

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO
WATER CONSERVANCY
DISTRICT MINUTES
November 21, 2024**

A meeting of the Board of Directors of the Southeastern Colorado Water Conservancy District (District) was held on Thursday, November 21, 2024, 9:39 a.m., at the District office, 31717 United Avenue, Pueblo, Colorado. The ZOOM platform was also made available for Board members and visitors.

President Long asked Margie Medina for a roll call of those connected via ZOOM.

DIRECTORS PRESENT:

Alan Hamel	Dallas May (remote)	Pat Edelmann
Andy Colosimo(remote)	Howard "Bub" Miller (remote)	Seth Clayton
Ann Nichols	Justin DiSanti	Tom Goodwin
Bill Long	Mark Pifher	
Curtis Mitchell	Matt Heimerich (remote)	

DIRECTOR(S) ABSENT AND EXCUSED:

Kevin Karney, and Greg Felt.

President Long established that a Quorum was present.

INTRODUCTION OF VISITORS:

President Long asked all present to introduce themselves and welcomed the visitors to the meeting.

DISTRICT OFFICIALS:

Executive Director Leann Noga; General Counsel Lee Miller; Staff Attorney Peter Levish; Principal Engineer Gordon Dillon; Senior Policy and Issues Manager Chris Woodka; Water Resources Principal Engineer Garrett Markus; Finance Manager Stephanie Shipley; Administration Manager Michelle Tocyldowski; Administrative Support Specialists Margie Medina and Patty Rivas (remote); Accountant, Meg Sarlett; Christine Arbogast, Kogovsek and Associates; Roy Vaughan, H2O Consultants; and Curt Thompson and Tim Volz, AECOM.

VISITORS PRESENT:

Jarid Prowell, Pueblo West Metro District; Mike Holmberg, Bureau of Reclamation; Phil Reynolds, Consulting; and Rick Kienitz, Aurora Water.

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VISITORS CONNECTED VIA ZOOM:

Andrew Klakulak and Krystal Brown, USGS; Angie Alvarado, Wilson Water Group; Christopher Olney and Kelly Roesch, Colorado Springs Utilities.

APPROVAL OF MINUTES:

President Long said the minutes from the October 21, 2024, District Board meeting were posted to OnBoard and the Website for review and asked if there were any corrections or additions. Hearing none, Mr. Edelmann moved, seconded by Mr. Hamel, to approve the minutes. Motion unanimously carried.

CONSENT ITEMS REPORT:

- District Financial Statements for October 2024.
- Inclusion of Land by Colorado Springs, Summit View Addition No. 1

Mr. Hamel moved, seconded by Mr. Goodwin to approve both Consent Items, Motion unanimously carried.

Mr. Lee Miller addressed the Board regarding moving the minutes to a consent item. Several Board members contributed their thoughts. This matter has been tabled for further discussion.

President Long convened the Enterprise meeting @ 9:52 a.m. to be held in conjunction with the District meeting.

PRESENTATION ITEMS:

PUBLIC HEARING ON 2025 PROPOSED BUDGET

Mrs. Noga presented a PowerPoint that reviewed the following:

Southeastern Colorado Water Conservancy District Fund

1. 2024 Mill Levy Tax Revenues
2. 2025 Fry-Ark Project Budget
3. 2025 Fry-Ark Extraordinary Maintenance
4. Fry-Ark Project 2024 Vs. 2025 Budgets
5. 2025 District Operation and Capital Budget
6. 2025 District Operation Planning and Development
7. 2025 District Capital Outlay
8. District Operation 2024 Vs 2025 Budget
9. District General Funds Estimated Fund Balance

Southeastern Colorado Water Activity Enterprise Fund

1. 2025 Water Sales & Storage Rate Recommendation
2. Water and Storage Rate Revenues
3. 2025 Enterprise Operations
 - a. Enterprise Operations, to include the Enlargement & Excess Capacity Project Budgets

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4. 2025 Enterprise Operation Capital
5. Enterprise Operation 2024 Vs 2025 Budgets
6. 2025 Arkansas Valley Conduit
7. 2025 Hydroelectric Power
8. Enterprise Estimated Fund Balance
9. District General Fund 2025 Budget Resolution
10. Enterprise Proprietary Fund 2025 Budget Resolutions
11. Enterprise 2025 Water Sales and Storage Rate

Questions were asked of Mrs. Noga.

President Long recessed the Enterprise meeting at 10:18 a.m.

MONTHLY/QUARTERLY REPORTS:

COLORADO RIVER ISSUES

Mr. Lee Miller highlighted the following items:

The Colorado River District has set two meetings, November 18 and December 9, 2024, to present the historic use information gathered for the future Shoshone Power Point change application. Meanwhile, discussions continue with the Congressional Delegation and others regarding the Colorado River District's efforts to receive federal funding for the Shoshone Power Plant water rights acquisition from funds held by the Bureau of Reclamation (Reclamation).

During the Upper Colorado River Commission's (UCRC) October 28, 2024 special meeting, the UCRC approved execution of a Memorandum of Understanding (MOU) between Upper Division States through UCRC with Reclamation that provides for provisional accounting of conservation and other demonstration projects allowing the Upper Division States to receive credit for water conserved. The MOU would address:

- Commitment to work collectively and collaboratively
 - Outline general methodology for provisional accounting
 - Recognition that the accounting is provisional not operational
 - Commitment to provide accounting for the interim period
 - Later action is required for formal credit
 - Inclusion in post-2026 framework
- OR
- Implementation of the Demand Management Storage Agreement

Once the MOU is executed, the Upper Division States will identify qualifying projects. The Lower Basin States have already criticized the MOU in a letter to the Reclamation Commissioner, even before the UCRC action. One of the criticisms of the MOU is that consultation with the Lower Basin States is necessary before Reclamation executes the MOU. Ironically, the Lower Basin States learned about the MOU through an attempt at consultation.

Mr. Miller reviewed current matters on Colorado River that have happened this week.

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The Colorado River and Water Supply Committee will meet following the Board meeting to discuss the upcoming Colorado River Water Users Association annual conference and will have an executive session to discuss information related to ongoing negotiations on the post-2026 operations and possibly the Shoshone Permanency discussions that may be subject to confidentiality agreements.

INFORMATIONAL ITEMS:

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

- Water Court Resume
- Inclusion of Land Resolution
- 2025 Proposed Budget
- CRWUA , Las Vegas December 4-6, 2024
- December Board Meeting and Holiday Lunch, Thursday December 12

President Long asked if there were any other matters to come before the Board, hearing none, Mr. Long adjourned the District Meeting at 10:29 a.m.

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Respectfully submitted,

Patty Rivas
Administrative Support Specialist

Seth Clayton – Secretary

Bill Long – President

Howard “Bub” Miller

Curtis Mitchell – Vice President

Justin DiSanti

Ann Nichols – Treasurer

Kevin Karney

Alan Hamel

Mark Pifher

Andy Colosimo

Matt Heimerich

Dallas May

Pat Edelmann

Greg Felt

Tom Goodwin