueblo Ditch

## Strategic Plan Interface



## Budget Fund

**Fry-Ark Project**



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Winter Water program	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Payments to Reclamation, based on 20-year average	\$85,449	\$117,600	\$117,600	\$117,600

# Reclamation Reform Act

## Background & Purpose:

The Reclamation Reform Act (RRA) was signed in 1982 to encourage family farming and limit speculation on irrigated farmland. Irrigation water users under federal projects are required to certify their landholdings by filing RRA forms prior to receiving Fry-Ark Project water. RRA compliance is a condition of the Fry-Ark Repayment Contract with Reclamation.



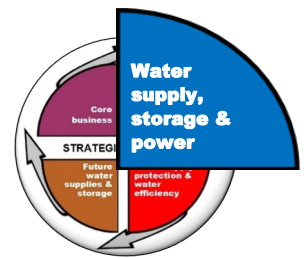
Farming in the Lower Arkansas Valley/Drone Photo by Jack Goble

## 2021 Activity

District staff met and consulted 340 of the 3,220 ditch shareholders in the Arkansas Valley to certify the amount of acres being farmed. Landowners with more than 240 acres are required to report. These reports are confidential and protected.

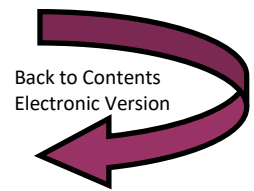
Reclamation makes the determination of eligibility. RRA restricts Fry-Ark Project water to farm units under 960 acres for qualified recipients, and under 640 acres for limited recipients.

## Strategic Plan Interface



## Budget Fund

**Fry-Ark Project**



## 2022 Action Plan

An audit of the RRA program occurs every five years, which was scheduled for 2020 but was delayed during the COVID pandemic. This audit has since been rescheduled to be completed in 2022. Staff will continue to meet with landowners to assure compliance and collect completed forms. The budget includes \$20,000 for possible fee bills as a result of the audit.

Reclamation Reform Act	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Subject	0	\$20,000	0	0

# Human Resources

## Background & Purpose:

The District has developed a workforce that is well-trained in the skills needed to complete the tasks necessary to achieve the District’s goals. Staff has grown from just three people in the 1960s to 11 at the beginning of 2022. As the District’s projects, programs and operations increase in complexity, more workers are needed to carry out the work of the District.



Toni Gonzales, center, is surrounded by family members at her retirement party in October 2021. She worked at the District for 45 years.

## 2021 Activity

Following the retirement of Toni Gonzales after 45 years with the Southeastern District, staff adjusted to new duties in 2021 in the administration of the District, maintenance of headquarters and day-to-day operations.

The District celebrated Toni’s service with a retirement party at the Pueblo Zoo in October, which was attended by her many friends, family members, coworkers and Board members.

Staff also adjusted to the return to headquarters in June 2021, following more than a year of working mostly from home. In open space offices walls, doors and single use ventilation were added to ensure employee safety. Work station technology upgrades were made to improve remote meetings access due to the COVID pandemic.

## 2022 Action Plan

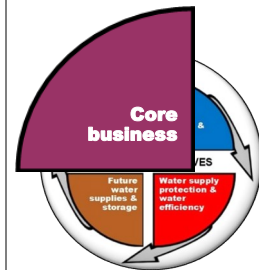
In 2022, new employees will be added to deal with increased workload in areas such as the Arkansas Valley Conduit, to assure proper skill sets are in place both now and in the future, and to foster succession planning. More hires, or consultants, may be added to help with the Enterprise portion of the Arkansas Valley Conduit.

At the beginning of 2022, a staff attorney to assist General Counsel in a number of upcoming important projects, and in March, a Project Manager was hired.

A Water Resources Specialist/Engineer and Part-Time Gardener will be hired.

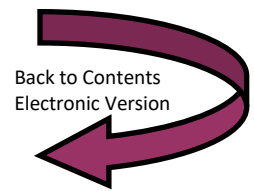
Also in 2022, an in-house salary survey will be conducted by staff to ensure the District ensures competitive wages.

### Strategic Plan Interface



### Budget Fund

District Operations



Human Resources	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenditures	\$1,720,098	\$2,187,631	\$2,275,137	\$2,366,142



# District Headquarters Operation & Capital

## Background & Purpose:

Headquarters is the central meeting place for the District’s Board and committees, as well as the workplace for its employees. The District returned to full staff in the office in the latter half of 2021, although some employees chose to work remotely for some of the time. The grounds of the headquarters (see next page) and meeting rooms also fulfill community gathering functions.

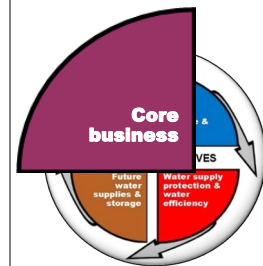


## 2021 Activity

Replacement of air-conditioning and heating equipment was the major improvement to District Headquarters, as staff and Board became reacquainted with the building when pandemic restrictions eased.



## Strategic Plan Interface



## Budget Fund

**District Operations**

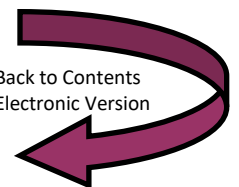
## 2022 Action Plan

In 2022, District staff will evaluate the changes that have occurred and the work that still needs to be done to return to full functionality. A capital improvement plan provides guidance about the likelihood of replacement or betterment of the facilities now in place.

More replacement of HVAC equipment is planned. Additionally, a demonstration project is planned at the northeast corner of the building that will have the dual purpose of building a retaining wall to stabilize the building’s foundation.

Specific areas within the Headquarters Operation & Capital Plan are discussed in Pages 16-19 of this Business Plan.

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Headquarters Operation	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Includes Building, Grounds, Vehicle Maintenance, IT	\$391,673	\$526,540	\$484,227	\$549,472

# District Grounds

## Background & Purpose:

The gardens of the District serve as an educational tool for conservation programs. Water-wise gardening techniques are practiced and explained through interpretive signs. The long-term goal of the demonstration garden is to provoke ideas that encourage water conservation while maintaining superior outdoor living conditions.



## 2021 Activity

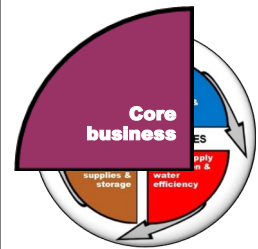
We moved back into newly remodeled offices in June 2021, as pandemic restrictions eased. Employees who had been working at the office noticed that an asparagus-like stalk from an agave plant was growing by several inches each day. News of the “century plant” spread by word of mouth, and some visitors would check in daily to see the progress. When it began to bloom, the plant was more than 14 feet high, and truly an inspiring sight for District staff and visitors alike!

## 2022 Action Plan

The retirement of the District’s gardener at the end of 2020 showed the need for a part-time, dedicated employee to maintain the three acres of plant and animal life. A lawn service was able to perform basic maintenance in 2021, and Pueblo’s Master Gardeners provided some assistance. In 2022, the District will evaluate a path forward to maintain the educational value of the demonstration garden.

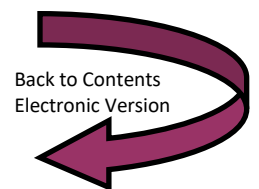


## Strategic Plan Interface



## Budget Fund

District Operations



# Information Technology

## Background & Purpose:

Information technology is critical to all facets of District and Enterprise operations. The District contracts for information technology services, and uses this outside expertise to adapt to rapid changes in hardware, software and Internet capability to develop the optimal environment for conducting business.



## 2021 Activity

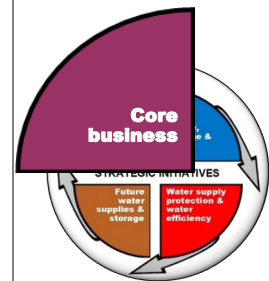
In mid-2021, the District returned to working in the office, and restructuring meetings from virtual format to a hybrid of virtual and in-person. In 2020, the District added OnBoard software as the best option to incorporate the in-person and virtual experiences.

The District bought additional notepad computers so Board members would have the option to review documents associated with the District either at Headquarters or on-line. Cameras and improved sound capability were added to work stations at the District.

Technology also connects the District with stakeholders and outside organizations. In 2021, there were both online and in-person meetings, conventions and water tours.

New work stations were added in several offices to meet changing needs and to replace some older equipment that was becoming obsolete.

## Strategic Plan Interface



## Budget Fund

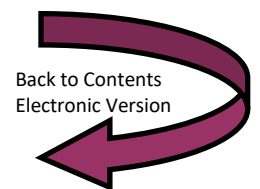
District Operations

## 2022 Action Plan

In 2022, the District plans to continue improving the work and meeting environment.

One of the difficulties encountered in 2021 was the quality of sound in the Board room for those attending on-line meetings. District staff is looking at improvements that will correct this problem as hybrid meetings continue.

At the same time, the District will continue improvements to upgrade work stations and the in-person meeting environment.



# Records Management

## Background & Purpose:

There is a treasure trove of information about southern Colorado water available at District Headquarters. Moving the information into a digital format will save countless hours of research time when information is needed. The District is investigating the best method to transfer records to a digital format.



## 2021 Activity

Records management continued in the traditional manner with both physical and electronic versions of important documents filed for relatively easy retrieval and reference.

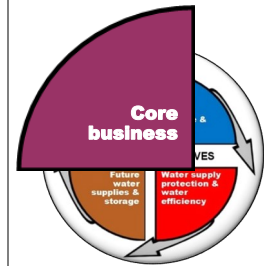
The District continued discussions about the best way to convert records to a more accessible format.



## 2022 Action Plan

The District intends to investigate options to begin full digitalization of important records, and has budgeted \$50,000 for 2022.

## Strategic Plan Interface



## Budget Fund

District Operations



# Fleet Management

## Background & Purpose:

The District owns three vehicles, which are generally replaced on a six-year cycle. One vehicle is used by the Executive Director for frequent trips throughout the state of Colorado, and out of state if necessary. The others are used by staff on District business trips.



## 2021 Activity

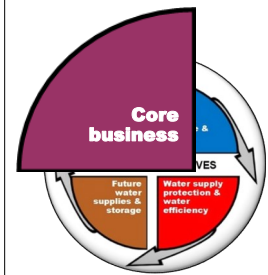
The District was scheduled to buy a new vehicle in 2021 to replace the 2014 Toyota Rav 4. Because there were fewer travel needs in both 2020 and 2021, there was low mileage on the vehicle, so the purchase was deferred.

## 2022 Action Plan

The District plans to purchase a new vehicle in 2022.

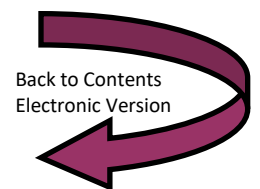


## Strategic Plan Interface



## Budget Fund

District Operations

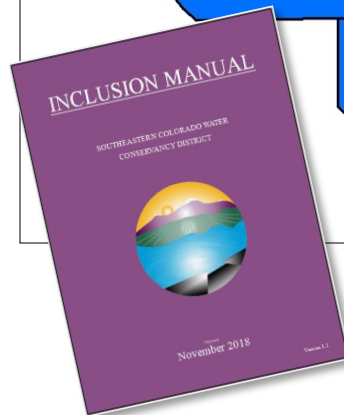
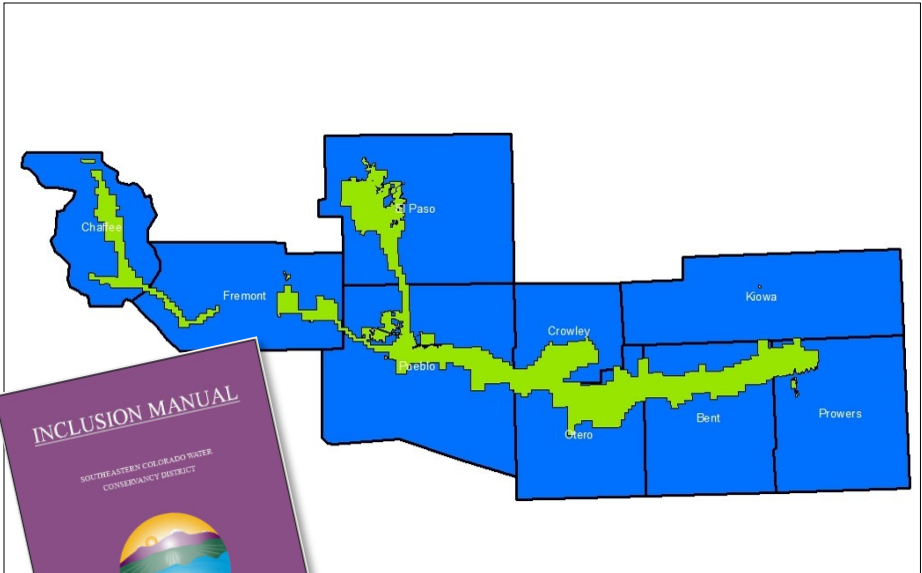


# Boundaries and Inclusion

## Background & Purpose:

A project as part of the Legal Engineering program began in 2019 to determine District boundaries. This is important in order to maintain revenues that support the Fryingpan-Arkansas Project.

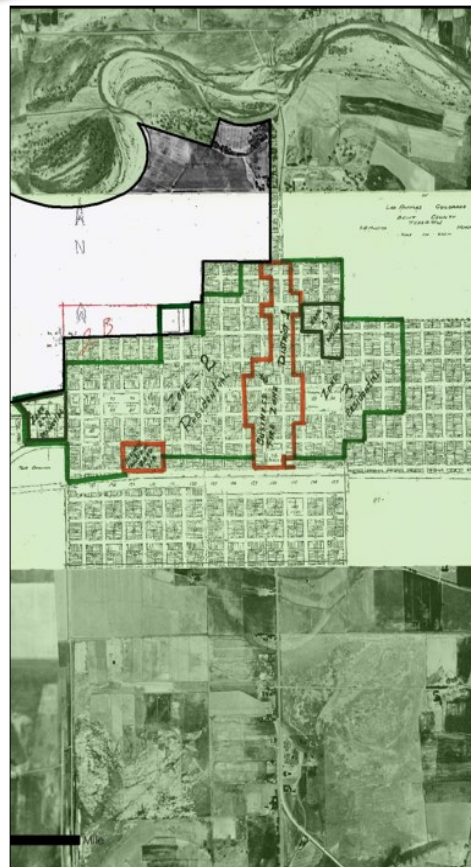
An Inclusion Manual was approved by the District Board in 2018. It includes policies for inclusion into the District by annexation, petition and election.



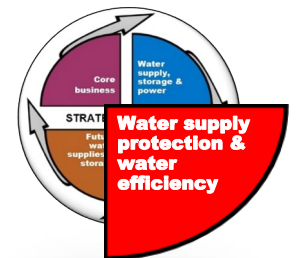
## 2021 Activity

An effort to precisely define District lines continued in 2021 with the assistance of Wilson Water Group. District boundaries, as described in the 1958 degree and subsequent inclusions, occasionally differ from modern GIS files. The boundaries are being “trued up” to avoid discrepancies.

The goal is to develop a comprehensive District boundary that can be readily distributed, displayed on the District website, easily maintained and updated annually, and trace changes in boundaries to corresponding inclusion documents.



## Strategic Plan Interface



## Budget Fund

District Operations

## 2022 Action Plan

The District has spent several years working with Colorado Springs to define boundaries. More work is needed, however, particularly in the remainder of El Paso County, Pueblo County, and Fremont County.

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Boundaries and Inclusion	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Included in Legal Engineering Budget	\$4,961	\$15,000	\$15,000	\$15,000

# Water Rights Protection

## Background & Purpose:

Water rights in Colorado are defined in the state Constitution, and administered under what is called the “Colorado Doctrine,” or first in time, first in right. Water put to beneficial use is prioritized according to when the first use was claimed. The District has water rights in Divisions 2 and 5, and has adopted standard language for water court cases that have an impact on Fry-Ark Project water.



Fishing on the Arkansas River/SECWCD

## 2021 Activity

Upper Arkansas water rights diligence was filed.

The District filed statements of opposition or reached stipulations in eight Division 2 and two Division 5 cases, as reported at monthly meetings of the District Board.

The District legal team also monitored state legislation for possible threats to Fry-Ark Project water rights.

Colorado River developments were tracked and explained to the Board.

## 2022 Action Plan

The District files for diligence of conditional water rights every six years. The next filings will be in 2022 in Division 2 and 2024 in Division 5.

The District will continue to monitor water court filings in 2022, intervene in cases when necessary, monitor state legislation and track Colorado River developments.

## Fryingpan-Arkansas Project Key Water Rights

### Division 2

**Storage Rights:** Turquoise Lake, Twin Lakes Reservoir, Mount Elbert Forebay, Pueblo Reservoir, 575,036 acre-feet absolute.

**Other Structures:** Mount Elbert Conduit, Halfmoon Diversion, 520 cfs.

**Conditional Diversions:** Six, 350-725 cfs.

**Exchange Rights:** Project water into Pueblo Reservoir, Twin Lakes Reservoir, and Turquoise Reservoir. Arkansas River exchanges.

**Priority Date:** February 10, 1939

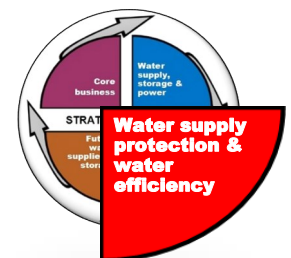
### Division 5

**Fryingpan-Arkansas Divide Tunnel (aka Boustead Tunnel, including all tunnels from North Side and South Side Collection Systems):** 900 cfs unless Ruedi will fill, then 945 cfs.

(Stipulation generally precludes enlargement claims)

**Priority Date:** July 29, 1957

## Strategic Plan Interface



## Budget Fund

District Operations

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Water Rights Protection	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Legal Representation Expenditures	\$72,108	\$235,000	\$235,000	\$235,000

# Outside & Professional Services

## Background & Purpose:

The District relies on outside consultants to perform much of the legal, technical, financial, and other professional services needed to meet the goals and objectives of the District on a routine basis. These are long-term relationships with specialized firms that bring years of expertise from diverse areas to the District. These services are used in all aspects of the District and Enterprise budgets.



Long-time District federal affairs consultant Christine Arbogast interviews Senator Michael Bennet at 2021 CWC summer conference/SECWCD

## 2021 Activity

Fees for outside and professional services were up in 2020 and 2021, largely because of additional help need to form a plan to build the Arkansas Valley Conduit (AVC) when federal funding for the AVC project increased. A subfund was created within the Enterprise Fund for the AVC to account for the increased activity.

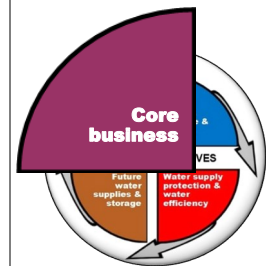
Additionally, the District converted its Fryingpan-Arkansas Project contract with Reclamation in 2021, requiring more of our water policy management consultant's time and travel expenses.

More routine expenses include federal lobbying expenses, the annual audit, Colorado River services, legal services, and engineering services.

## 2022 Action Plan

The need for outside and professional services will remain high in 2022, as the District continues to develop the structure for governance for the AVC, and as construction begins on the AVC. The District is seeking to use federal infrastructure funding to accelerate the schedule for building AVC, and that means District activity also will be accelerated.

### Strategic Plan Interface



### Budget Funds

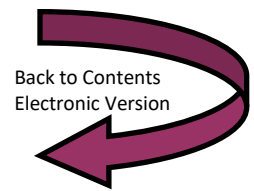
Fry-Ark Project

District Operations

Water & Storage

AVC

Hydropower



Outside & Professional Services	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenditures (combined all funds)	\$604,936	\$989,210	\$1,010,578	\$1,043,203



# Water Conservation and Education

## Background & Purpose:

Water conservation is at the core of every activity undertaken by the District and Enterprise. The fair and equitable distribution of water among stakeholders within in the District requires wise use of water with minimum waste. In turn, supplemental Fry-Ark water provides a valuable resource in terms of municipal and domestic supply, and increased value in irrigation. Public understanding of these principles is crucial for the success of the Fry-Ark Project.



## 2021 Activity

During the pandemic, the District continued its support of water conservation and education programs both live and online.

The District assisted Family Farm Alliance (FFA) and the National Water Resources Association (NWRA) in an appeal for water infrastructure funding. The District provided a virtual presentation of the Arkansas Valley Conduit for the annual conference of Colorado Water Congress (CWC).

The District contributed \$19,750 to the Aquatic Nuisance Species (ANS) program, along with Colorado Springs Utilities and Pueblo Water. The funds assure that boats are inspected at Lake Pueblo State Park during winter months, when it is not economical for Colorado Parks and Wildlife to staff the lower number of boats using Pueblo Reservoir.

The District was the primary sponsor of a Water Education Colorado (WECO) virtual tour of the Lower Arkansas Valley, and assisted in producing much of the content for the event.

The District also assisted the Arkansas River Basin Water Users Forum in developing online materials in the absence of a live event because of pandemic restrictions. The District also hosted a Forum tour of the James W. Broderick Hydropower Plant.

Two elementary schools toured the Broderick Power Plant as well.

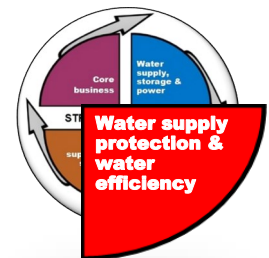
The District also was a participant in Arkansas Basin Roundtable public outreach planning.

## 2022 Action Plan

The District will contribute \$20,000 to the ANS program in 2022, to continue vigilance against the threat of zebra and quagga mussels or other invasive species in Pueblo Reservoir.

The District also will continue its association with WECO, the Arkansas River Basin Water Forum, the Arkansas Basin Roundtable, CWC, FFA, NWRA, and other groups.

## Strategic Plan Interface



## Budget Fund

District Operations

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Electronic Version

Water Conservation & Education	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenses	\$11,983	\$78,734	\$51,763	\$53,034

# Communications/Outreach

## Background & Purpose:

Communications and Outreach support District and Enterprise activities through both education and advocacy. These activities complement programs and projects by providing clear explanation to stakeholders, decision makers, regulators and the general public. This interface promotes understanding of the policy direction of the District and Enterprise, as well as aiding in planning for the future. These activities are closely related to Conservation & Education.



2021 Leadership Pueblo Class listens to Jim Broderick speak/SECWCD

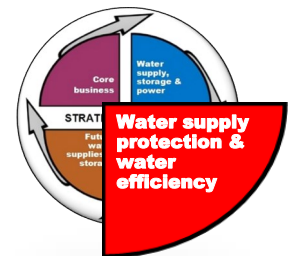
## 2021 Activity

During the COVID-19 pandemic, it was difficult to meet with stakeholders, particularly in the Arkansas Valley Conduit (AVC) project. Staff and Board members traveled to meet with each of the 39 participants during the summer and fall of 2021. There were also meetings with county commissioners to encourage financial assistance for the AVC, particularly for private water companies that have limited access to governmental sources of funding.

In addition, the District hosted meetings on changes in the allocation policy that are being considered following the conclusion of the Agricultural First Right of Refusal Pilot Program.

There were also several tours of the James W. Broderick Hydropower Plant designed to increase public understanding of the District’s role in helping to develop renewable energy (see Conservation & Education section).

## Strategic Plan Interface



## Budget Funds

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## 2022 Action Plan

Three major programs are planned for 2022.

The District will update its 2017 Conservation Plan, which is a requirement of the Repayment Contract with Reclamation. The Conservation Plan also looks back on how Fryingpan-Arkansas Project water has been used since the beginning of the Fry-Ark Project.

The District and Reclamation will mark the 60th anniversary of the Fry-Ark Project. In the planning phase are a tour, interpretive displays, publications, and related activities.

Finally, AVC construction is expected to begin in late 2022. Special observances will be forthcoming.

Communications & Outreach	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Costs included with other budget funds	\$4,284	\$35,000	\$7,080	\$7,363

# Financial Study

## Background & Purpose:

A financial study in 2019 paved the way for a new way of looking at District and Enterprise finances. Matching revenues to expenditures is critical to building a foundation for a more stable financial future. The forward-looking Financial Plan provides a more strategic way of looking at the funding needs for years to come.



## 2021 Activity

Surcharges remain at the levels they were prior to the 2019 rate study. It was decided to defer further discussions to the next financial study.

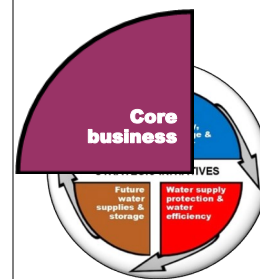
The cost of water was increased in 2020, and remained the same in 2021 and 2022.

The Board also has deferred decisions on the appropriate charge for Project water carryover storage, Winter Water charges, and reserve fund targets and funding sources. These are expected to be part of a future financial study.

## 2022 Action Plan

In 2022, District staff will evaluate financial planning, including running the rate model developed in the previous financial study.

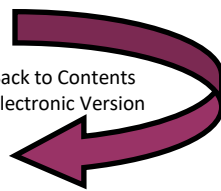
### Strategic Plan Interface



### Budget Funds

- [Fry-Ark Project](#)
- [District Operations](#)
- [Water & Storage](#)
- [AVC](#)
- [Hydropower](#)

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Financial Study	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Planning and Development	—	\$100,000	—	—

# Reserve Funds

## Background & Purpose:

A new approach to fund reserves was recommended in the 2019 Financial Study to create broad categories of reserves that would allow the District and Enterprise to meet extraordinary costs in the future — including costs that are known and those that are unexpected. Sources and target levels of Reserve Funds have yet to be determined.



Reserve Category	Purpose	Target Funding Level
<b>Cash Reserve</b>	Working cash sufficient to fund cash-flow variations in a typical operating cycle.	(To be determined)
<b>Operating Reserve</b>	Covers potential interruptions in District Operations and District Enterprise Fund revenue streams; and may be used to smooth and stabilize water rates over the	(To be determined)
<b>Capital Reserve</b>	Funds capital repair, replacement, or betterment of SECWCD properties; funds other capital activities that may be undertaken by SECWCD.	(To be determined)
<b>Exposure Reserve</b>	Covers extraordinary, unforeseen events not otherwise covered by reserves or	(To be determined)

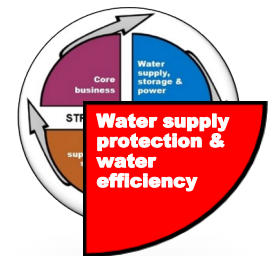
## 2021 Activity

Discussions on how to structure Reserve Funds were delayed.

## 2022 Action Plan

Discussion on sources and levels of reserve funds will continue.

## Strategic Plan Interface



## Budget Funds

Fry-Ark Project

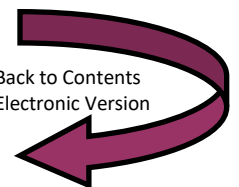
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# Asset Valuation & Condition Assessment

## Background & Purpose:

The District began an asset valuation study in 2020 that looked at Fryingpan Arkansas features, District assets and Enterprise assets. The next phase of this study will be a condition assessment to determine future funding needs and priorities.



## 2021 Activity

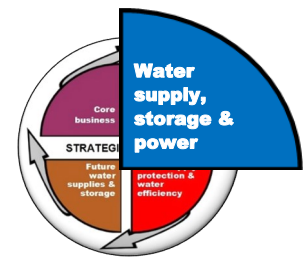
Features and assets were identified and scored according to industry standards by Providence Infrastructure Consultants under a contract with the District.

All of the features of the Fry-Ark Project were studied individually, using Reclamation comprehensive, periodic, annual and special reviews. The Power Work Plan and Southeastern District budget documents also were used.

The District asset evaluated was the headquarters building, which was constructed in 2000.

The James W. Broderick Hydropower Plant was the sole enterprise asset evaluated.

## Strategic Plan Interface



## Budget Fund

Fry-Ark Project

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## 2022 Action Plan

The Conclusions and Next Steps of the Providence study identified three areas for future study:

- 1) Use the feature scoring results from Phase 1 to prioritize condition assessment work to begin in 2022. The condition assessment involves on-the-ground studies as well as continued document reviews.
- 2) Develop and refine condition assessment tools and checklists to be used during the performance of physical condition assessment work.
- 3) Refine the preliminary Capital Improvement Plan (CIP). As the condition assessment work is completed, more accurate projections can be plugged into the CIP.

Asset Valuation/Condition Assessment	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenditures	\$86,639	\$250,000	\$250,000	\$250,000

# Recovery of Storage

## Background & Purpose:

Pueblo Reservoir has lost about 25,000 acre-feet of space due to sedimentation since the Pueblo Dam was completed in 1975. In 2020, the District launched a study to find remedies to restore the full amount of space intended to serve the Fryingpan-Arkansas Project. The first year of the study provided a better estimated of the rate of loss for storage space.



Lake Pueblo State Park/CPW

## 2021 Activity

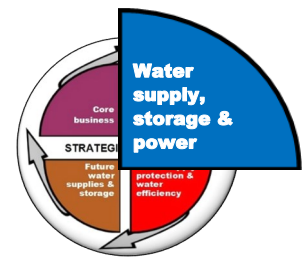
The Recovery of Storage study by Mott MacDonald was continued with the following directives:

- 1) To determine when loss of storage will become critical to the Fryingpan-Arkansas Project.
- 2) To determine upstream sources of sediment loading into Pueblo Reservoir.

Mott MacDonald completed the work in September 2021, and made recommendations for the next phase of study.

The Resource and Engineering Planning Committee directed staff to analyze when loss of storage will become critical to both Fry-Ark Project and Excess Capacity accounts.

## Strategic Plan Interface



## Budget Fund

**District Operations**

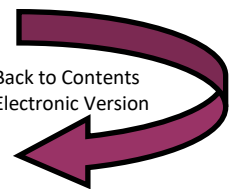
## 2022 Action Plan

In 2022, the Recovery of Storage studies will continue, with additional participation sought from the Bureau of Reclamation.

One of the recommendations is to perform a new bathometric survey and related measurements to more accurately track the rate of sedimentation. At the same time, more information is needed to pinpoint the most prevalent sources of sedimentation.

Staff also has researched the apparent rate of sedimentation and determined that Excess Capacity contracts could be impacted as soon as 2046, while Fry-Ark Project accounts likely will be affected by sedimentation toward the end of the century.

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Recovery of Storage	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenditures	\$90,100	\$300,000	\$300,000	\$300,000

# Streamflow Forecasting

## Background & Purpose:

The Enterprise budget is based on 20-year averages for water sales and storage. The annual allocation is based on Reclamation’s May 1 forecasts for imports from the Fryingpan River based to the Arkansas River basin. Since 2012, imports have been significantly higher or lower than the May 1 forecast, pointing to the need for reliable tools to forecast Fry-Ark Project yield.



## 2021 Activity

The May 1 forecast indicated that it would be a dry year. Reclamation estimated that only about 38,000 acre-feet would be imported, or about 70 percent of normal. Actual imports were 30,800 acre-feet, or 81 percent projected imports.

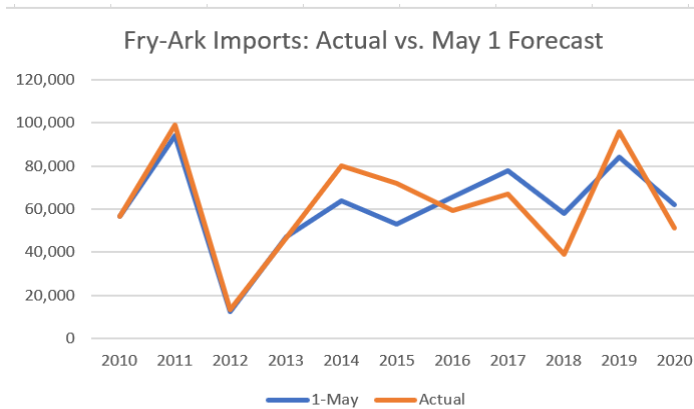
The District’s initial strategy was to pay for more Natural Resource Conservation Service Snotel sites at higher elevations that would better encompass the range of snowpack and improve predictions.

However, further research shows that more factors are involved, including soil moisture conditions, late spring weather conditions, and changing precipitation patterns

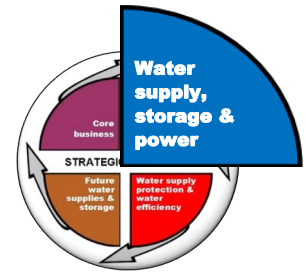
## 2022 Action Plan

Staff will look at other available technologies that could improve water availability forecasting.

This also is a program that will require working with Reclamation to incorporate more data sources into forecast methodology. Staff will employ the best available methods in the 2022 forecast.



## Strategic Plan Interface



## Budget Fund

District Operations

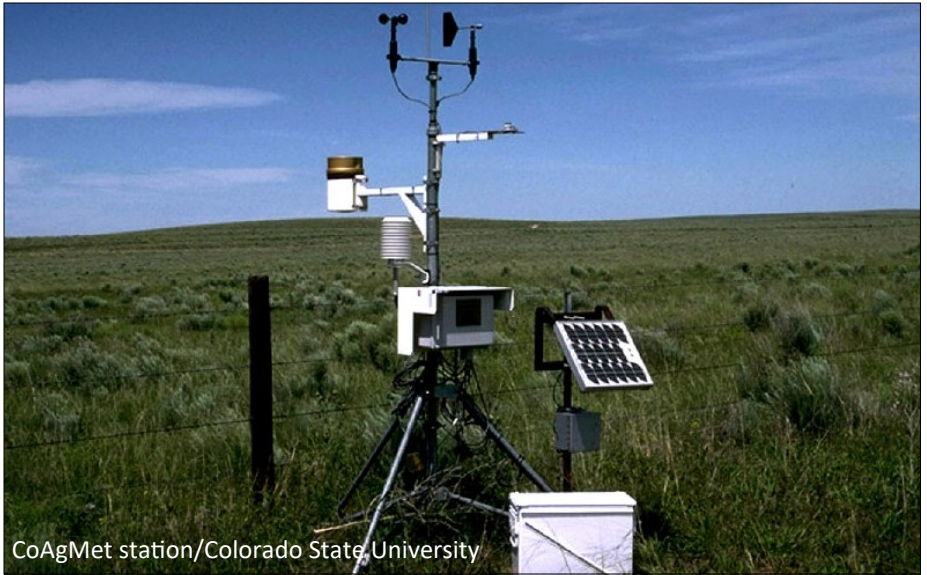
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Streamflow Forecasting	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenditures	—	\$10,000	\$10,000	\$10,000

# CoAgMet Monitoring

## Background & Purpose:

CoAgMet, a program of Colorado State University, operates weather stations throughout the state of Colorado. The information is particularly valuable for irrigated agriculture, and helps contribute to water conservation. There are 17 sites that collect weather data in the Arkansas River basin, and 13 of those are aligned with the mainstem of the River. The District cooperates with other entities that fund the CoAgMet program.



CoAgMet station/Colorado State University

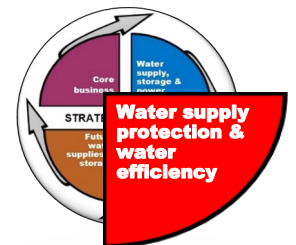
## 2021 Activity

The District made a \$2,000 contribution to support research through the Upper Arkansas Water Conservancy District sponsorship.

## 2022 Action Plan

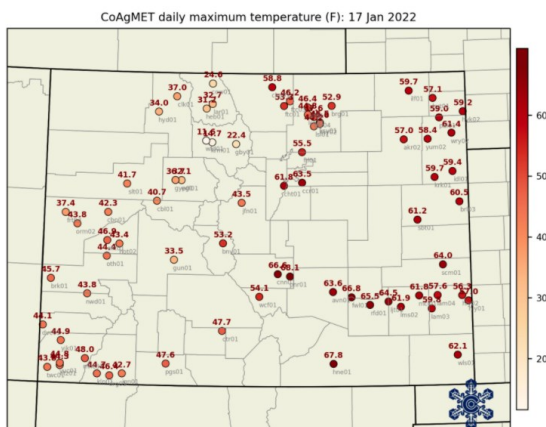
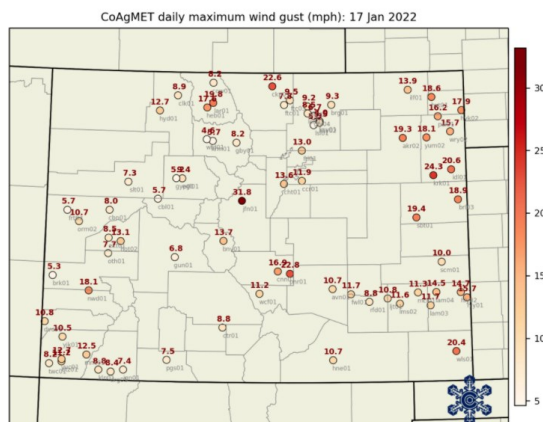
The District will make a \$2,000 contribution to support research through the Upper Arkansas Water Conservancy District sponsorship.

## Strategic Plan Interface



## Budget Fund

District Operations



Weather data is shared statewide through the CoAgMet program. The District supports stations in the Arkansas Valley.

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CoAgMet Monitoring	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenditures	\$2,000	\$2,000	\$2,000	\$2,000



# Watershed Health

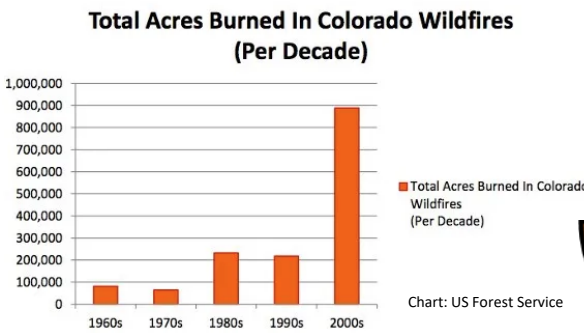
## Background & Purpose:

With the increase in number and severity of wildland fires, water providers across the West face new issues associated with watershed health. A fire in the forested areas that surround the high-mountain reservoirs of the Fry-Ingpan-Arkansas Project could be devastating. Even lower elevation fires near Pueblo Reservoir pose a risk.

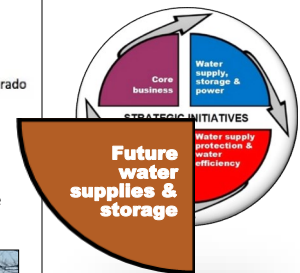


## 2021 Activity

The Southeastern District historically continued to rely on its partnership in the Fry-Ark Project with the Bureau of Reclamation to pay for costs associated with Watershed Health.



## Strategic Plan Interface



## 2022 Action Plan

The District has budgeted money for potentially joining the Arkansas River Watershed Collaborative through the Arkansas Basin Roundtable for projects that have a direct relationship to Fry-Ark Project facilities. This would be a cost-share agreement with other water interests. No agreement is currently in place.



## Budget Fund

**District Operations**



Watershed Health	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenditures	—	\$20,000	\$50,000	—

# Water Quality Monitoring

## Background & Purpose:

The Enterprise is a cooperating agency with the U.S. Geological Survey in the maintenance of stream gauges at key points in the Arkansas River basin. The Enterprise pays about 70 percent of the total costs, while Special Projects (Master Contract, AVC and Enlargement) participants pay about 80 percent of the Enterprise costs.



Water sampling on Fountain Creek/Pueblo Chieftain

## 2021 Activity

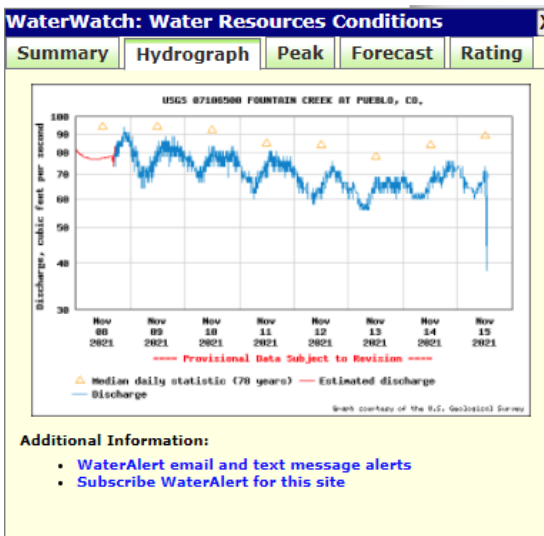
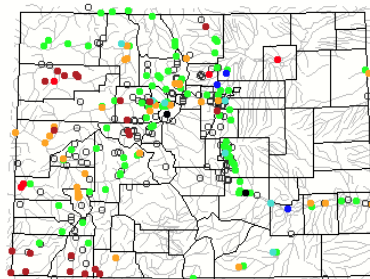
The U.S. Geological Survey (USGS) monitors long-term water quality, collects continuous specific-conductance data, measures baseline changes, collects streamflow data, measures suspended sediment, and tracks reservoir quality at mainstem Arkansas River sites, major tributaries, and Pueblo Reservoir. The Enterprise has two Joint Funding Agreements with the USGS that support 10 monitoring stations on the mainstem and four stations on tributaries. The USGS posts information online and presents monthly reports to the District Board.

## 2022 Action Plan

No major changes are planned in the water quality monitoring program in 2022.

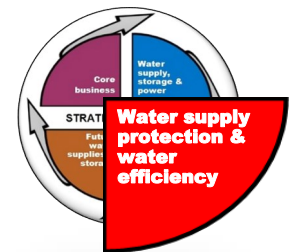
### Daily Streamflow Conditions

Select a site to retrieve data and station information.  
Monday, November 15, 2021 14:30ET



Examples of USGS Internet water data displays.

### Strategic Plan Interface



### Budget Fund

Water & Storage

AVC

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Water Quality Monitoring	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenses	\$197,050	\$189,400	\$196,976	\$204,855

# Colorado River Programs

## Background & Purpose:

Programs in the Colorado River basin support Fryingpan-Arkansas Project water rights owned by the District. These programs are operated through partnerships with the Bureau of Reclamation, Colorado Water Conservation Board, Front Range Water Council, Colorado River Water Users Association and Colorado Water Congress.



## 2021 Activity

The District supported ongoing efforts to provide water to endangered fish species in the Colorado River. Providing additional water for release — the “10825 Program” benefits four species: Humpback Chub, Razorback Sucker, Bonytail and Colorado Pikeminnow. In 2021, the U.S. Fish and Wildlife down listed the Humpback Chub to threatened, rather than endangered.

The District also supported a weather modification program that increases chances of snowfall in areas that benefit both the West Slope and water supply for the Front Range.

The District also participated in interstate discussions on how to deal with lingering drought in the Colorado River basin.



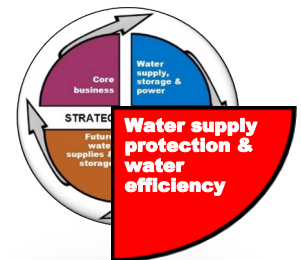
## 2022 Action Plan

Support for Colorado River programs will continue in 2022.

Each year, Arkansas River water users benefit from an average 130,000 acre-feet of water imported from the Colorado River, including 57,000 by the Fry-Ark Project.

Making sure this supply continues is a high priority for the Southeastern District and its stakeholders.

## Strategic Plan Interface



## Budget Fund

District Operations

Water & Storage



Colorado River Programs	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenditures	\$11,555	\$89,025	\$92,186	\$95,474

# Fountain Creek Transit Loss Model

## Background & Purpose:

The rate of flow, bank seepage, evapotranspiration rates, contributed flow from tributaries, and diversions are taken into account for the Fountain Creek Transit Loss Model. The District pays a charge for municipal return flows tracked during the previous year under the model. In years with no return flows, there is only a membership base fee.



Fountain Creek/SECWCD

## Historic Action

The Fountain Creek Transit Loss Model was developed in 2007 by the U.S. Geological Survey to track flows along 78 miles of waterways. The Southeastern District joined in order to better measure municipal Return Flows.

The model breaks 78 miles of river into 33 reaches, and calculates the amount of losses at varying flows. It is necessary to measure the losses in order to assure water rights are not injured by the many diversions along Fountain Creek and Monument Creek.

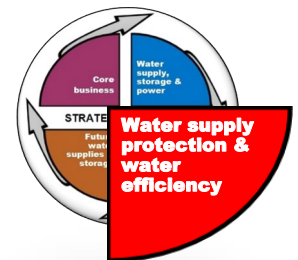
The District is one of 17 participants in the program, and pays an annual membership, plus an additional fee based on its share of Return Flows that are not claimed during the year.

The additional fee is assessed in the year following the measurement.

## Fountain Creek Transit Loss Participants

- ◆ Monument
- ◆ Woodmoor
- ◆ Triview
- ◆ Donala
- ◆ Forest Lakes
- ◆ Palmer Lake
- ◆ Fountain Mutual Irrigation Co.
- ◆ Colorado Springs Utilities
- ◆ Fountain
- ◆ Widefield
- ◆ Security
- ◆ Stratmoor Hills
- ◆ Chilcotte Ditch
- ◆ AGRA
- ◆ Cherokee Metro
- ◆ Colorado Centre
- ◆ Southeastern District

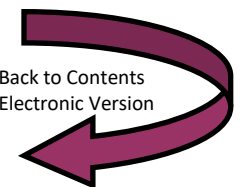
## Strategic Plan Interface



## Budget Fund

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## 2021 Activity

Membership base fee was paid.

## 2022 Action Plan

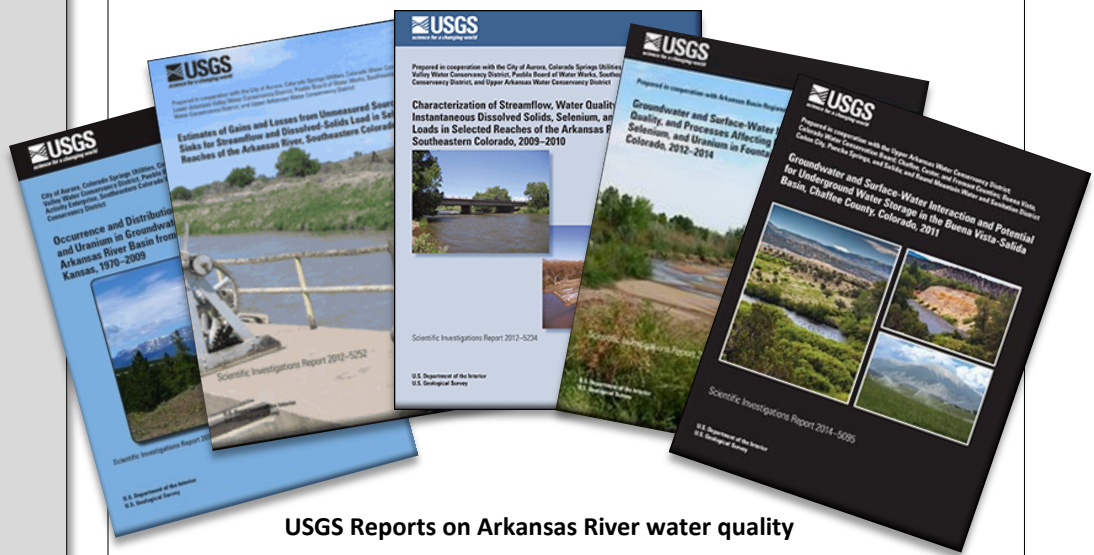
Membership base fee will be paid.

Fountain Creek Transit Loss	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenses	\$3,226	\$3,486	\$23,625	\$24,452

# Regional Resource Planning Group

## Background & Purpose:

More than a decade of studies guided by the Regional Resource Planning Group have produced clearer understanding of water quality issues in the Arkansas River basin. The group is now considering a future course of action that will guide future studies.



USGS Reports on Arkansas River water quality

## 2021 Activity

The Regional Resource Planning Group met in late 2021 and agreed to proceed with a U.S. Geological Survey agreement to establish a water quality baseline for reaches of the Arkansas River. The 2021 meeting was the first since 2018, as the group evaluated its future course of action.

## 2022 Action Plan

The group will meet later in 2022 with the USGS to review progress on developing the baseline. At that time, future courses of action will be reviewed.

## Historic Activity

The Regional Resource Planning Group (RRPG) was created with the signing of the October 3, 2003 Intergovernmental Agreement (IGA) between the Southeastern Colorado Water Conservancy District and Aurora.

Meetings began on May 21, 2004, and the group spent six years settling immediate issues and developing a long-term scope of work.

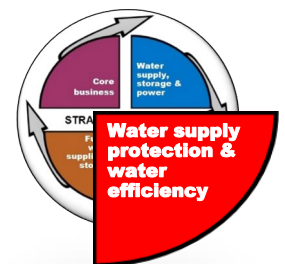
Though cooperative funding agreements with the USGS, six additional water quality studies were completed. A total of \$1.9 million was spent on studies, with RRPG members contributing 58 percent of the costs.

Studies ranged from underground storage in the Upper Arkansas River basin to Fountain Creek water quality to selenium sources in the Lower Arkansas River basin.

RRPG members are:

- Aurora
- Pueblo Water
- Colorado Springs Utilities
- Lower Arkansas Valley Water Conservancy District
- Upper Arkansas Water Conservancy District
- Southeastern Colorado Water Conservancy District

## Strategic Plan Interface



## Budget Fund

Water & Storage

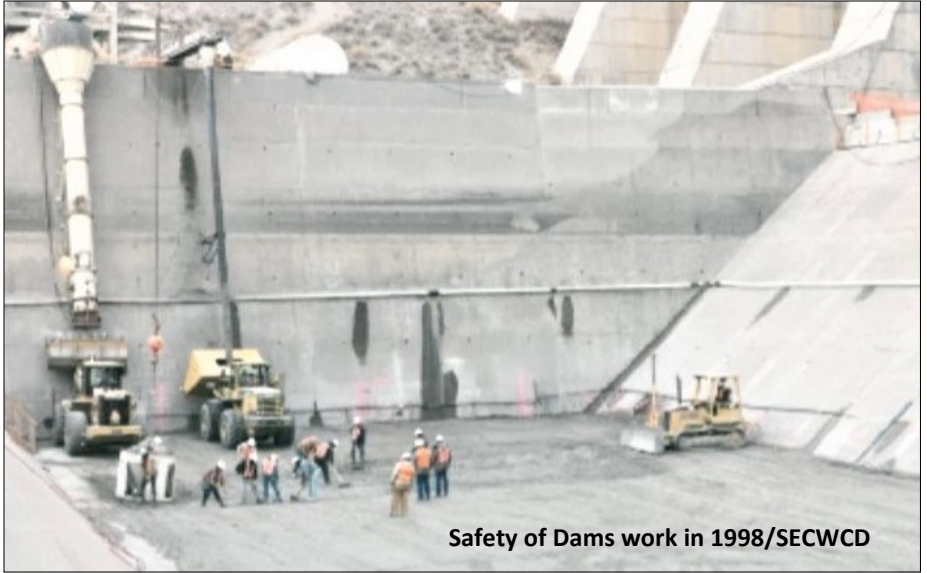
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Regional Resource Planning Group	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenses (paid pro-rata by RRPG members)	—	\$135,000	\$135,000	\$135,000

# Safety of Dams

## Background & Purpose:

The Enterprise collects a surcharge to repay Reclamation for a portion of the Safety of Dams work done in 1998-99. The work included a series of rock bolts and a 22-foot concrete cap. The cost was \$17.6 million, and the District’s share was \$2.4 million (13.63%). The District paid the municipal cost (5.42%) first to avoid interest. The irrigation cost (8.21%) was spread at \$60,000 per year over 25



## Historic Activity

After Reclamation completed its work to bolster Pueblo Dam, the Enterprise began payment for the Safety of Dams (SOD) surcharge in 2000. The obligation will be paid off in 2024.

The District Board opted to pay the M&I portion of costs in a lump sum to avoid interest payments, while the Irrigation payments are \$60,000 per year.

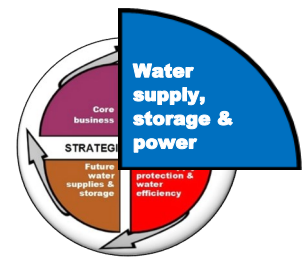
In a 1998 Board Resolution, there was a one-time transfer of reserves from the District to the Enterprise for “activities and obligations of the Activity Enterprise” in the amount of \$2,800,000. The District made the transfer in anticipation of SOD repayments, which was the major activity at the time. However, there is no mention of repayment of the money.

In 1999, the Board transferred \$1,000,000 in District reserves to the Enterprise to pay for the M&I portion of the SOD repairs as they were incurred to avoid the interest portion of repayment. Thus, a total of \$3.8 million was transferred from the District to the Enterprise for SOD.

For the actual work completed, Irrigation payments totaled \$1,450,819, and have no interest component.

Over a 25-year period this totals \$58,032 annually and is covered by annual payments of \$60,000 to Reclamation. The final payment in 2024 will be less than \$60,000.

## Strategic Plan Interface



## Budget Fund

**Water & Storage**

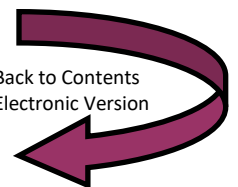
## 2021 Activity

Payment of \$60,000 was made.

## 2022 Action Plan

Payment of \$60,000 will be made.

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Safety of Dams	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Repayment to Reclamation	\$60,000	\$60,000	\$60,000	\$60,000

# Upper Arkansas River Basin Storage

## Background & Purpose:

Future storage in the Upper Arkansas River basin will allow the District to better time delivery of imported water, provide more efficient delivery to entities west of Pueblo, and to release water for the Upper Arkansas Voluntary Flow Management Program.



Trout Creek Project/UAWCD

## Historic Activity

Innovative projects by the Upper Arkansas Water Conservancy District propose to add integrated surface and underground storage in the Upper Arkansas River.

Two projects also will explore new concepts for an interruptible water supply for cities in order to avoid “buy and dry” of irrigated farmland; enhance recreational and environmental opportunities; provide low-impact hydroelectric power generation; educate the public; and encourage public-private collaboration.

The two projects share many of the same components, but different in scale. Currently, the Upper Ark District is doing a feasibility study at Lake Ranch. The Trout Creek Multi-Use Project, for which the Upper Ark District is seeking funds in the form of partnerships, is a larger, more complex version of the Lake Ranch Multi-Use Project.

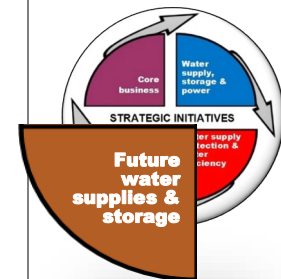


The project is located just west of Trout Creek Pass near Buena Vista, in an area that presently contains wetlands, wildlife habitat, and irrigated agriculture. The goal is to keep all of those values in a sustainable project.

Crucial to that is the need for storage. Surface storage, underground storage, and aquifer recharge ponds will all work in concert to fulfill the goal.

The Upper Arkansas District is actively pursuing the Trout Creek project and Southeastern has some upper basin storage goals that would fit in with the project.

## Strategic Plan Interface



## Budget Fund

Water & Storage

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Upper Arkansas Storage	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Expenditures for cooperative program	—	\$25,000	\$25,000	\$25,000

# Restoration of Yield

## Background & Purpose:

Restoration of Yield (ROY) is part of the 2004 agreement to maintain recreational water levels in the Arkansas River through Pueblo. It allows participants to capture foregone exchanges through Pueblo downstream for later exchange. Since 2004, downstream space has been leased. The partners in the project have been investigating various sites for storage as well.



Entrance to the Pueblo Whitewater Park/SECWCD

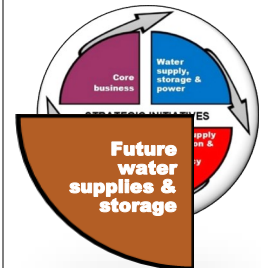
## 2021 Activity

The participants in the ROY project (see box at right) signed an intergovernmental agreement to purchase a reservoir site just east of Boone (see map below). The site was chosen following a comprehensive screening of potential sites that began in 2014. Flows would be diverted via the Colorado Canal into a 4,300 acre-foot reservoir. The total cost to acquire the property was \$2.85 million, of which the Enterprise's share is \$142,500.

### ROY Participants

Pueblo Water	28.58%
Colorado Springs	28.57%
Aurora	28.57%
SECWCD	4.76%
Fountain	4.76%
Pueblo West	4.76%

### Strategic Plan Interface



## 2022 Action Plan

The construction of the Haynes Creek reservoir likely will not occur for at least 10 years, and the Enterprise's share would be about \$2 million.

Under the Capital Improvement Plan, it is recommended that \$200,000 be set aside annually to pay for the Enterprise portion of the reservoir construction.



### Budget Fund

Water & Storage

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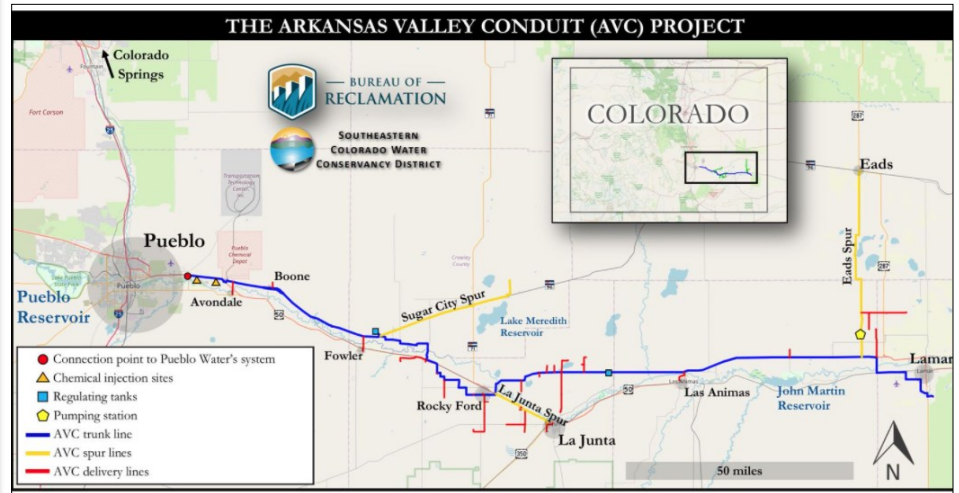
Operations, Program, Project or Plan	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Development of ROY storage	\$135,373	\$200,000	\$200,000	\$200,000



# Arkansas Valley Conduit Construction Plan

## Background & Purpose:

The Arkansas Valley Conduit (AVC) is a 130-mile long pipeline that will bring clean drinking water to 50,000 people in 39 communities east of Pueblo. It was authorized in the 1962 Fryingpan-Arkansas Project Act, but was never built because the expense was greater than the communities could afford on their own. It was revived in 2000 as water quality issues became overwhelming. Federal legislation added a 65% federal cost-share in 2009.



## 2021 Activity

Reclamation worked toward final design of the first 12-mile reach of the AVC, which includes connection to Pueblo Water’s system, delivery to Boone and Avondale, and two chemical injection sites. Reclamation also released an AVC Environmental Assessment at the end of 2021 to reflect changes from the 2013 Environmental Impact Statement.

The Enterprise attempted to secure funding from the American Rescue Plan Act (ARPA) funds from counties and incorporated water providers to assist in design for delivery lines, and in Pueblo County’s case, construction.

The District hired GMS engineering consultants to assist in completing community profiles and to help participants prepare their systems to receive AVC water. Discussions began with some participants about consolidation or regionalization of some areas served by AVC.

Reclamation, the District and Pueblo Water began negotiations on a three-party contract that will provide treatment and transmission of AVC water through Pueblo Water’s system.

## 2022 Action Plan

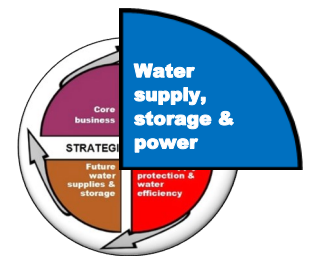
The AVC three-party contract among Reclamation, the District and Pueblo Water will be finalized in early 2022.

The AVC Repayment Contract will be finalized during 2022. An AVC governance structure will be adopted as well.

Reclamation construction of the Avondale-Boone segment of AVC will begin in late 2022.

The Enterprise will complete design of delivery lines for many of the AVC participants.

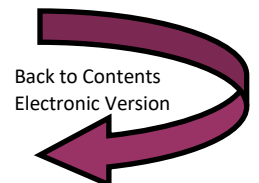
## Strategic Plan Interface



## Budget Fund

Fry-Ark Project

Water & Storage

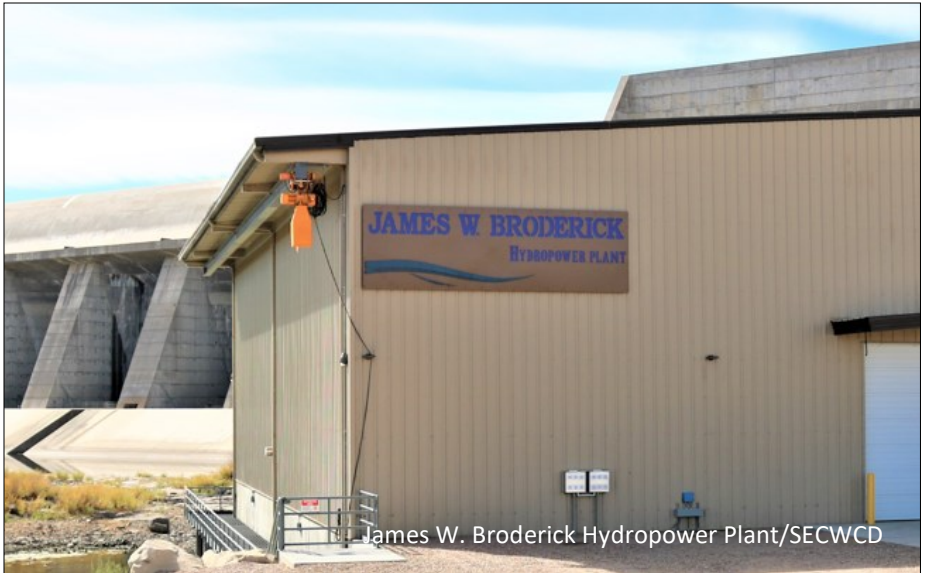


Arkansas Valley Conduit	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Enterprise operating expenditures	\$370,675	\$525,455	\$596,368	\$619,543
Enterprise capital outlay and improvements	\$138,227	\$2,336,859	\$5,822,000	\$12,022,000

# James W. Broderick Hydropower Plant

## Background & Purpose:

In 2019, the District began operating the James W. Broderick Hydropower Plant at Pueblo Dam. The Enterprise operates the Hydro Plant under a Lease of Power Privilege (LoPP), signed by the District and Reclamation in 2017. Power is sold to the city of Fountain and to Fort Carson through Colorado Springs Utilities. Revenues will repay a CWCBC loan, and eventually help fund AVC OM&R.

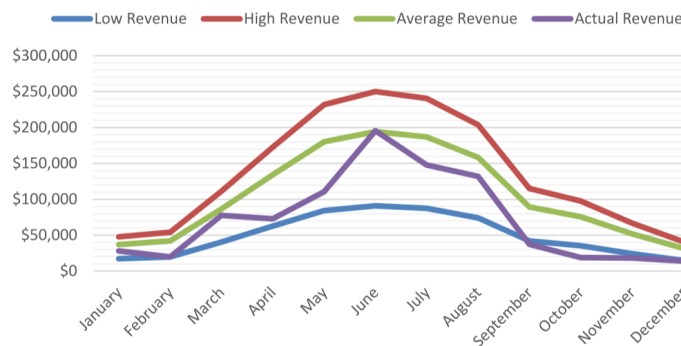


James W. Broderick Hydropower Plant/SECWCD

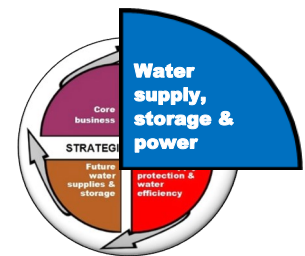
## 2021 Activity

Power generation was 69 percent of the expected average in 2022, because of low flows throughout the year. Revenues for the first three years of operation are 105 percent of average.

### JWBHP Monthly Power Delivery



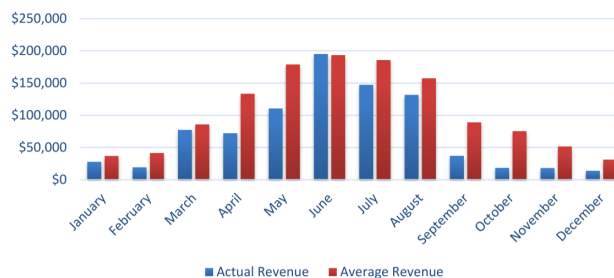
## Strategic Plan Interface



## 2022 Action Plan

In 2022, mechanical plugs that would allow shutdown of the Hydro Plant for extended periods in the event of an emergency will be manufactured and shipped to the site. The plugs are a requirement of the LoPP with the Bureau of Reclamation. Erosion control, cathodic protection review and other maintenance procedures are planned as well.

### JWBHP Monthly Revenues



Revenues from the James W. Broderick Hydropower Plant were 69 percent of the expected average in 2021.

## Budget Fund

Hydropower

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Hydroelectric Power	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Revenues from electric generation	\$1,026,548	\$1,035,804	\$1,198,719	\$1,214,362

# Water Sales

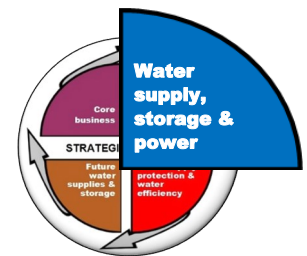
## Background & Purpose:

Along with storage fees, water sales are the primary source of revenue for the Enterprise Activity. The District adopted a new rate structure for 2020, after more than 20 years without a rate increase. The new rates were applied in 2021, and will remain unchanged in 2022. The 2022 Financial Study will include a rate study.



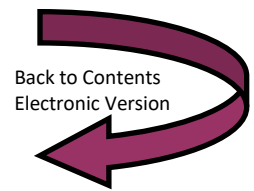
Description	WATER RATES FOR 2022					
	Water Rate (\$)	Safety of Dams (\$)	Water Activity (\$)	Environmental Stewardship (\$)	Augmentation (\$)	Proposed Total Charge (\$)
<b>Project Water Sales</b>						
Irrigation	13.14	0.50	0.75	0.75	--	15.14
Municipal	13.14	0.50	1.50	0.75	--	15.89
<b>Project Water Sales used for Well Augmentation</b>						
Irrigation for Well Augmentation	13.14	0.50	0.75	0.75	2.60	17.74
Municipal for Well Augmentation	13.14	0.50	1.50	0.75	2.60	18.49
<b>Storage Charges</b>						
Winter Water Storage*	2.80	0.25	--	0.75	--	3.80
Carry-Over Project Water	--	1.00	1.25	0.75	--	3.00
<b>If and When Storage</b>						
In District	--	0.50	0.50	0.75	--	1.75
Out of District	--	2.00	4.00	0.75	--	6.75
Aurora	--	--	10.00	--	--	10.00
<b>Project Water Return Flows</b>						
Irrigation	12.00	0.50	--	0.75	--	13.25
Municipal	12.00	0.50	--	0.75	--	13.25

## Strategic Plan Interface



## Budget Fund

**Water & Storage**



## 2022 Action

No change in water and storage rates.

## 2022 Action Plan

No change in water and storage rates. Rate study planned

Water & Storage Sales	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Revenue (Including Surcharges and Return Flows)	\$971,665	\$1,431,498	\$1,432,898	\$1,433,773

# Return Flows

## Background & Purpose:

The District has sold Return Flows from Project water since 1972. Return Flows provide revenue to support the Water Activity Enterprise. Return Flows are generated when the consumptive use of water is subtracted from the amount of water diverted. Municipal & Industrial and Irrigation uses both create Return Flows.



Arkansas Valley flood irrigation/SECWCD

## 2021 Activity

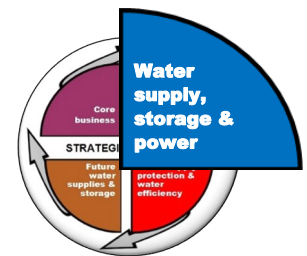
The Enterprise concluded the Fort Lyon Canal Pilot Program, which investigated ways in which irrigators could claim the first right of refusal, as specified in the District's Allocation Principles. The pilot program began in 2014, when Fort Lyon Canal farmers approached the Board and asked to use Return Flows generated from Project Water applied to lands under the Fort Lyon Canal to augment wells and surface irrigation improvements.

In 2021, the Enterprise determined that water could be allocated on a "farm unit" basis, under administration by the Colorado Division of Water Resources. The Tgwtp'Hqy Policy must be changed in order to allow Return Flows to be used for Rule 10 accounts under the state's 2010 surface irrigation improvement rules for the Arkansas River basin, as well as Rule 14 under the 1996 irrigation rules. The changes in the Tgwtp'Hqy Policy determined beneficiaries in an equitable manner that could be administered.

Additionally, the Tgwtp'Hqy Policy was reorganized to improve understanding.

In December 2021, Enterprise staff reached out to stakeholders to explain the changes in the Tgwtp'Hqy Policy to stakeholders at four meetings in all parts of the District.

## Strategic Plan Interface



## Budget Fund

**Water & Storage**

## 2022 Action Plan

The Enterprise Board will be asked in March to approve the changes in the "Tgwtp'Hqy Policy to allow Irrigation First Right of Refusal for Return Flows. The new policy will be applied on 2022 Re-turn Flow sales.



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Return Flow Sales	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Revenue (budget based on 20-year average)	\$57,892	\$93,168	\$93,168	\$93,168

# Municipal Carryover Storage Charges

## Background & Purpose:

Allocation principles allow municipal water to be stored in Pueblo Reservoir for multiple years. There has not been a charge for that, but the cost of service study that was part of the 2019 Financial Strategy and Stability Study recommended that such charges should be phased in over a five-year period.



Pueblo Dam/SECWCD

## Past Activity

Pueblo Reservoir was primarily built to store water brought into the Arkansas River basin until it could be put to beneficial use.

Recognizing the variability of the region’s hydrology, it was always intended to fill, release water, and refill again.

Storage patterns by municipalities began to change following the severe drought of 2002, however, municipal users have kept greater volumes of water in storage.

The result has caused a change in the amount of Return Flows, and reduced demand for municipal Project water.

In the Financial Strategy and Sustainability Study, Jacobs Engineering attempted to assign a cost to storage, based on the number of acre-feet stored in Pueblo Reservoir and the “opportunity cost” to the District.

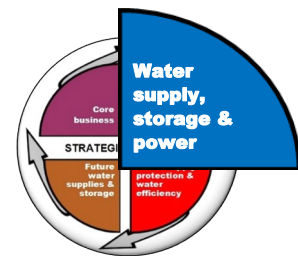
This led to a discussion by the Board of whether that was an appropriate method to use in assigning costs to storage, and how much storage should be charged.

The Board will take up the question of how storage should be paid for in the future.

Under Allocation Principles, only municipalities may carry Project water over for more than one year, and they already bear the costs for evaporation for the time water is stored. However, water in storage that is not being used annually has the potential to create more spill situations and to reduce revenues.

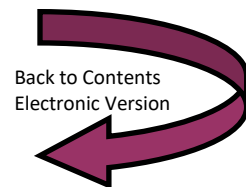
Ad valorem taxes repay construction costs, as well as OM&R for the Project. However, just as users pay annually for water that is imported, there is an appropriate cost for storage beyond the first year for water that is not used.

## Strategic Plan Interface



## Budget Fund

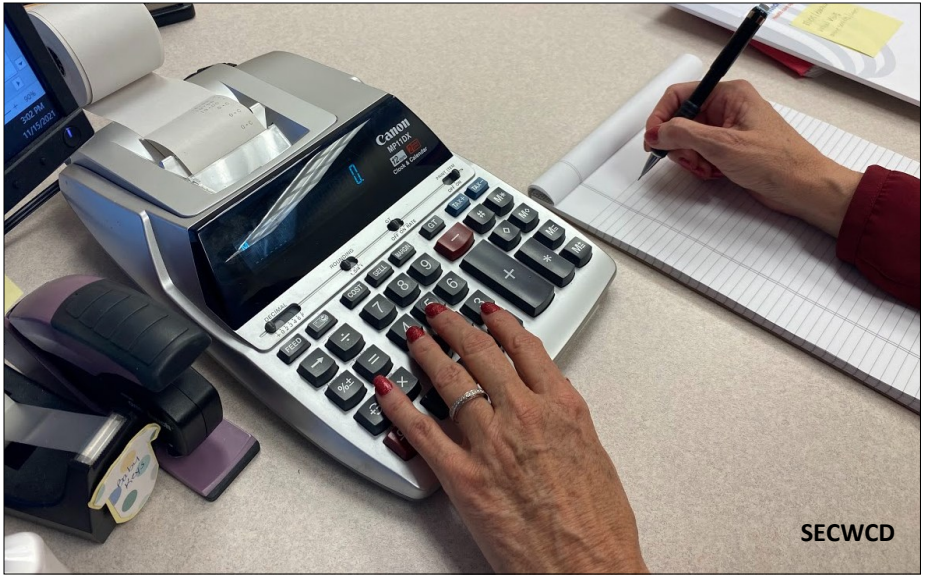
Water & Storage



# Surcharges

## Background & Purpose:

Surcharges were added to the Fryingspan-Arkansas water and storage charges throughout the history of the Enterprise. Surcharges serve specific purposes that may change over time. The Board asked staff in 2019 to look at surcharges to determine how they fit into the overall rate structure. The surcharges will be part of the next Financial Study.



SECWCD

## 2021 Activity

Surcharges were collected on all water sales, return flow sales and storage in the Fryingspan-Arkansas Project. Surcharges were not included in the rate study that was part of the 2019 Financial Strategy and Sustainability Study, and were left as directed by the Board in the diagram to the right.

## 2022 Action Plan

Surcharges will be collected on all water sales, return flow sales and storage in the Fryingspan-Arkansas Project.

Enterprise surcharges include:

- Safety of Dams (1998)**
- Water Activity Enterprise (2002)**
- Aurora IGA (2003)**
- Well Augmentation (2005)**
- Environmental Stewardship (2014)**

The first surcharge was applied in 1998 to cover the District's cost for Pueblo Dam safety work.

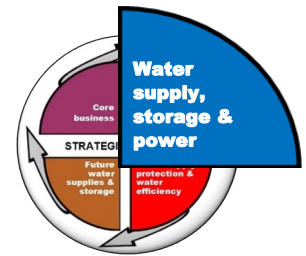
An Enterprise surcharge was added in 2002 to fund ongoing projects of the Enterprise.

The Aurora IGA in 2003 included a surcharge of \$10 per acre-foot as part of an agreement that allowed Aurora to obtain a Fry-Ark storage contract.

The well augmentation surcharge covers sole-source wells.

The Environmental Stewardship surcharge funds four specific programs.

## Strategic Plan Interface



## Budget Fund

**Water & Storage**

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Surcharges	2021 YTD	2022 Budget	2023 Projected	2024 Projected
Budget based on 20-year averages	\$646,602	\$747,018	\$748,418	\$749,293

# Pueblo Dam Interconnect

## Background & Purpose:

The interconnection and Pueblo Dam will connect the North and South Outlets to increase the reliability of municipal water supplies in the event of shutdowns for either maintenance or emergencies. The Interconnect could improve water quality by allowing municipal water providers more variety in elevation from which water is drawn. The 2016 cost estimate was \$16.5 million.



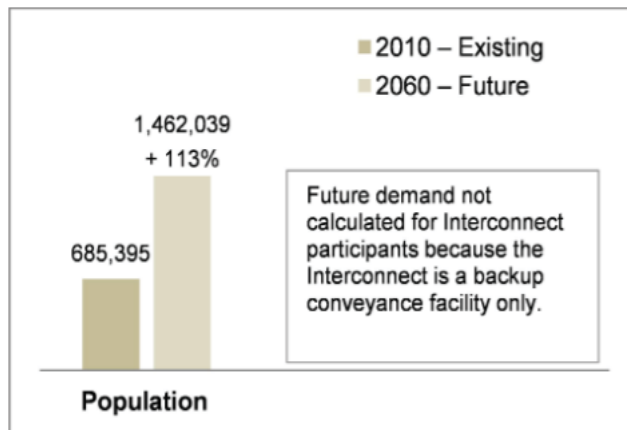
## Future Activities

Interconnection of the North and South Outlets at Pueblo Dam would have benefits for both operations and water quality for municipal water providers who depend on Pueblo Reservoir.

The Interconnect was part of a 2013 Environmental Impact Statement that also studied the Arkansas Valley Conduit and the Excess Capacity Master Contract. The AVC project is underway, and the ECMC was signed by Reclamation and the Southeastern District in 2016.

During short-term maintenance and emergency situations, the Interconnect would move water between the North and South Outlets at Pueblo Dam. The Interconnect would be a 2.5-mile section of 84-inch pipeline to be constructed between the two outlet works.

Interconnect operations would require a long-term (40-year) contract between

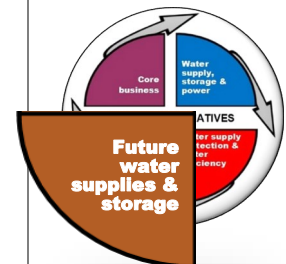


Reclamation and the Interconnect water providers for use during periodic maintenance or emergencies activities.

The Interconnect contract would also support deliveries of water to water connections at Pueblo Reservoir for the Arkansas Valley Conduit, Pueblo Fish Hatchery, Pueblo Water, Pueblo West Metropolitan District, Southern Delivery System, and Fountain Valley Authority.

No plans to build the Interconnect are foreseen in the immediate future.

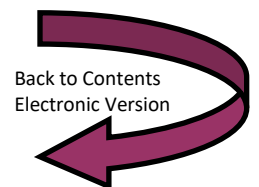
## Strategic Plan Interface



## Budget Fund

Fry-Ark Project

Water & Storage



# Water Acquisition

## Background & Purpose:

One function of the Southeastern Colorado Water Conservancy District, under state statute, is to purchase water rights for the benefit of stakeholders. The District Board has discussed this possibility in the past, but no action has resulted. There may be situations in the future where the District could purchase water rights to fill gaps in its portfolio.



Arkansas River downstream from Pueblo Dam/SECWCD

## Future Activities

The District owns the water rights associated with the Fryingpan-Arkansas Project in both the Colorado River and Arkansas River basins. As a source of supplemental water, there is no “minimum” level of supply.

While the Board has looked at purchasing water in the past, there has not been a true need for an additional supply of water. There have been years when very little water was available for allocation — none at all in 1977 for instance.

At times, the water market outside the Fryingpan-Arkansas Project has been very active, but the Board has never chosen to participate, cities, towns, well associations, other conservancy districts, and even irrigation companies have purchased water rights for varying purposes over the years. The Southeastern District has remained focused on its mission to manage water from the Project, and has not seen the need to expand supplies.

Yet there are scenarios where it would be advantageous for the Enterprise to own water rights beyond those needed

for the Project. The availability of water is becoming increasingly critical as Colorado River imports may be threatened either from a curtailment related to the Colorado River compact or failure of aging infrastructure.

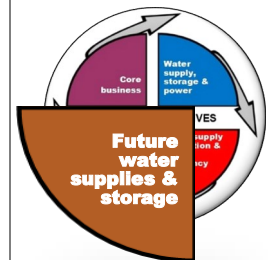
The Southeastern District has remained focused on its mission to manage water from the Project, and has not seen the need to expand supplies.

For example, the Allocation Principles allot about 54 percent of Project water to municipalities, but in most years not all of that is claimed. About 14 percent will be available to the Arkansas Valley Conduit when it is complete.

In a dry year, however, the 14 percent may not be enough to meet the needs of the AVC, and more water might have to be acquired. Owning water rights is one way to achieve that,

Purchase of water rights is listed in the Business Plan as a placeholder for decisions by future Boards.

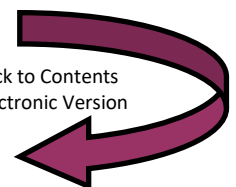
## Strategic Plan Interface



## Budget Fund

Water & Storage

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# Storage Development

## Background & Purpose:

A shortage of storage was identified in the 1998 Water Needs Assessment conducted by the District in cooperation with key municipal stakeholders. Sites throughout the Arkansas Valley were identified and prioritized, leading to the Preferred Storage Options Plan. The need for storage remains, but the pace has changed as water conservation practices are implemented.

PROJECTIONS	Population	Water Use
1998 (Actual)	620,917	148,114 af
2019 (Actual)	893,261	165,682 af
2020 (Low Projection)	973,927	213,572 af
2020 (High Projection)	1,107,661	244,072 af
2040 (Low Projection)	1,192,598	243,470 af
2040 (High Projection)	1,626,678	335,013 af

Population and water demands foreseen in 1998 overestimated the rate of growth and need for new water supplies.

## Future Activities

Two factors have lowered the M&I demand projected in the 1998 Water and Storage Needs Assessment:

- ♦ **Population growth:** While El Paso and Chaffee counties have significantly increased population since 1998, growth has been slower than projected in Pueblo and Fremont counties. Counties east of Pueblo generally lost population.
- ♦ **Conservation:** Per capita water use, particularly in El Paso and Pueblo counties, has dropped significantly.

The 1998 study was completed at the end of two decades of the largest population growth and wettest weather on record in the Arkansas River basin.

In addition, growth rates in the region were higher overall (about 47 percent from 1980-2000) and particularly in El Paso County (68 percent from 1980-2000). In the 2000-2017 period, growth overall has slowed to 26 percent, and El Paso County to 34 percent.

During the severe drought of 2002, many communities were on water restrictions.

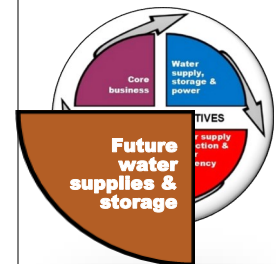
The outcome has been a reduction in total water use despite an increase in population.

Following the drought, there was an increase in active conservation programs by cities within the District. There was also direction from the Colorado Water Conservation Board to conserve water, and it was included as a statewide goal in the 2015 Colorado’s Water Plan.

Many residential customers have reduced water use on their own as a response to drought or pricing. For instance, a study by Pueblo Water found water use decreased by about 17 percent from 1996-2007. Fountain water users cut back on use when rates increased as a result of Southern Delivery System.

The outcome has been a reduction in total water use despite an increase in population. However, there will be a need for more storage in the future.

## Strategic Plan Interface



## Budget Fund

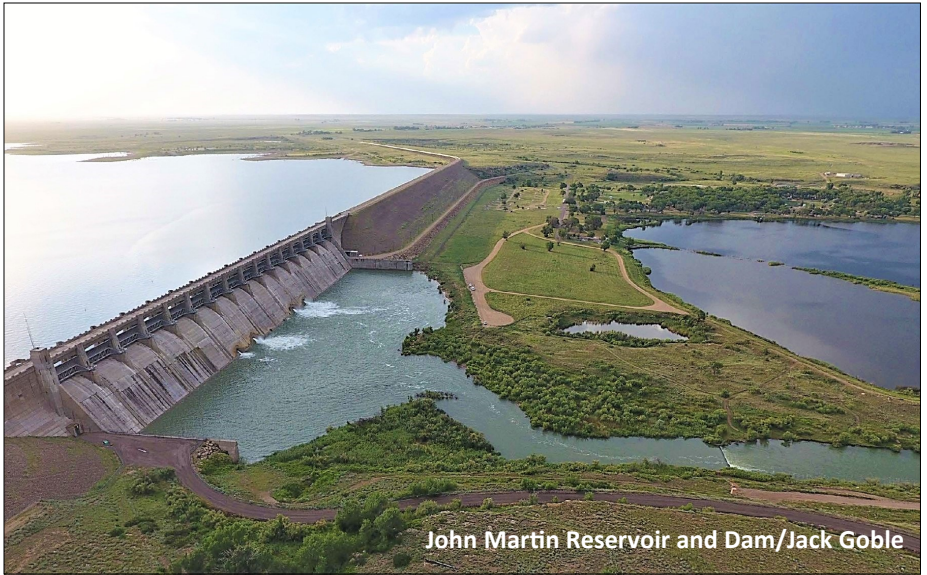
Water & Storage

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# John Martin Reservoir Storage

## Background & Purpose:

The U.S. Supreme Court battle between Kansas and Colorado over the Arkansas River Compact ended in 2009, opening the possibility that the largest reservoir in the Arkansas River basin could be open for excess-capacity storage for certain Colorado entities. The Arkansas River Compact Administration is deliberating, but has made no decision.



John Martin Reservoir and Dam/Jack Goble

## Future Activities

John Martin Reservoir was completed in 1948 as the regulating reservoir for the Arkansas River Compact between Kansas and Colorado.

The Compact was signed by both states and ratified by Congress shortly after completion. After a 24-year Supreme Court battle ended in 2009, the Arkansas River Compact Administration (ARCA) again began talking about the possibility of opening accounts for Colorado users in John Martin Reservoir.

John Martin Reservoir often has excess capacity space, filling to its conservation and recreation storage capacity of 341,000 acre-feet only during extremely wet years.

In 2015, the Colorado Water Conservation Board asked the Lower Arkansas Valley Water Conservancy District to sponsor a feasibility and scoping study. Deere & Ault Consultants completed Phase I of the study in 2017. Nine groups, including the Southeastern Colorado Water Conservancy District, have expressed an interest in using John Martin for storage.

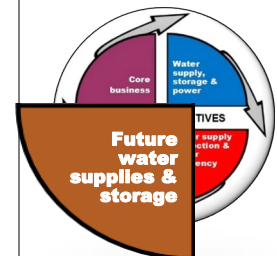
Others include four augmentation groups, the cities of Lamar and La Junta, the Lower Arkansas District, and Tri-State Generation & Transmission Co. Tri-State owns about half of the Amity Canal shares, and Amity stores some water in John Martin now.

Storage categories include augmentation flows, fully consumable flows from the Fry-Ark Project, and capturing releases from Pueblo Reservoir to avoid spills.

The study identified benefits for Colorado and Kansas. Storage categories include augmentation flows, fully consumable flows from the Fry-Ark Project, and capturing releases from Pueblo Reservoir to avoid spills. Kansas would receive a five percent storage charge (in water), reduce evaporation on its water, and receive better quality water.

Phase II of the study will be to provide a draft proposal of the study to Kansas for review, recommend changes in the 1980 Operating Plan and accounting system, and present the plan to ARCA.

## Strategic Plan Interface

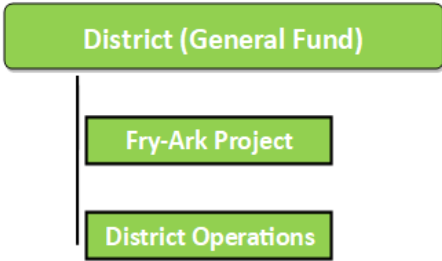


## Budget Fund

Water & Storage

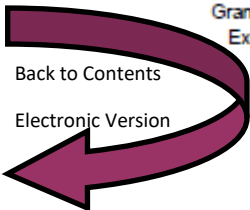
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# 2022 BUSINESS PLAN/3-YEAR BUDGET



## Southeastern Colorado Water Conservancy District Business Plan District General Fund (Fry Ark & District Operations) Statement of Revenue and Expenditures

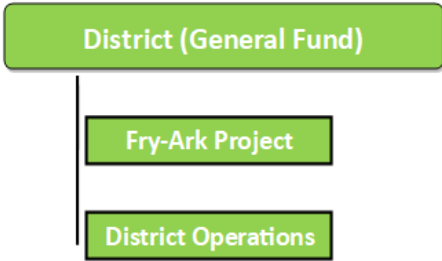
		<u>2022 Budget</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
<b>Fry-Ark Project Revenue</b>				
Tax Collections				
Contract Mill Levy Collections	4510	8,992,839	9,196,136	9,380,059
Abatement and Refund of Tax Collections	4530	44,964	45,989	46,909
Prior Year Tax	4540	(8,900)	(9,078)	(9,260)
County Collection Fees	6340	(158,273)	(164,604)	(171,188)
Total Tax Collections		<u>8,870,630</u>	<u>9,068,443</u>	<u>9,246,520</u>
Fountain Valley Authority				
Fountain Valley Authority	4340	2,600,000	0	0
Total Fountain Valley Authority		<u>2,600,000</u>	<u>0</u>	<u>0</u>
Winter Water Storage				
Winter Water Storage	4330	117,600	117,600	117,600
Total Winter Water Storage		<u>117,600</u>	<u>117,600</u>	<u>117,600</u>
Excess Capacity Master Contract				
Excess Capacity Master Contract	4360	288,597	293,741	299,017
Total Excess Capacity Master Contract		<u>288,597</u>	<u>293,741</u>	<u>299,017</u>
Collection of RRA Fees				
RRA Fee Reimbursement	4135	20,000	2,000	2,000
Total Collection of RRA Fees		<u>20,000</u>	<u>2,000</u>	<u>2,000</u>
Total Fry-Ark Project Revenue		<u>11,896,827</u>	<u>9,481,784</u>	<u>9,665,137</u>
<b>Fry-Ark Project Expenditures</b>				
Contract Payments				
Fry-Ark Debt Payment	5010	1,467,572	1,467,572	1,467,572
Fry-Ark OM&R Charges	5060	2,529,272	2,567,286	2,335,317
Fry-Ark OM&R Credits	5061	(455,289)	(462,111)	(420,357)
Total Contract Payments		<u>3,541,575</u>	<u>3,572,747</u>	<u>3,382,532</u>
Fountain Valley Authority				
Payment - Fountain Valley Authority	5040	2,600,000	0	0
Total Fountain Valley Authority		<u>2,600,000</u>	<u>0</u>	<u>0</u>
Winter Water Storage				
Payment - Winter Water Storage - USBR	5030	117,600	117,600	117,600
Total Winter Water Storage		<u>117,600</u>	<u>117,600</u>	<u>117,600</u>
Excess Capacity Master Contract				
Payment - Excess Capacity Master Contract - USBR	5065	288,597	293,741	299,017
Total Excess Capacity Master Contract		<u>288,597</u>	<u>293,741</u>	<u>299,017</u>
RRA Fees				
Reclamation Reform Act Audit	6025	20,000	2,000	2,000
Total RRA Fees		<u>20,000</u>	<u>2,000</u>	<u>2,000</u>
Total Fry-Ark Project Expenditures		<u>6,567,772</u>	<u>3,986,088</u>	<u>3,801,149</u>
Total Fry-Ark Revenues Over (Under) Expenditures		<u><u>5,329,055</u></u>	<u><u>5,495,696</u></u>	<u><u>5,863,988</u></u>
<b>Grant Revenue</b>				
State				
Grant Revenue - Contingency	4170	400,000	400,000	400,000
Total State		<u>400,000</u>	<u>400,000</u>	<u>400,000</u>
Total Grant Revenue		<u>400,000</u>	<u>400,000</u>	<u>400,000</u>
Grant Expenditures				
Expenditures				
Grant Expenditure	7260	400,000	400,000	400,000
Total Expenditures		<u>400,000</u>	<u>400,000</u>	<u>400,000</u>



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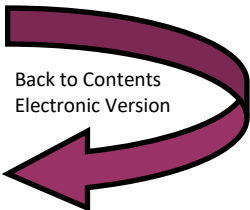
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# 2022 BUSINESS PLAN/3-YEAR BUDGET



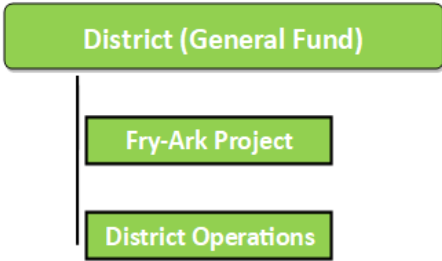
## Southeastern Colorado Water Conservancy District Business Plan District General Fund (Fry Ark & District Operations) Statement of Revenue and Expenditures

	2022 Budget	2023 Budget	2024 Budget
Total Grant Expenditures	400,000	400,000	400,000
Total Grant Revenues Over (Under) Expenditures	0	0	0
<b>Operating Revenue</b>			
Tax Revenue for Operations			
Specific Ownership Tax Collections	4420 810,000	826,200	842,724
Operating Tax Revenue	4520 393,437	402,402	410,450
Total Tax Revenue for Operations	1,203,437	1,228,602	1,253,174
Interfund Reimbursements			
Enterprise Admin Reimbursement	4440 1,747,595	1,817,500	1,890,200
Total Interfund Reimbursements	1,747,595	1,817,500	1,890,200
Investment Revenue			
Interest Income	4040 6,563	6,694	6,828
Interest on Bonds	4042 84,855	86,552	88,283
Total Investment Revenue	91,418	93,246	95,111
Total Operating Revenue	3,042,450	3,139,348	3,238,485
<b>Operating Expenditures</b>			
<b>Human Resources</b>			
Staff Payroll	5110 1,469,938	1,528,736	1,589,885
Incentive/Performance Capacity	5120 42,000	43,680	45,427
Directors Payroll	5140 36,000	37,440	38,938
Payroll Taxes	5210 109,035	113,396	117,932
HSA Contributions	5220 49,500	51,480	53,539
401 Retirement Contribution	5230 141,104	146,748	152,618
457 Retirement Contribution	5235 84,662	88,048	91,570
Health Insurance	5250 212,139	220,625	229,450
Life Ins - Staff & Directors	5254 10,089	10,493	10,912
Medical Reimbursement Expense	5255 4,950	5,148	5,354
LT Disability Ins	5256 8,564	8,907	9,263
Employee Assistance Program	5258 910	946	984
Dental Insurance	5260 12,751	13,261	13,791
Vision Insurance	5265 2,739	2,849	2,963
Worker's Compensation Insurance	5270 3,250	3,380	3,516
Total Human Resources	2,187,631	2,275,137	2,366,142
<b>Headquarter Operations</b>			
Admin Fees for Human Resources	6015 4,737	4,927	5,124
Bank Fees	6030 1,000	1,040	1,082
Board Awards/Gifts	6040 103	108	112
Board Memberships/Subscriptions	6070 8,996	9,356	9,730
Board Printing	6090 216	225	234
Board Room Presentation Equipment and Maintenance	6100 621	646	672
Board Room Accessories	6110 391	406	423
Board/Committee Meals	6120 6,469	6,727	6,997
Building Heating/Cooling	6130 2,588	2,691	2,799
Building Other/Misc Maintenance	6140 724	753	784
Building Plumbing & Electrical	6150 2,035	2,116	2,201
Building Tools & Equipment	6160 207	215	224
Computer - General Contracts	6250 28,792	29,943	31,141
Computer - Supplies	6260 250	260	270
Computer - Hardware	6270 15,000	15,600	16,224
Computer - Software and Licenses	6280 25,596	26,619	27,684



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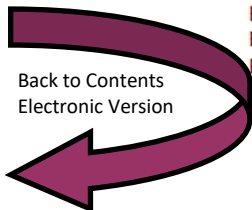
# 2022 BUSINESS PLAN/3-YEAR BUDGET



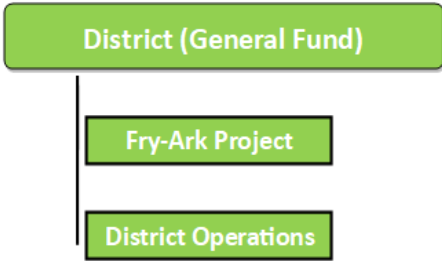
## Southeastern Colorado Water Conservancy District Business Plan District General Fund (Fry Ark & District Operations) Statement of Revenue and Expenditures

		2022 Budget	2023 Budget	2024 Budget
Insurance - Automobile	6580	1,744	1,814	1,888
Insurance - Excess Liability/Umbrella	6590	3,015	3,136	3,261
Insurance - General Liability	6600	12,925	13,442	13,980
Insurance - Property & Liability	6610	5,224	5,433	5,650
Insurance - Public Official Liability	6620	1,244	1,294	1,346
Legal Notices	6630	2,262	2,353	2,447
Maintenance - Backflow Testing	6640	228	237	246
Maintenance Fire System	6650	500	520	541
Maintenance - Janitorial Services	6660	3,291	3,423	3,560
Maintenance - Pest Control	6670	531	552	574
Maintenance - Waste Disposal	6680	1,986	2,065	2,148
Maintenance - Security	6690	1,250	1,300	1,352
Maintenance - Snow Removal	6700	2,246	2,336	2,429
Maintenance - Window Cleaning	6710	890	926	963
Maintenance Facilities - Blacktop	6720	1,000	1,040	1,082
Office - Equipment (New and Maintenance)	6730	6,935	7,212	7,501
Office - Coffee/Snacks	6740	700	728	757
Office - Copy Machine Color	6752	5,000	5,200	5,407
Office - General/Staff Memberships	6760	7,700	8,008	8,328
Awards & Gifts - Other	6765	336	350	364
Office - Printing	6770	3,661	3,807	3,960
Office - Publications & Subscriptions	6780	758	788	819
Phone - Cell	6790	7,500	7,800	8,112
Phone - Equipment Maintenance	6800	1,487	1,546	1,608
Phone & Internet	6810	14,056	14,619	15,203
Postage & Shipping	6820	4,660	4,868	5,062
Staff Awards and Gifts	6850	3,647	3,793	3,945
Supplies - Janitorial	7020	360	374	389
Supplies - Office	7030	4,291	4,463	4,641
Supplies - Paper	7040	1,113	1,157	1,203
Supplies - Toner	7050	1,189	1,237	1,286
Utilities	7070	19,466	20,245	21,054
Utilities - Airport Fee	7075	931	969	1,007
Vehicle R&M - 2014 Rav4	7112	750	780	811
Vehicle R&M - 2017 Rav4	7114	750	780	811
Vehicle R&M - 2019 Highlander	7115	750	780	811
Web Contracts - Design & Support	7120	1,242	1,292	1,343
Web Hosting	7130	678	705	734
Landscape - Materials, Supplies and Plants	7170	2,598	2,702	2,810
Landscape Maintenance & Contracts	7180	20,725	21,554	22,416
Contingency - Operating	7250	152,176	156,967	161,924
<b>Total Headquarter Operations</b>		<b>399,540</b>	<b>414,227</b>	<b>429,472</b>
<b>Meetings and Travel</b>				
Directors - Other Travel (Tip, Fax, Parking, Tel, etc.)	6370	500	520	540
Directors Airfare	6390	2,108	2,193	2,280
Directors Hotels	6400	6,662	6,929	7,206
Directors Meals	6410	500	520	540
Directors Meeting Registrations	6420	6,630	6,896	7,171
Directors Mileage Reimbursement	6430	12,760	13,271	13,802
Executive - Airfare	6480	2,302	2,394	2,489
Executive - District Vehicle Gas	6490	1,718	1,766	1,858
Executive - Hotels	6500	3,417	3,554	3,696

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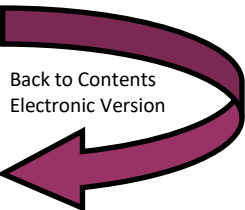


# 2022 BUSINESS PLAN/3-YEAR BUDGET



## Southeastern Colorado Water Conservancy District Business Plan District General Fund (Fry Ark & District Operations) Statement of Revenue and Expenditures

		<u>2022 Budget</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
Executive - Meals	6510	607	632	657
Executive - Meeting Registrations	6520	3,200	3,328	3,461
Executive - Other Travel Expense	6530	300	312	325
Meeting Expense	6725	1,477	1,536	1,597
Meeting Meals - Non Staff Member	6727	300	312	324
Staff Travel -Airfare	6860	5,240	5,450	5,668
Staff Travel - District Vehicle Gas	6870	2,279	2,371	2,465
Staff Travel - Hotels	6880	8,516	8,857	9,211
Staff Travel - Meals	6890	2,018	2,099	2,183
Staff Travel - Registrations	6900	9,273	9,644	10,030
Staff Travel - Other Travel	6910	1,024	1,065	1,108
Staff Professional Certification /Licenses	6960	1,915	1,991	2,071
Staff Education (General Skills)	7010	10,000	10,400	10,816
<b>Total Meetings and Travel</b>		<u>82,746</u>	<u>86,060</u>	<u>89,498</u>
<b>Outside and Professional Services</b>				
Annual Audit	6020	37,565	39,068	40,630
Consultant HR Breadbasket	6328	10,000	0	0
Consultant/Lobbying Services - Federal	6330	41,901	43,577	45,320
Colorado River Services	6350	20,500	21,320	22,173
Legal Representation	6440	310,500	322,920	335,837
Water Policy Management Consultants	6455	22,019	22,899	23,815
Engineering Outside Contracts	6470	50,000	52,000	54,080
<b>Total Outside and Professional Services</b>		<u>492,485</u>	<u>501,784</u>	<u>521,855</u>
<b>Water Conservation and Education</b>				
Tours & Anniversary Events	6540	33,000	5,000	5,200
Sponsorships, Exhibits & Ads	6840	25,000	26,000	27,040
ANS - Aquatic Nuisance Species Program	6845	20,000	20,000	20,000
Xeriscape Ed Programs & Publications	7240	734	763	794
<b>Total Water Conservation and Education</b>		<u>78,734</u>	<u>51,763</u>	<u>53,034</u>
<b>Planning and Development</b>				
Future Water Supply & Storage	6210	590,000	620,000	570,000
Water Supply Protection & Efficiency	6211	250,000	250,000	250,000
Water Supply Storage & Power	6212	110,000	10,000	10,000
<b>Total Planning and Development</b>		<u>950,000</u>	<u>880,000</u>	<u>830,000</u>
<b>Total Operating Expenditures</b>		<u>4,191,136</u>	<u>4,208,971</u>	<u>4,290,001</u>
<b>Total Operations Revenues Over (Under) Expenditures</b>		<u>(1,148,686)</u>	<u>(1,069,623)</u>	<u>(1,051,516)</u>
<b>Capital Outlay and Improvements</b>				
Capital Outlay - Core Business	7900	187,000	70,000	120,000
<b>Total Capital Outlay and Improvements</b>		<u>187,000</u>	<u>70,000</u>	<u>120,000</u>
<b>Total Revenues Over (Under) Expenditures</b>		<u>3,993,369</u>	<u>4,356,073</u>	<u>4,692,472</u>



# 2022 BUSINESS PLAN/3-YEAR BUDGET

Enterprise (Proprietary Fund)

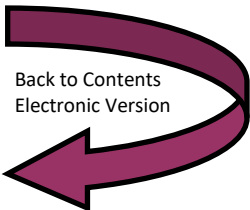
Water and Storage

Arkansas Valley Conduit

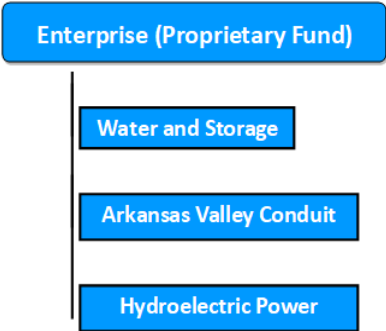
Hydroelectric Power

## Southeastern Colorado Water Conservancy District Business Plan Enterprise Operations Statement of Revenue and Expenditures

	2022 Budget	2023 Budget	2024 Budget
Total Grant Revenues Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
<b>Operating Revenue</b>			
Water Sales, Surcharges and Fees			
Return Flow Water Sales	4010 93,168	93,168	93,168
Well Augmentation Surcharge	4030 13,507	13,507	13,507
Surcharge Revenue	4050 647,018	648,418	649,293
Storage Fees	4100 100,000	100,000	100,000
Project Water Sales	4320 <u>577,805</u>	<u>577,805</u>	<u>577,805</u>
Total Water Sales, Surcharges and Fees	1,431,498	1,432,898	1,433,773
Investment Revenue			
Interest Income	4040 1,212	21,373	21,801
Interest on Bonds	4042 <u>43,741</u>	<u>44,616</u>	<u>45,508</u>
Total Investment Revenue	44,953	65,989	67,309
Partnership Contributions			
Regional Resource Planning Payments	4205 <u>110,000</u>	<u>110,000</u>	<u>110,000</u>
Total Partnership Contributions	110,000	110,000	110,000
Other Operating Revenue			
Aurora IGA - Administration Fee	4090 <u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Total Other Operating Revenue	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Total Operating Revenue	1,636,451	1,658,887	1,661,082
<b>Operating Expenditures</b>			
Headquarter Operations			
Bank Fees	6030 960	999	1,033
Contingency - Operating	7250 <u>81,823</u>	<u>71,645</u>	<u>71,889</u>
Total Headquarter Operations	82,783	72,644	72,722
Outside and Professional Services			
Consultant/Lobbying Services - Federal	6330 46,431	48,288	50,220
Colorado River Services	6350 58,525	60,866	63,301
Engineering Outside Contracts	6470 51,000	53,040	55,162
Transit Loss Study Expenses	6826 3,486	23,625	24,452
Research Project Support	6830 <u>2,000</u>	<u>2,000</u>	<u>2,070</u>
Total Outside and Professional Services	161,442	187,819	195,205
Personnel and Overhead			
Office Overhead	6762 447,414	465,311	483,923
Project Directors Allocation	6821 24,120	25,085	26,088
Project Personnel	6822 <u>855,449</u>	<u>889,667</u>	<u>925,254</u>
Total Personnel and Overhead	1,326,983	1,380,063	1,435,265
Partnerships			
Safety of Dams - Pueblo	6170 60,000	60,000	60,000
Water Quality	7060 15,841	16,474	17,133
RRPG Project Costs	7065 <u>135,000</u>	<u>135,000</u>	<u>135,000</u>
Total Partnerships	210,841	211,474	212,133
Other Payments			
Reimbursement to Other Project/Fund	5047 <u>1,581</u>	<u>1,645</u>	<u>1,711</u>
Total Other Payments	1,581	1,645	1,711
Planning and Development			
Core Business	6200 300,000	300,000	300,000
Future Water Supply & Storage	6210 <u>35,000</u>	<u>35,000</u>	<u>35,000</u>
Total Planning and Development	<u>335,000</u>	<u>335,000</u>	<u>335,000</u>
Total Operating Expenditures	<u>2,118,630</u>	<u>2,188,645</u>	<u>2,252,036</u>

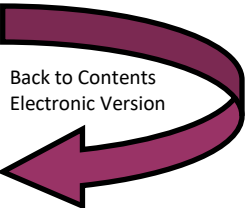


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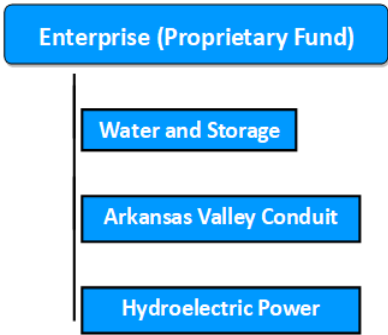


**Southeastern Colorado Water Conservancy District  
Business Plan  
Enterprise Operations  
Statement of Revenue and Expenditures**

	<u>2022 Budget</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
Total Operations Revenues Over (Under) Expenditures	(482,179)	(529,758)	(590,954)
Capital Outlay and Improvements			
Capital Outlay-Future Water Supply & Storage	7910 200,000	200,000	200,000
Total Capital Outlay and Improvements	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Total Revenues Over (Under) Expenditures	<u>(682,179)</u>	<u>(729,758)</u>	<u>(790,954)</u>

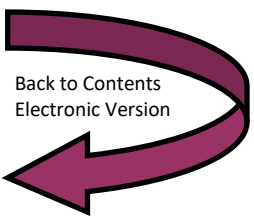




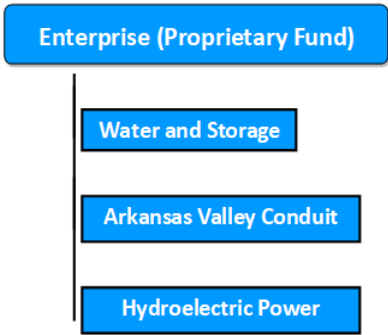


**Southeastern Colorado Water Conservancy District  
Business Plan  
Enlargement Project  
Statement of Revenue and Expenditures**

		<u>2022 Budget</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
<b>Operating Revenue</b>				
Participant Payments				
Payments - Participants	4130	<u>94,883</u>	<u>98,678</u>	<u>102,625</u>
Total Participant Payments		94,883	98,678	102,625
Interfund Reimbursements				
Matching Project Contribution	4140	<u>1,581</u>	<u>1,645</u>	<u>1,711</u>
Total Interfund Reimbursements		<u>1,581</u>	<u>1,645</u>	<u>1,711</u>
Total Operating Revenue		96,464	100,323	104,336
<b>Operating Expenditures</b>				
Personnel and Overhead				
Office Overhead	6762	4,996	5,196	5,404
Project Personnel	6822	<u>5,468</u>	<u>5,687</u>	<u>5,914</u>
Total Personnel and Overhead		10,464	10,883	11,318
Partnerships				
Water Quality	7060	<u>86,000</u>	<u>89,440</u>	<u>93,018</u>
Total Partnerships		<u>86,000</u>	<u>89,440</u>	<u>93,018</u>
Total Operating Expenditures		<u>96,464</u>	<u>100,323</u>	<u>104,336</u>
<b>Total Operations Revenues Over (Under) Expenditures</b>				
		0	0	0
<b>Total Revenues Over (Under) Expenditures</b>				
		<u>0</u>	<u>0</u>	<u>0</u>

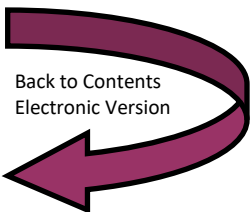


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**Southeastern Colorado Water Conservancy District  
Business Plan  
Excess Capacity Project  
Statement of Revenue and Expenditures**

		<u>2022 Budget</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
Operating Revenue				
Participant Payments				
Payments - Participants	4130	98,682	102,629	106,734
Total Participant Payments		<u>98,682</u>	<u>102,629</u>	<u>106,734</u>
Total Operating Revenue		98,682	102,629	106,734
Operating Expenditures				
Personnel and Overhead				
Office Overhead	6762	5,161	5,367	5,582
Project Personnel	6822	13,521	14,062	14,624
Total Personnel and Overhead		<u>18,682</u>	<u>19,429</u>	<u>20,206</u>
Partnerships				
Water Quality	7060	80,000	83,200	86,528
Total Partnerships		<u>80,000</u>	<u>83,200</u>	<u>86,528</u>
Total Operating Expenditures		<u>98,682</u>	<u>102,629</u>	<u>106,734</u>
Total Operations Revenues Over (Under) Expenditures		0	0	0
Total Revenues Over (Under) Expenditures		<u>0</u>	<u>0</u>	<u>0</u>



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# 2022 BUSINESS PLAN/3-YEAR BUDGET

Enterprise (Proprietary Fund)

Water and Storage

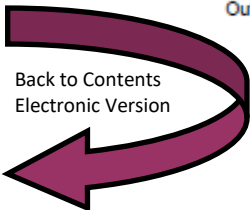
Arkansas Valley Conduit

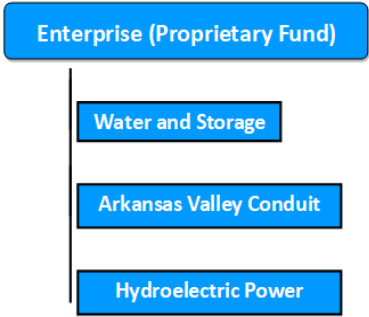
Hydroelectric Power

## Southeastern Colorado Water Conservancy District Business Plan Arkansas Valley Conduit Project Statement of Revenue and Expenditures

		<u>2022 Budget</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
Grant Revenue				
State				
Grant Revenue State/Local	4160	400,000	400,000	400,000
Total State		<u>400,000</u>	<u>400,000</u>	<u>400,000</u>
Total Grant Revenue		400,000	400,000	400,000
Grant Expenditures				
Expenditures				
Grant Expenditure	7260	400,000	400,000	400,000
Total Expenditures		<u>400,000</u>	<u>400,000</u>	<u>400,000</u>
Total Grant Expenditures		400,000	400,000	400,000
Total Grant Revenues Over (Under) Expenditures		<u>0</u>	<u>0</u>	<u>0</u>
Operating Revenue				
Participant Payments				
Payments - Participants	4130	276,221	287,270	298,761
Total Participant Payments		<u>276,221</u>	<u>287,270</u>	<u>298,761</u>
Federal Appropriations & USBR				
Federal IPA USBR Contract	4163	206,087	214,330	222,904
Total Federal Appropriations & USBR		<u>206,087</u>	<u>214,330</u>	<u>222,904</u>
Other Grants				
Other Grants	4180	1,973,000	5,739,999	11,822,000
Total Other Grants		<u>1,973,000</u>	<u>5,739,999</u>	<u>11,822,000</u>
Investment Revenue				
Interest Income	4040	100	102	4,545
Interest on Bonds	4042	22,945	23,404	60,577
Total Investment Revenue		<u>23,045</u>	<u>23,506</u>	<u>65,122</u>
Total Operating Revenue		2,478,353	6,265,105	12,408,787
Operating Expenditures				
Headquarter Operations				
Bank Fees	6030	500	520	541
Board/Committee Meals	6120	1,200	1,248	1,298
Office - Printing	6770	500	520	541
Contingency - Operating	7250	42,647	94,246	97,330
Total Headquarter Operations		<u>44,847</u>	<u>96,534</u>	<u>99,710</u>
Meetings and Travel				
Directors Airfare	6390	1,000	1,040	1,082
Directors Hotels	6400	500	520	541
Directors Meals	6410	200	208	216
Directors Mileage Reimbursement	6430	200	208	216
Executive - Airfare	6480	1,000	1,040	1,082
Executive - Hotels	6500	500	520	541
Executive - Meals	6510	200	208	216
Executive - Other Travel Expense	6530	200	208	216
Meeting Expense	6725	2,017	2,098	2,182
Meeting Meals - Non Staff Member	6727	500	522	545
Staff Travel - District Vehicle Gas	6870	750	780	811
Staff Travel - Hotels	6880	1,000	1,039	1,081
Staff Travel - Meals	6890	500	520	541
Total Meetings and Travel		<u>8,567</u>	<u>8,911</u>	<u>9,270</u>
Outside and Professional Services				
Annual Audit	6020	20,000	20,800	21,632
Consultant/Lobbying Services - Federal	6330	39,009	40,570	42,193

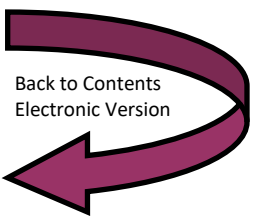
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**Southeastern Colorado Water Conservancy District  
Business Plan  
Arkansas Valley Conduit Project  
Statement of Revenue and Expenditures**

		<u>2022 Budget</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
Legal Representation	6440	25,875	26,910	27,986
Water Policy Management Consultants	6455	35,000	36,400	37,858
<b>Total Outside and Professional Services</b>		<u>119,884</u>	<u>124,680</u>	<u>129,669</u>
Water Conservation and Education				
Tours & Anniversary Events	6540	2,000	2,080	2,163
<b>Total Water Conservation and Education</b>		<u>2,000</u>	<u>2,080</u>	<u>2,163</u>
Personnel and Overhead				
Office Overhead	6762	19,787	20,578	21,402
Project Personnel	6822	322,811	335,723	349,153
<b>Total Personnel and Overhead</b>		<u>342,598</u>	<u>356,301</u>	<u>370,555</u>
Partnerships				
Water Quality	7060	7,559	7,862	8,176
<b>Total Partnerships</b>		<u>7,559</u>	<u>7,862</u>	<u>8,176</u>
<b>Total Operating Expenditures</b>		<u>525,455</u>	<u>596,368</u>	<u>619,543</u>
<b>Total Operations Revenues Over (Under) Expenditures</b>		<u>1,952,898</u>	<u>5,688,737</u>	<u>11,789,244</u>
Capital Outlay and Improvements				
Water Policy Management Consultants	7800	25,000	25,000	25,000
Engineering Outside Contracts	7810	2,311,859	5,797,000	11,997,000
<b>Total Capital Outlay and Improvements</b>		<u>2,336,859</u>	<u>5,822,000</u>	<u>12,022,000</u>
<b>Total Revenues Over (Under) Expenditures</b>		<u>(383,961)</u>	<u>(153,263)</u>	<u>(232,756)</u>



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# 2022 BUSINESS PLAN/3-YEAR BUDGET

Enterprise (Proprietary Fund)

Water and Storage

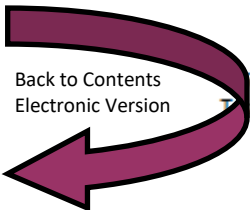
Arkansas Valley Conduit

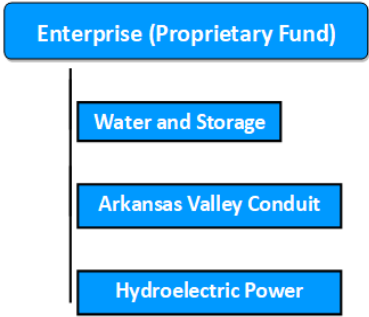
Hydroelectric Power

## Southeastern Colorado Water Conservancy District Business Plan Hydroelectric Power Project Statement of Revenue and Expenditures

		2022 Budget	2023 Budget	2024 Budget
Operating Revenue				
Investment Revenue				
Interest Income	4040	312	318	612
Interest on Bonds	4042	1,700	1,734	1,769
Total Investment Revenue		2,012	2,052	2,381
Hydroelectric Generation Revenue				
Hydroelectric Power Loan	4200	172,200	0	0
Hydroelectric Generation Revenue-CS-U	4201	637,500	652,500	668,750
Hydroelectric Generation Revenue-Fountain	4202	650,875	661,875	673,125
Hydroelectric Power Transmission	4203	29,002	30,163	31,369
Total Hydroelectric Generation Revenue		1,489,577	1,344,538	1,373,244
Total Operating Revenue		1,491,589	1,346,590	1,375,625
Operating Expenditures				
Headquarter Operations				
Bank Fees	6030	500	520	541
Building Tools & Equipment	6160	4,427	4,604	4,788
Insurance - Automobile	6580	415	432	449
Insurance - Excess Liability/Umbrella	6590	10,154	10,561	10,983
Insurance - General Liability	6600	15,969	16,608	17,272
Insurance - Property & Liability	6610	42,068	43,751	45,501
Maintenance Fire System	6650	3,020	3,140	3,266
Maintenance - Security	6690	200	208	216
Phone & Internet	6810	1,261	1,311	1,363
Postage & Shipping	6820	103	107	111
Supplies - Office	7030	103	107	111
Utilities	7070	15,818	16,451	17,109
Landscape Maintenance & Contracts	7180	2,898	3,014	3,134
Contingency - Operating	7250	74,579	67,329	68,781
Total Headquarter Operations		171,515	168,143	173,625
Meetings and Travel				
Staff Travel - District Vehicle Gas	6870	100	104	108
Staff Travel - Hotels	6880	500	520	541
Staff Travel - Meals	6890	100	104	108
Staff Travel - Other Travel	6910	100	104	108
Total Meetings and Travel		800	832	865
Personnel and Overhead				
Office Overhead	6762	17,313	18,007	18,727
Project Personnel	6822	31,555	32,817	34,130
Total Personnel and Overhead		48,868	50,824	52,857
Debt Service				
Hydroelectric CWCB Loan Payment	7300	0	428,716	428,716
Hydroelectric Interest During Construction	7301	347,844	347,844	347,844
Total Debt Service		347,844	776,560	776,560
Annual Project Expense				
Energy Transmission (BH)	7302	58,005	60,325	62,738
Operations & Maintenance Operator	7310	55,899	58,135	60,461
Operations & Maint Lubrication & Routine	7311	20,673	21,500	22,360
Operation & Maintenance (USBR & OM&R)	7312	6,000	6,240	6,490
Lease of Power Privilege-Annual Fee	7315	54,000	56,160	58,406
Total Annual Project Expense		194,577	202,360	210,455
Total Operating Expenditures		763,604	1,198,719	1,214,362

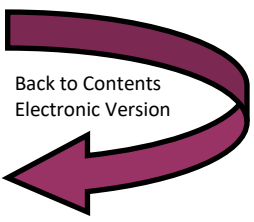
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**Southeastern Colorado Water Conservancy District  
Business Plan  
Hydroelectric Power Project  
Statement of Revenue and Expenditures**

		<u>2022 Budget</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
Total Operations Revenues Over (Under) Expenditures		727,985	147,871	161,263
Capital Outlay and Improvements				
Capital Improvement - Hydroelectric (CWCB)	6171	172,200	0	0
Capital Improvement - Hydroelectric (Other)	6172	100,000	0	0
Total Capital Outlay and Improvements		<u>272,200</u>	<u>0</u>	<u>0</u>
Total Revenues Over (Under) Expenditures		<u><u>455,785</u></u>	<u><u>147,871</u></u>	<u><u>161,263</u></u>



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