

RECORD OF PROCEEDING

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**SOUTHEASTERN  
COLORADO WATER  
ACTIVITY ENTERPRISE  
MINUTES  
December 8, 2022**

A meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (Enterprise) was held on Thursday, December 8, 2022 at the District office, 31717 United Avenue, Pueblo, Colorado. President Long called to order the Enterprise meeting at 9:51 a.m. The ZOOM platform was also made available for Board members and visitors.

President Long established that a quorum was present.

**DIRECTORS PRESENT:**

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

**DIRECTOR(S) ABSENT AND EXCUSED:**

Dallas May, and Greg Felt

**DISTRICT OFFICIALS PRESENT:**

Executive Director James Broderick; Senior Policy and Issues Manager Chris Woodka; Water Resource Engineer Garrett Markus; Project Manager Mark Scott; Administrator of Finance and Administration Leann Noga; General Counsel Lee Miller; Administrative Support Specialists Margie Medina and Patty Rivas (remote); Staff Attorney Peter Levish; Accountant Stephanie Shipley; and Accounting Specialist Lynette Holt (remote).

**VISITORS PRESENT: N/A**

**VISITORS CONNECTED REMOTELY:**

Scott Lorenz, Colorado Springs Utilities; Travis White, JHL Constructors; and Brett Gracely, LRE Water.

**APPROVAL OF MINUTES:**

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

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**PRESENTATION REPORT:**  
2023 FINANCIAL PLANNING

Mrs. Noga presented to the Board a Presentation titled, *2023 Financial Planning*, this was a follow up to from the Public Hearing and Finance Committee from the November 2022 Board meeting. The Presentation reviewed:

- January – February 2023
  1. 2019 Financial Strategy and Sustainability Study Review, discussions that were, and were not held.
  2. Present financial model results
    - A. Revenue Requirement Analysis
    - B. Cost of Service Analysis
- March 2023
  1. Determine next steps:
    - a. Discussion topics
      - i. Water and Storage Rates
      - ii. Surcharge Fees
      - iii. Reserves

President Long reviewed the concerns that came up regarding rates. He also appointed a sub-committee to delve into rates and pick up where the 2019 Study left off. Those members are Ann Nichols, Seth Clayton, and Tom Goodwin.

**ACTION ITEMS:**

2023 WATER SALES AND STORAGE RATE RESOLUTION ADOPTION

Mrs. Leann Noga presented an action item that recommends the Board adopt resolution 2022-01EF for the 2023 Water Sales and Storage Rates as presented at the 2023 Budget Publication Hearing on November 17, 2022.

In December each year, the Board of Directors approves the annual Water Sales and Storage Rate. Staff recommend no increase or decrease to this rate for the 2023 water year. In 2023, the District will walk through an updated financial study and conduct a series of Board driven discussions regarding water and storage rates, surcharge fees, reserves, etc.

Mr. Goodwin moved, seconded by Mr. Hamel that the Board adopt Resolution and Order No. 2022-01EF for the 2023 Water Sales and Storage Rates. Motion carried unanimously.

The Board was provided a copy of Resolution 2022-01EF for 2023 Water Sales and Storage Rates.

2023 PROPOSED BUDGET AND RESOLUTIONS ADOPTION

Mrs. Leann Noga presented an action item that recommends approval by the Board of the 2023 Proposed Budget as presented for the Enterprise Operations, the Arkansas Valley Conduit, and the Hydroelectric Power Project.

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Since the November Public Hearing, there has been one change to the 2023 Proposed Budget for the Arkansas Valley Conduit. The total expenditure increased a total of \$25,000 in capital outlay for the purchase of property for the AVC injection site from Triview Metropolitan the Board approved this action in November 2022.

The Board of Directors received the 2023 Proposed Budget on October 14, 2022. Then the 2023 Proposed Budget was presented to the Board of Directors and the general public at the November 17, 2022, Public Hearing.

Mr. Garcia moved, seconded by Mr. Pifher that the Board of Directors adopt Resolution and Order No. 2022-02EF for the Enterprise, Resolution and Order No. 2022-03EF for the Arkansas Valley Conduit and Resolution and Order No. 2022-04EF for the Hydroelectric Power for the 2023 Budget as presented. Motion carried unanimously.

**INFORMATION ITEMS:**

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

- AVC Update
- JWBHP Update
- JWBHP Contract Amendment
- Excess Capacity Master Contract Update

President Long asked if there were any other matters to come before the Board, hearing no other matters President Long adjourned the meeting @ 10:06 a.m.

Respectfully submitted,

Patty Rivas  
Administrative Support Specialist

Secretary

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SECWAE  
December 8, 2022  
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