

ARKANSAS VALLEY CONDUIT COMMITTEE
MINUTES
January 23, 2025

A meeting of the Arkansas Valley Conduit (AVC) Committee was held at 10:03 a.m. January 23, 2025, at District offices and via electronic and telephonic means.

Chairman Kevin Karney announced a quorum was present for the AVC Committee.

AVC COMMITTEE MEMBERS PRESENT:

Kevin Karney – Chairman, Bill Long, and Leann Noga

AVC COMMITTEE MEMBERS ABSENT AND EXCUSED:

Howard “Bub” Miller – Vice Chairman, Matt Heimerich, Dallas May, and Justin Di Santi

OTHERS PRESENT:

Curtis Mitchell, SECWCD Board member; Christine Arbogast, Kogovsek & Associates (via Zoom); Brian Bell and Adam Baker, Pate Construction; Harry Martin, citizen from Boone; Chuck Hannagan, South Swink Water Company; Will Kroger, Forsgren & Associates (via Zoom); Curtis Thompson, AECOM (via Zoom); Gordon Dillon, Chris Woodka, Michelle Tocydlowski, Patty Rivas, Lee Miller (via Zoom), Peter Levish (via Zoom), and Stephanie Shipley (via Zoom), SECWCD staff.

APPROVAL OF MINUTES:

Bill Long moved, and Leann Noga seconded approval of the October 24, 2024, AVC Committee meeting minutes. Motion passed unanimously.

PRESENTATIONS:

Federal Legislation

Christine Arbogast updated the Committee on legislation the Board sought by the SECWCD Board of Directors in 2024 to extend the repayment period for the AVC, remove or reduce interest and provide that Fryingpan-Arkansas Project miscellaneous revenues be the sole source for repayment of the federal portion of the AVC Project. The legislation was part of a larger water resource package that failed to pass at the end of the 2024 Session of Congress. New legislation closely matching the 2024 legislation is being introduced, with the primary sponsor being Congresswoman Lauren Boebert, joined by Congressman Jeff Hurd. Senators John Hickenlooper and Michael Bennet, who sponsored the 2024 legislation, will sponsor the legislation in the Senate. The legislation extends the repayment to 100 years and removes the interest on the repayment. Ms. Arbogast explained that negotiations are a certainty, since the original bill passed the Senate with revisions in 2024. “We’re not expecting quick action.”

Ms. Arbogast also told the Committee that we are working to make sure the \$250 million in funding for the AVC announced by Reclamation earlier this month is not rescinded as part of a presidential executive order on infrastructure funds. The current administration of the Office of

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Management and Budget issued a statement saying that energy projects that are part of the “Green New Deal” are the focus of the Executive Order. “We need to be clear that the money is protected,” she said. Bill Long asked if the \$250 million is the only funding at risk. Ms. Arbogast said it depends on how the money is obligated.

Enterprise AVC Sub-Project

Leann Noga explained that new contracts will be needed for design of the AVC spur and delivery lines after work was halted in June because of concerns about the updated cost estimates and federal schedule for completion of the trunk line. Gordon Dillon explained that a new scope of work will be developed after the February 13, 2025 Principals Meeting with Reclamation. Mrs. Noga explained that the Enterprise AVC Project is not put behind because of the pause in design, because details are still being discussed about how to use State Clean Water Revolving Funds (SRF) to build the spurs and delivery lines. Design will be necessary in order to apply for those funds, however.

Mrs. Noga added that she continues to attend Colorado Water Resources and Power Development Authority (CWRPDA) meetings to keep them up to date on the AVC progress. District staff met with CWRPDA Board Member Lucas Hale to answer his questions about AVC.

Mr. Dillon updated the Committee on funding for PFAS remediation, which could be available for spur and delivery lines as well as for improvements within individual water systems.

A work plan is being developed to begin design on the spur and delivery lines to Crowley County and Fowler, which can be reached with current funding. The details will be developed following the Principals Meeting.

Reclamation AVC Sub-Project

Mr. Dillon reported that Boone Reach 1 and Boone Reach 2 are on-schedule, but the contract for the Injection Site is 6-8 months behind schedule because of internal problems faced by the contractor. He will continue to monitor the situation.

Three contracts are being prepared by Reclamation:

1. Crowley Reach 1, a 5-mile segment past Boone, which should go out for bid in May, and be awarded in September 2025.
2. A Major Crossings Contract that will proceed from west to east will be released sometime this year.
3. Final design will be made by Reclamation to Regulating Tank 2 north of La Junta, but a contract for final design from that point to Lamar will be issued.

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Participants Update

Mr. Dillon will be scheduling meetings in March and April to meet with participants on engineering, governance and funding questions.

The Communication Plan was discussed, and it was reported that the Monthly Newsletter has been well received as a way of keeping all stakeholders informed.

Chairman Karney asked Chuck Hannagan of the South Swink Water Company about how participants are viewing the AVC progress. Mr. Hannagan responded that in his case, South Swink has delayed some improvements while waiting for the AVC. "Our current wells may not serve our capacity, and we intend to take all our water through the Conduit. We would hate to make investment in new wells the year before we hook up," he explained.

Chris Woodka added that he has frequent conversations with participants and answers their questions. He also reminded the Committee that Enterprise staff continues to meet quarterly with the Colorado Department of Public Health and Environment on regulatory issues concerning participants.

Curtis Mitchell offered his help with the AVC governance, saying the Fountain Valley Authority faced many of the same questions when it formed.

ACTION ITEMS:

None

OTHER BUSINESS:

None

NEXT MEETING

Thursday, March 20, 2025, following the District and Enterprise Board meetings.

ADJOURN

Chairman Kevin Karney adjourned the meeting at 11:00 a.m.

Respectfully submitted,

Chris Woodka
Senior Policy and Issues Manager