

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO WATER
ACTIVITY ENTERPRISE**

MINUTES

November 17, 2016

A regular meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (Enterprise) was held on Thursday, November 17, 2016 at 9:33 a.m., at the District office, 31717 United Avenue, Pueblo, Colorado.

President Long announced a quorum was present.

DIRECTORS PRESENT:

Bill Long	Gary Bostrom	Vera Ortegon
Ann Nichols	Kevin Karney	Carl McClure
Pat Edelmann	David Simpson	Curtis Mitchell
Tom Goodwin	Dallas May	Mark Pifher
Howard "Bub" Miller	Jay Moore (arrived at 9:36)	

DIRECTOR(S) ABSENT AND EXCUSED:

Gibson Hazard and Alan Hamel-Advisory Board Member

ENTERPRISE OFFICIALS PRESENT:

Executive Director James Broderick; General Counsel Lee Miller; Administrative Manager Toni Gonzales; Water Resource Specialist/Engineer Garrett Markus; Finance Coordinator/IT Leann Noga; Issues Management Program Coordinator Chris Woodka; and Federal Lobbyists Ray Kogovsek and Christine Arbogast.

VISITORS PRESENT:

Roy Vaughan, U.S. Bureau of Reclamation; Steve Witte, Colorado Division of Water Resources-Division 2; Susan Colarullo, U.S. Geological Survey; Bob Hartzman, Canon City Water Department; Dwight Gardner, U.S. Senator Michael Bennet's office; Jerry Peña, GEI Consultants; Michael Weber, Lower Arkansas Valley Water Conservancy District; Brett Gracely, Colorado Springs Utilities; Terry Book and Seth Clayton, Pueblo Water; Kevin Niles, Arkansas Groundwater Users Association; Jim Baldwin, Otero County; Benny Siljenberg, Lithos Engineering; Cathy Garcia, U.S. Senator Cory Gardner's office; Doug Fitzgerald, Congressman Scott Tipton's office; Mark Scott, GHD; Josh Cowden, MWH-Stantec; Bob Hamilton, citizen; and Richard Barlow.

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APPROVAL OF MINUTES:

President Long said the minutes of the October 20, 2016 Board meeting were posted to the Board website for review, and asked if there were any corrections or additions. Hearing none, Mrs. Ortegon moved, seconded by Mr. Pifher, to approve the minutes. Motion unanimously carried.

FINANCE COMMITTEE REPORT:

Treasurer Nichols reported the financial statements for October were posted to the Board website for review. Ms. Nichols moved, seconded by Mr. Karney, for acceptance of the October financial statements and payment of the November 2016 bills. Motion unanimously carried.

CONSENT ITEMS:

None

PRESENTATIONS:

FEDERAL LEGISLATION

Christine Arbogast reported there are a lot of unknowns as we go through the transition to the new Administration. Political appointments are now under consideration and through National Water Resources Association (NWRA) the western water community is submitting names for those posts in the federal government with whom we work.

There is discussion of an infrastructure bill for purposes of job creation. How big, how it is paid for, and whether it will include water infrastructure is unknown at this time. Again, through NWRA we are pushing inclusion of water infrastructure for both new and aging water systems.

The lame duck session of Congress is unclear. It appears fairly certain they will extend the Continuing Resolution into the new year, probably through February or March 2017, so that the new Administration can have some input.

While it is possible that the WRDA legislation and drought provisions might go forward, but there are significant differences between the House and Senate versions of both. The picture might be clearer after the Thanksgiving holiday.

Given those larger bills which would serve as a vehicle for S. 2902 (our bill to allow miscellaneous revenues to be used to repay a Colorado Water Conservation Board loan), passage of that bill is unlikely but also uncertain.

President Long acknowledged that Christine Arbogast had received the John Sullivan Award from National Water Resources Association at their annual conference.

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PUBLIC HEARING ON 2017 PROPOSED BUDGET

Leann Noga thanked the Board for appointing her as Budget Officer and staff for their input into preparing the budget and presented a PowerPoint presentation titled, *2017 Proposed Budget*, reviewing the following:

- Budget Policy
- All District Activity
- Fryingpan-Arkansas Revenue
- Fryingpan-Arkansas Expenditures
- Grant Revenue
- Grant Expenditures
- Operating Revenue
- Operating Revenue Overview
- Operating Revenue Interfund Reimbursement
- Operating Expenditures
- Capital Outlay Expense Budget Compared to Actual
- Government Activity-Budget Comparison
- Enterprise
- Enterprise Operating Revenue
- Enterprise Grant Revenue
- Enterprise Grant Expenditures
- Enterprise Operating Revenue
- Enterprise Operating Expenditures
- Hydroelectric Power Project
- Hydroelectric Operating Expenditures
- Summary of Capital Outlay Expense
- Partnership Contributions
- Enterprise Activity-Budget Comparison
- Government-Wide Overview
- Fund Balance Summary

President Long asked the Board members if there were any questions. President Long then asked if there were any questions from the public, there were none.

Mrs. Noga was complimented on the job well done on the presentation of the 2017 Proposed Budget.

President Long recessed the Enterprise meeting at 10:33 a.m., and reconvened at 10:59 a.m.

ACTION ITEMS:

None

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INFORMATION ITEMS:

The Board was provided written material on the following topics, which were posted to the Board website:

- Arkansas Valley Conduit Update
- Master Contract Update
- Hydropower Update

Chris Woodka reported the Resource and Engineering Planning Committee met November 16, 2016 and wanted the Board to have the following information to review:

- Pueblo Dam Hydroelectric Project Contracts and Agreements
- Pueblo Dam Hydroelectric Project Lease of Power Privilege (LoPP) Summary of Key Provisions November 16, 2016

Mr. Woodka asked that the Board review the handouts, and that additional information will be posted on the Board website before the December Board meeting. There will be action items regarding the Hydropower in December.

OTHER BUSINESS MATTERS:

President Long asked if there were any other matters to come before the meeting, and hearing none, adjourned the meeting at 11:13 a.m.

Respectfully submitted,

Toni Gonzales
Administrative Manager

Secretary

