
RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO WATER
ACTIVITY ENTERPRISE**

MINUTES

April 19, 2012

The regular meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise was held on Thursday, April 19, 2012 at 11:34 a.m., at the District office, 31717 United Avenue, Pueblo, Colorado.

President Long announced a quorum was present.

DIRECTORS PRESENT:

Bill Long	Harold Miskel	Ann Nichols
Vera Ortegon	Gibson Hazard	Greg Johnson
Reed Dils	Gary Bostrom	Carl McClure
Howard "Bub" Miller	David Simpson	Kevin Karney
Tom Goodwin	Leonard Pruett	
Alan Hamel-Advisory Board Member		

DIRECTOR ABSENT AND EXCUSED:

Shawn Yoxey

ENTERPRISE OFFICIALS PRESENT:

Executive Director James Broderick; General Counsel Lee Miller; Administrative Manager Toni Gonzales; Project Engineer Kevin Meador; Finance Manager Tina White; Director of Engineering and Resource Management Bob Hamilton; Conservation Outreach Coordinator Jean Van Pelt; and Special Water Counsel Steve Leonhardt.

VISITORS PRESENT:

Roy Vaughan, Bureau of Reclamation; Tom Simpson, Aurora Water; Steve Witte, Colorado Division of Water Resources-Division 2; Scott Lorenz, AGUA; Bob Hartzman, City of Canon City Water; Terry Book, Board of Water Works of Pueblo; Dwight Gardner, U.S. Senator Michael Bennet's office; Christina Thiebaut, Senator Mark Udall's office; Clarice Ratzlaff, Congressman Scott Tipton's office; Jerry Peña, MWH; Larry Patterson, City of Fountain; Perry Cabot, Colorado Water Institute; Dan Henrichs, High Line Canal Company; Jay Winner, Lower Arkansas Valley Water Conservancy District; Chris Woodka, The Pueblo Chieftain; Eric Norwood, Wilson & Company; Sean Chambers, Cherokee Metro District; Jim Baldwin, Otero County; Darla Scranton Specht, counsel for Corrections Corporation of America; Brigham Sloan, Corrections Corporation of America--Bent County Correctional Facilities; and Eric Hecox, Colorado Water Conservation Board.

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APPROVAL OF MINUTES:

President Long asked if the members of the Board had received their copy of the minutes of March 15, 2012 and whether there were any corrections or additions. Hearing none, Mr. Howard Miller moved, seconded by Mr. Johnson, to approve the minutes. Motion unanimously carried.

FINANCIAL REPORT:

Treasurer Ann Nichols reported the financial statement for March was posted to the Board website for review. Treasurer Nichols moved for acceptance of the March 2012 financial statement and payment of the April 2012 bills. Mr. Howard Miller seconded the motion, the motion unanimously carried.

CONSENT ITEMS:

None

PRESENTATIONS:

FEDERAL LEGISLATION

Mr. Broderick reported Mrs. Arbogast was unable to attend today's meeting. Mrs. Arbogast submitted a written report, which Mr. Broderick reviewed the following:

The House is moving quickly in its election year budget process, having passed a budget blueprint and assigned a six-member task force to begin looking for the substantial budget cuts which will be necessary to implement in 2013 because of the failure of the "supercommittee" to reach a long-term deficit reduction agreement late last year.

In addition, the House Subcommittee on Energy and Natural Resource Development scheduled its markup of the FY '13 bill for the Bureau of Reclamation, Army Corps of Engineers, energy programs, and some defense issues for Wednesday, April 18. Appropriation markup on the Energy & Water Appropriations Bill did not provide a specific number for the Arkansas Valley Conduit (Conduit). Reclamation's budget was cut \$89 million below FY12, and the budget was cut \$47 million below the President's request. As this time individual line items have not been cut.

Federal lobbyists are monitoring discussions about wilderness designations, most recently re-initiated by Senator Udall's announcement to have grass-roots level discussions with interest groups. Federal lobbyists do not expect movement on any wilderness legislation in the remaining months of this Congress.

CONDUIT, EXCESS CAPACITY MASTER CONTRACT, AND NEPA UPDATE

Jean Van Pelt reviewed the following:

- The EIS continues to move forward on schedule.
- Update on the field surveys that are being performed by Reclamation.
 - Reclamation has completed the aerial photography of the various alignments for the Conduit.
 - This week they began the cultural resource surveys.
 - Will begin the geotechnical sampling by the end of April.

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- Reclamation has identified the preferred alternative for the draft EIS and is currently preparing an official statement.
- Staff continues to review the draft EIS chapters and appendices.
- A meeting with the Cooperating Agencies is scheduled for Tuesday, May 15, at the District office.
 - Purpose is to review the agencies comments on the draft EIS Chapter 4 – Environmental Consequences.
- Arkansas Valley Conduit Participants Upcoming Meetings will be scheduled for the end of May.
 - Purpose is to review the Water Conservation Plan and results of the participant’s water system audits.
 - Audit
 - Meetings to be held in Wiley, La Junta, and Manzanola.

PROJECT WATER UPDATE

Roy Vaughan provided a PowerPoint presentation reviewing the following:

- As of April 16, there was 243,447 acre-feet stored in Pueblo Reservoir; 152,768 acre-feet of Project water; 44,611 acre-feet of Excess Capacity water; 46,631 acre-feet of Winter water.
- There is currently 104,181 acre-feet of Project space in Pueblo Reservoir and 59,033 acre-feet of space in Turquoise and Twin Lakes Reservoirs.
- Project Reservoirs: Turquoise 94%; Twin Lakes 96%; Pueblo 124%.
- Arkansas River Basin and Upper Colorado River Basin Time Series Snowpack Summary.
- SNOTEL Snow Water Equivalent as Percent of Average.
- Import forecast:
 - February 45,200 acre-feet
 - March 53,300 acre-feet
 - April 23,100 acre-feet

Mr. Vaughan shared photos of the roads up to the collection system, which show a lack of snow, and the work Colorado Springs Utilities is doing at the Pueblo Dam on the Southern Delivery System project.

ALLOCATION OF PROJECT WATER IN WET, AVERAGE, AND DRY YEARS

Mr. Broderick provided a PowerPoint presentation reviewing the following:

- Historical allocation of Project water 2003-2011
- Comparison of Pueblo Reservoir Storage on April of 2002 and 2012
- Fryingpan-Arkansas Water “Supplemental Project water” (First Use)
- Allocation Principles
- Municipal and Agriculture
- Design imports
- 2002 imports
- 2012 forecasted imports
- Average imports

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- 2011 imports
- Comparison of selected years by calculated allocations
- Boustead imports and Fry-Ark allocations
- Calculated Fry-Ark allocations (1981-2012)
- Fry-Ark DRY YEAR allocations based on Boustead imports (1981-2012)
- Domestic use
- The domestic trigger is less than 15,000 acre-feet for allocation
- Issues considered in adjusting the domestic use trigger
- U.S. drought monitor
- Costs for Project water 2012

Mr. Witte reviewed the process in the event there are low imports, that affect the return flow acre-feet amounts. Dan Henrichs explained his concerns pertaining to agriculture when there are low imports.

ACTION ITEM:

None

INFORMATION ITEMS:

The Board members were provided written reports on the following, which were posted to the Board website:

- Arkansas Valley Conduit, Excess Capacity Master Contract, and NEPA Update

President Long encouraged the Board members and visitors to go and see the Fry-Ark 50 Years Exhibition, which is at the Rawlings Library, Info Zone Theatre-fourth floor. The exhibit will be there until May 20.

Mr. Broderick reported meetings continue on the Ruedi Reservoir issues, a meeting will be held on April 23 in Denver. Federal lobbyists and District staff have been interfacing closely with Bill McDonald and with Washington, D.C.-level Bureau of Reclamation staff as proposals to address the debt issues develop. The Colorado delegation is being updated of the discussions.

President Long asked if there were any other matters to come before the meeting, and hearing none, adjourned the meeting at 12:28 p.m.

Respectfully submitted,

Toni Gonzales
Administrative Manager

Secretary

