

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO WATER
CONSERVANCY DISTRICT**

MINUTES

February 15, 2018

A regular meeting of the Board of Directors of the Southeastern Colorado Water Conservancy District (District) was held on Thursday, February 15, 2018 at 9:35 a.m. at the District office, 31717 United Avenue, Pueblo, Colorado.

President Long announced a quorum was present.

DIRECTORS PRESENT:

Bill Long	Ann Nichols	Curtis Mitchell
Gibson Hazard	Kevin Karney	Carl McClure
Howard "Bub" Miller	Tom Goodwin	Dallas May
Mark Pifher	Alan Hamel	Seth Clayton
Andy Colosimo		

DIRECTOR(S) ABSENT AND EXCUSED:

Greg Felt

DISTRICT OFFICIALS PRESENT:

Executive Director James Broderick; General Counsel Lee Miller; Administrative Manager Toni Gonzales; Principal Engineer Kevin Meador; Water Resources Engineer Garrett Markus; Issues Management Program Coordinator Chris Woodka; Finance Manager Leann Noga; and Federal Lobbyist Christine Arbogast.

VISITORS PRESENT:

Jenny Bishop, Colorado Springs-Utilities; Doug Fitzgerald, U.S. Congressman Scott Tipton's office; Dwight Gardner, U.S. Senator Michael Bennet's office; Cathy Garcia, U.S. Senator Cory Gardner's office; Roy Vaughan and Shane Hayden, U.S. Bureau of Reclamation; Jerry Peña, GEI Consultants; Curt Thompson, AECOM; Judy Leonard, Pueblo West Metropolitan District; Bob Hamilton, citizen; Kevin Niles, Arkansas Groundwater Users Association; Bob Hartzman, City of Canon City Water; Bill Banks, U.S. Geological Survey; and Philip Reynolds, Colorado Division of Water Resources.

INTRODUCTION OF VISITORS:

President Long welcomed the visitors to the meeting, and asked them to introduce themselves and identify the organization they represented.

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APPROVAL OF MINUTES:

President Long said the minutes of the January 18, 2018 Board meeting were posted to the Board website for review, and if there were any corrections or additions. Hearing none, Mr. Howard "Bub" Miller moved, seconded by Mr. Clayton, to approve the minutes. Motion unanimously carried.

FINANCE COMMITTEE REPORT:

Treasurer Nichols reported the financial statements for January 2018 were posted to the Board website for review. Treasurer Nichols moved, seconded by Mr. Hamel, for acceptance of the January 2018 financial statements and payment of the February 2018 bills. Motion unanimously carried.

CONSENT ITEMS:

None

PRESENTATIONS:

FRYINGPAN-ARKANSAS PROJECT OPERATING PRINCIPLES

Chris Woodka presented a PowerPoint titled, *Fryingpan-Arkansas Project Operating Principles*, reviewing the following:

- Historical Perspective
- How Imports Changed as Projects were Built
- Creation of Fryingpan-Arkansas Project
- Drafting of Fry-Ark Operating Principles
- Major Provisions
- Flow Requirements
- Why Operating Principles Still Matter

ACTION ITEMS

None

MONTHLY/QUARTERLY REPORTS:

U.S. BUREAU OF RECLAMATION REPORT

Roy Vaughan presented a PowerPoint presentation reviewing the following:

- As of February 12, 2018 there were 269,544 acre-feet stored in Pueblo Reservoir; 140,261 acre-feet of Project water; 49,975 acre-feet of Excess Capacity water; 79,319 acre-feet of Winter water.
- There is currently 105,112 acre-feet of Project space in Pueblo Reservoir and 37,637 acre-feet of space in Turquoise and Twin Lakes Reservoirs.
- Project Reservoirs: Turquoise 115%; Twin Lakes 92%; Pueblo 144%
- Total M&I Project Water in the System
- First Use Project + PCP Municipal Water
- Kiln Snotel Site
- Ivanhoe Snotel Site

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- Independence Pass Snotel Site
- Nast Lake Snotel Site
- U.S. Drought Monitor-West, February 13, 2018
- Arkansas River Basin Time Series Snowpack Summary February 14, 2018
- Arkansas River Basin Snow Water Equivalent (SWE) Summary February 14, 2018
- Upper Colorado River Basin Time Series Snowpack Summary February 14, 2018
- Upper Colorado River Basin Water Equivalent (SWE) Summary February 14, 2018
- February Forecast - 46,800 acre-feet

Mr. Vaughan showed pictures of the Hydro project activity.

Mr. Vaughan reported the collection system has been winterized. Mt. Elbert Conduit is currently off. Currently Reclamation is moving 18 cfs. of Project water from Twin and Turquoise to Pueblo to meet minimum flow targets. The movement of water will be adjusted according to the forecast and customer's needs.

DIVISION ENGINEER'S REPORT

Philip Reynolds reported on the written report Steve Witte provided reviewing the following:

A) River and Reservoir Report

- 1) Reference Arkansas River Daily Report. River Call is:
 - i) 3/1/1910 Winter Water
 - ii) 5/31/1949 Compact Call (State line to John Martin)
<http://www.dwr.state.co.us/div2/aras/arascal.asp>
- 2) Current River/Reservoir Operations
 - i) Pueblo Reservoir
 - Content is 270,300 af.
 - Aurora plans to move 4,300 af to Meredith in March to avoid "spill" from Joint Use during April 1-15.
 - ii) John Martin
 - Current content is 304,900 af
 - iii) Trinidad Reservoir
 - Current content is 39,320 af.
 - Storage reached 20,000 af limit of the transferred Model Storage right. Inflows are currently being by-passed downstream to John Martin.
 - The PRWCD has requested and Reclamation is considering an exception to the Operating Principles for the Trinidad Project to allow the irrigation season to begin as soon as possible, rather than April 1, as specified in the Principles. Reclamation has promised a decision by February 16, 2018. However, the Division Engineer has stated that merely making an exception to the Operating Principles may not be sufficient to allow exercise of the direct flow rights because of the 20,000 af limit imposed by the change decree, which he believes applies to the changed winter direct flow rights.

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B) Compact Issues

1) Arkansas River Compact Administration Special Engineering Committee

- i) Conference call today (February 15), to hopefully reach consensus regarding renewal of resolution allowing Highland Canal to be used as a source to the Permanent Pool in John Martin Reservoir.
- ii) Meetings scheduled in Manhattan, Kansas on February 28 and March 1.
 - ARF Article V.H. request
 - Spill issues, concerning conditions that initiate a spill at John Martin, the rate of spill as well as how upstream post-Compact storage rights are affected.

C) Administrative Activities

1) Winter Water Storage Program

- i) System grand total as of January 31, 2018 is 99,673 af or 20 percent > previous 20 year average.
- ii) Division Engineer staff presented at an interim Winter Water Board of Trustees meeting at Otero Junior College to share information and gather input regarding actions to be taken during the remainder of the Winter water storage period.
 - Holbrook reservoirs fill is increasing inflow to John Martin.
 - Planned sale of 10,000 af Aurora to Fort Lyon from Meredith will make space.
 - Plans to use carry over water prior to April 1.
 - Evaluate interest in direct flow irrigation, etc.

2) Division of Water Resources has been involved in discussions between Aurora and West Slope opposers concerning a possible settlement concerning the Busk-Ivanhoe change application, case No. 09CW142.

- i) A status hearing has been scheduled for February 16, 2018 to request additional time for negotiators to secure official approval of the stipulation and proposed decree by the parties.

3) Hearing on motion for preliminary injunction to enforce zero storage order held in Huerfano County District Court concerning Cucharas Reservoir #5, Two Rivers Water, and Farming.

- i) A preliminary injunction was issued on or about January 29, 2018.
- ii) Deadline for completion of the breach of Cucharas Reservoir #5 is on or about April 1, 2018. Deconstruction has yet to begin.

Mr. Reynolds presented a PowerPoint presentation regarding John Martin Reservoir Spill, reviewing the following:

- Spill Order/Procedures
- Current Spill Numbers

Mr. Broderick asked that Mr. Reynolds relay a “thank you” to Bill Tyner for the presentation he presented at the Roundtable meeting.

U.S. GEOLOGICAL SURVEY REPORT

Bill Banks presented a PowerPoint titled, *USGS Update; Evaluation of Selected Water-Quality Issues*, reviewing the following:

- Colorado River Basin Salinity Control Forum

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- USGS Projects

STATE LEGISLATION UPDATE

Lee Miller reported the Southeastern Colorado Water Conservancy District (District) participates in the Colorado Water Congress State Affairs Committee, which generally meets on Monday mornings in Denver before the Legislature begins its work for the week. The legislative session is about a quarter of the way completed, with focus currently turning to supplemental appropriations bills, which provide mid-fiscal year budget adjustments.

Among the bills the District is actively following is **SB18-038**, sponsored by Senator Donovan with Senator Coram and Representative Esgar with Representative Willett, concerning the use of reclaimed water to produce hemp passed Senate Agriculture, Natural Resources, and Energy with an amendment. It is pending Senate Appropriations Committee.

Another bill of interest is **HB18-1008**, sponsored by Representative Esgar with Representative Arndt and Senator Donovan with Senator Coram, the “Mussel Free Colorado Act” would provide a partial solution to the funding problems of interdicting and eradicating the invasive aquatic nuisance Zebra mussels and quagga mussels. The bill proposes to levy a decal fee on motorboats and sail boats to raise an estimated \$2.3 million to combat the invasive species. For Colorado resident boaters, the fee would be \$25 and \$50 for non-resident boaters if the boat is to be in Colorado waters for more than 60 consecutive days. The program would go into effect beginning on January 1, 2019. This bill passed the House Agriculture, Livestock and Natural Resources Committee, with amendments, on a 10-3 vote. The bill passed House Finance without amendments and is pending before House Appropriations.

A bill that would amend the Water Conservancy Act and the Water Activity Enterprise Act is **HB 18-1073**, sponsored by Representative Gray and Senator Gardner. The bill clarifies the contracting authority under the water conservancy district and water activity enterprise statutes. It adds the words “capacity in works” and uses broad language to allow the district board to set the security it will accept under the contract. The broad range of contract terms includes those found under the statutes governing municipal water and sewer contracts. The bill adds language to the water activity enterprise statute to expressly allow water districts and water activity enterprises to contract with other such entities. The reason for the bill is that the Northern Colorado Water Conservancy District (Northern) is developing the Northern Integrated Supply Project (NISP) on behalf of 15 project participants and the Municipal subdistrict of the Northern Colorado Water Conservancy District is developing the Windy Gap Firing Project on behalf of 12 project participants. Each project has formed a water activity enterprise under existing statute under which it will issue contracts to project participants. Northern believes it necessary to clarify and confirm in the Water Conservancy Act that both water supply and water capacity may be contracted for under the statute. While there is no harm to the District in adding this authority, because the District does not have its own facilities (Reclamation owns the facilities), it is unlikely to provide a benefit to the District at the current time. This bill passed the House Agriculture, Livestock, and Natural Resources Committee on a vote of 11-0 without testimony on January 29, 2018 and was referred to the House Finance Committee. The House Finance Committee passed this bill on February 7, 2018, but we

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understand there may be amendments offered on second reading before the entire House of Representatives. If we get more information on amendments, we will report on those during the Board meeting.

A final bill the District is watching is **HB18-1151**, sponsored by Representative Arndt with Representative Catlin and Senator Crowder. This bill originated with the Lower Arkansas Water Conservancy District and seeks to expand the types of programs that can be approved by the CWCB for inclusion in the crop fallowing pilot programs. The bill seeks to add deficit irrigation to the allowable projects. The bill defines “deficit irrigation” as using less than the optimal amount of water on a specific crop. The bill would also exclude the water use in such a deficit irrigation project from the calculation of historical consumptive use. The water generated from a deficit irrigation project could be used for lease. This bill is scheduled for a hearing in the House Agriculture, Livestock, and Natural Resources Committee on February 12, 2018.

Lee Miller also reported on the passage of SJM18-004, to memorialize former Congressman and District lobbyist Ray Kogovsek. The Senate Joint Memorial was sponsored by Senator Garcia and Representative Esgar. A copy of the Senate Joint Memorial was provided to Board members.

INFORMATIONAL ITEMS:

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

- Water Court Resume
- Case No. 17CW3046: Entry of Ruling of the Referee
- NWRA Federal Water Issues Conference – April 9-11 – Washington, DC
- Arkansas river Basin Water Forum – April 11-12 – La Junta

President Long announced that Mark Pifher received the Aspinall Award at the annual Colorado Water Congress conference.

President Long asked if there were any other matters to come before the meeting, and hearing none, adjourned the meeting at 11:37 a.m.

Respectfully submitted,

Toni Gonzales
Administrative Manager

Secretary

