

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO
WATER CONSERVANCY
DISTRICT
MINUTES**

April 21, 2022

A meeting of the Board of Directors of the Southeastern Colorado Water Conservancy District (District) was held on Thursday, April 22, 2022, at 9:30 a.m., at the District office, 31717 United Avenue, Pueblo, Colorado. The ZOOM platform was also made available for Board members and visitors. Mr. Long asked Margie Medina for a roll call.

President Long established that a Quorum was present.

DIRECTORS PRESENT:

Alan Hamel	Dallas May(remote)	Pat Edelmann
Andy Colosimo	Howard Miller(remote)	Patrick Garcia
Ann Nichols	Kevin Karney	Seth Clayton
Bill Long	Mark Pifher	Tom Goodwin
Curtis Mitchell	Matt Heimerich	

DIRECTOR(S) ABSENT AND EXCUSED:

Carl McClure, and Greg Felt

DISTRICT OFFICIALS PRESENT:

General Counsel Lee Miller and Staff Attorney Peter Levish; Senior Policy and Issues Manager Chris Woodka; Water Resource Engineer Garrett Markus; Administrator of Finance and Administration Leann Noga; Accountant Stephanie Shipley; Accounting Specialist Lynette Holt; Administrative Support Specialist's Margie Medina and Patty Rivas; Christine Arbogast Kogovsek and Associates (10:05).

VISITORS PRESENT:

Garrett Hyde and Oliver Wesley, JHL Constructors; Brandon Forbes and Krystal Brown, USGS; Mike Holmberg, USBR; Bill Tyner, Division Engineers Office; Jerry Pena, Kennedy Jenks; and Mitch Downs, Erickson, Brown & Kloster, Inc.

VISITORS CONNECTED REMOTELY:

Brandon Bernard, Widefield Water and Sanitation; Curtis Thompson, AECOM; Erin Wilson, Wilson Water Group; Kari Linker, Senator Hickenlooper's Office; Kevin Salter and Rachel Duran (@ 10:24) Kansas Department of Agriculture; Luke Mecklenburg, Assistant Attorney General's Office Water Unit; Rick Kienitz, Aurora Water; Roy Heald, Security Water; and Scott Lorenz Colorado Springs Utilities.

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INTRODUCTION OF VISITORS:

President Long welcomed the visitors to the meeting.

ACTION ITEMS:

SWEARING IN OF APPOINTED BOARD MEMBERS

Lee Miller said he had received a Court Order for appointing Directors and asked the following to stand: Bill Long, Ann Nichols, Curtis Mitchell, Thomas Goodwin, Matt Heimerich, and Alan Hamel and read the oath. Members were appointed to four-year terms on the District Board. Mr. Matt Hemerich filled the vacancy that was open when Carl McClure resigned from the District Board. Mr. Lee Miller congratulated the reappointed Directors, as well as the new Director filling the vacancy.

After reading the oaths, Mr. Miller asked the reappointed, as well as the new Board member, to sign the oath and to meet with Lynette Holt (authorized Notary that heard and witnessed the oath being repeated), to ensure all documents and necessary signatures were complete.

Mr. Matt Hemerich was given a few minutes to introduce himself.

APPROVAL OF MINUTES:

President Long said the minutes of the March 17, 2022, District Board meeting were posted to OnBoard and the Board website for review and asked if there were any corrections or additions. Hearing none, Mr. Hamel moved, seconded by Mr. Garcia to approve the minutes. Motion unanimously carried.

TREASURER REPORT:

Ann Nichols reported the financial statements for March 2022 were posted to OnBoard and the Board website for review. Ms. Nichols moved, seconded by Mr. Clayton for acceptance of the March 2022 financial statements and payment of the April 2022 bills. Motion unanimously carried.

PRESENTATION ITEMS:

2021 ANNUAL AUDIT

President Long convened the meeting of the Enterprise Board meeting to order at 9:43 a.m. to be held in conjunction with the District Board meeting to present the 2021 Annual Audit presentation.

Leann Noga gave a special thank you to Stephanie Shipley and Lynette Holt for their work in the audit process.

Mrs. Noga introduced Mitchell Downs from Erickson, Brown & Kolster, Inc, who represents the firm that conducted the 2021 audit. Mr. Downs read the Independent Auditor's Report.

ACTION ITEMS (continued):

APPROVAL OF 2021 ANNUAL AUDIT

Mr. Garcia moved seconded by Mr. Pifher, the audit of the 2021 financial statement of the District and Enterprise be approved as presented. Motion unanimously carried.

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Ms. Noga received and addressed questions by the Board.

APPROVAL OF 2021 FINANCIAL STATEMENTS

Mr. Clayton moved, seconded by Mr. Karney, the 2021 financial statements of the District and Enterprise be approved as audited. Motion unanimously carried.

President Long thanked Leann Noga and the finance team.

Mr. Long recessed the Enterprise Board meeting at 9:56 a.m. that was held in conjunction with the District Board meeting.

INCLUSION OF LAND ANNEXED BY COLORADO SPRINGS

Mr. Garrett Markus reported an action item that the Resource and Engineering Planning Committee recommends the Board approve the inclusion of the annexation of five annexations in the City of Colorado Springs into the Southeastern Colorado Water Conservancy District (District) with the standard terms and conditions. Once approved by the Board of Directors, staff will send the annexation to the Bureau of Reclamation (Reclamation) for assent. The District will submit the inclusion to the District Court for final decree.

The Resolution for Inclusion is:

RESOLUTION NO.	More Commonly Known As	Legal	Acres	County
2022-04D INCL-AX	Woodman East Commercial Center Filing No. 1 Annexation	NW4NW4 S10T13SR65	30.738	El Paso
2022-05D INCL-AX	Hope Chapel Annexation No. 1	NW4 Sec28T12SR66	4.61	El Paso
2022-06D INCL-AX	Hope Chapel Annexation No. 2	NW4 Sec28T12SR66	8.12	El Paso
2022-07D INCL-AX	Pikes Vista	SE4SW4 S7T13SR65	5.9	El Paso
2022-08D INCL-AX	The Park Vista Addition No. 9	NW4 Sec26T13SR66	1.29	El Paso

Mr. Garcia, seconded by Mr. Pifher that the Board approve, by Resolution, the inclusion of the Woodman East Commercial Center Filing No. 1, Hope Chapel Annexation no. 1 & 2, Pikes Vista, and The Park Vista Addition No. 9 annexations annexed by Colorado Springs subject to the following terms and conditions:

1. Approval of these inclusions into the Southeastern Colorado Water Conservancy District will not increase the amount of Fryingpan-Arkansas Project water available to the city. Any Fryingpan-Arkansas Project water used on these included lands will need to come from the water allocated to the city through Fryingpan-Arkansas Project water allocations made pursuant to the District's Allocation Principles and Policies; and

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2. Any use of Fryingpan-Arkansas Project water on the included lands is subject to the decrees for the Fryingpan-Arkansas Project, and to all lawful rules, regulations, principles, policies, and contractual obligations of the District; and
 3. The annexed lands will be subject to ad valorem taxes levied by the District as any other similarly situated lands in the District at the time of this inclusion; and
 4. Prior to the District filing a petition for District Court approval of this inclusion, the Municipality, and/or owner(s) of the annexed lands shall have paid all the costs charged by the United States in connection with the contracting officer's assent to this inclusion. Motion unanimously carried.

The Board was provided copies of Resolutions: No. 2022-04D INCL-AX, 2022-05D INCL-AX, 2022-06D INCL-AX, 2022-07D INCL-AX, AND 2022-08D INCL-AX.

MONTHLY/QUARTERLY REPORTS:

U.S BUREAU OF RECLAMATION REPORT

Mr. Mike Holmberg first asked of the Board in terms of the monthly presentations, what topics the Board would like to see presented, as opposed to what is currently presented. Discussion can be had after the Board meeting or thru an email to Mr. Holmberg.

Mr. Holmberg provided a written report reviewing the following as of April 17, 2022:

- There were 224,801 acre-feet stored in Pueblo Reservoir; 119,257 acre-feet of Project water. 40,731 acre-feet of Excess Capacity water; 37,086 acre-feet of Winter water and winter carryover
- There is currently 126,116 acre-feet of Project space in Pueblo Reservoir and 64,885 acre-feet of space in Turquoise and Twin Lakes Reservoirs.
- Charts illustrating storage amounts in Turquoise, Twin Lakes, and Pueblo Reservoir
- Project Reservoirs: Turquoise 74%, Twin Lakes 98%, Pueblo 105% as of April 17, 2022.
- Busted Stored Cumulative Imports
- Total M&I PW in the system 119,192 AF as of March 31, 2022:
 - a) East 18,975
 - b) West 9,157
 - c) Pueblo 16,956
 - d) Other 4,013
 - e) FVA 69,176
 - CSU 51,618
 - Fountain 5,798
 - Security 4,683
 - Stratmoor 1,778
 - Widefield 5,299
- Snowpack summaries for:
 1. Arkansas Rivas Basin
 2. Colorado River Basin

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- April Forecast:
 1. 10% - 26.6 KAF
 2. 25% - 34.2 KAF
 3. 50% - 42.3 KAF
 4. 75% - 49.0 KAF
 5. 90% - 58.6 KAF

DIVISION ENGINEER REPORT

Mr. Bill Tyner presented a report on Basin Updates:

- River Conditions in April
- Snowpack-Snow Water Equivalent in Arkansas
- Inflows to Pueblo Reservoir – Arkansas Portland
- Mainstem/Fountain Creek Calls
- 10 Year Compact Compliance 2021 Update
- Implications of a Stateline Shortfall
- How is Shortfall Repaid?

U.S. GEOLOGICAL SURVEY REPORT

Mrs. Krystal Brown presented a report on Pueblo Reservoir Water Quality Data. Topics of discussion:

- Pueblo Reservoir 2021-2022 Monitoring Locations
- 2021 Pueblo Reservoir Profiles 3B, 5C, 7B 2021 & 2013, showing:
 1. Temperature
 2. Dissolved Oxygen
- Manganese and Iron Concentrations, data covered Near Surface and Near Bottom
 1. Iron, total recoverable: Spring-Summer
 2. Manganese, dissolved: Spring-Summer

STATE LEGISLATION UPDATE

Mr. Lee Miller provided an update to the Board and begin by reporting that it is now day 100 of the Legislative Session. The total days for sessions is 120, so it is nearing the end. There is a large backlog of bills in House Appropriations that need to move on thru the Senate. Mr. Miller advised he will be watching those closely.

Of particular interest to the District are two bills that Mr. Miller discussed why and their status:

SB22-028: This Water Resource Review Committee (WRRC) approved bill seeks to establish a funding vehicle to receive money which will be applied to the needs in the Republican River and Rio Grande areas to further interstate compact compliance requirements. The bill sets forth the structure of the fund and how it will be administered. The priority uses of the funds are identified as retiring certain acreages of irrigated farmland and the shutdown of some wells. Funding is expected to come from federal funds under one or more of the bills recently passed. Some critics have raised questions regarding the disparity between this approach and well-enforcement on the Arkansas and South Platte Rivers. SB22-

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028 passed the Senate without amendments. It is pending a hearing date in the House Agriculture, Livestock and Water Committee.

SB22-114: This is the Colorado Counties, Inc., supported bill to address concerns regarding ponds used for fire suppression that are unpermitted and presumably incapable of being augmented, either because augmentation is infeasible because it is economically prohibitive or water-availability constraints. SB22-114 has passed the Senate with amendment. The House Agriculture, Livestock and Water Committee held a hearing on April 11, 2022, where it referred the bill without further amendment to the House Appropriations Committee. Mr. Miller fielded questions from the Board.

COLORADO RIVER ISSUES STATUS

Mr. Lee Miller updated the Board that the Upper Colorado River Commission (UCRC) will be holding a special meeting on April 21, 2022. This UCRC meeting will conflict with today's District Board meeting. The UCRC meeting agenda will include:

1. Consideration and Action on the 2022 Drought Response Operations Plan; and
2. Report on Cooperative Activities to Protect Lake Powell Elevations.

Projections for Lake Powell water levels continue to decline leading the Bureau of Reclamation and the Department of the Interior to become increasingly concerned about protecting elevation 3490' in Lake Powell. While elevation 3525' was identified as the target elevation in the 2019 Drought Contingency Plan, there is a growing recognition that it may not be possible to protect elevation 3525' and the focus has turned to protecting the minimum power pool (elevation 3490'). The Assistant Interior Secretary for Water and Science sent a letter to the Basin States Governors' Representatives proposing to reduce releases out of Lake Powell to 7 million acre-feet (MAF) this year, down from 7.48 MAF, and will be seeking input from the states. A copy of the Assistant Secretary's letter was provided to the Board. Mr. Miller fielded questions from the Board. A Colorado River Committee Meeting will be held May 19th after the Board Meeting.

INFORMATIONAL ITEMS:

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

- Water Court Resume
- Audio and Visual Upgrades to Board Room and Conference Rooms Status
- Arkansas River Basin Water Forum - April 28-29, Salida
- NWRA Federal Water Issues Conference – D.C. May 9-11
- Photographer will be in the District Office at the May Board Meeting to update pictures for Board and Staff

President Long mentioned to the Board about the Photographer that will be in for the May Board meeting. A brief discussion was had regarding the Audio/Visual upgrades to the Board and Conference Rooms. Hearing no other matters to come before the Board, Mr. Long adjourned the District Meeting at 11:24 a.m.

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Respectfully submitted,

Patty Rivas
Administrative Support Specialist

Secretary
