

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO
WATER CONSERVANCY
DISTRICT MINUTES
October 17, 2024**

A meeting of the Board of Directors of the Southeastern Colorado Water Conservancy District (District) was held on Thursday, September 19, 2024, at 9:31 a.m., at the District office, 31717 United Avenue, Pueblo, Colorado. The ZOOM platform was also made available for Board members and visitors.

Attendance:

Board Members Present:

Alan Hamel	Dallas May(remote)	Mark Pifher(remote)
Andy Colosimo	Greg Felt	Matt Heimerich
Ann Nichols	Howard "Bub" Miller	Pat Edelman
Bill Long	Justin DiSanti	Seth Clayton
Curtis Mitchell	Kevin Karney	

DIRECTOR(S) ABSENT AND EXCUSED:

Tom Goodwin

DISTRICT OFFICIALS:

Executive Director Leann Noga; General Counsel Lee Miller; Staff Attorney Peter Levish; Senior Policy and Issues Manager Chris Woodka; Principal Engineer Kevin Meador; Principal Engineer/Operations Coordinator Gordon Dillon; Water Resources Principal Engineer Garrett Markus; Finance Manager Stephanie Shipley; Administrative Support Specialist's Margie Medina and Patty Rivas; Administrative Manager Michelle Tocydowski; H2O Consultant, Roy Vaughan; Kogovsek & Associates, Christine Arbogast; attending remotely - Kennedy Jenks, Jerry Pena; and Burns, Figa & Will, April Hendricks.

VISITORS PRESENT:

Aurora Water, Abba Ahmed; USBR, Mike Holmberg; Colorado Department of Ag, Robert Sakata; and Colorado Springs Utilities, Scott Lorenz.

VISITORS CONNECTED VIA ZOOM:

Wilson Water Group, Mitch Frischmeyer and Angie Alvarado; Congress Woman Lauren Boebert's Office, Cathy Garcia; Otero County Administrator, Amy White-Oquist; Otero County Commissioner, Tim Knabenshue; Family Farm Alliance, Dan Keppen; USGS, Krystal Brown; and Kansas Department of Agriculture, Rachel Duran.

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APPROVAL OF MINUTES:

President Long said the minutes from the September 19, 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. Karney moved, seconded by Mr. Hamel, to approve the minutes. Motion unanimously carried.

TREASURER REPORT:

Ms. Ann Nichols reported the financial statements for September 2024, were posted to OnBoard and the Website for review. Ms. Nichols moved, seconded by Mr. Clayton, for acceptance of the September 2024 financial statements and payment of the October 2024 bills. Motion unanimously carried.

PRESENTATION ITEMS:

AGRICULTURE PERSPECTIVE ON FOOD SECURITY

Mr. Dan Keppen from Family Farm Alliance presented to the Board a PowerPoint which reviewed the following topics:

- About the Family Farm Alliance
- The importance of Western Irrigated Agriculture
 1. Meeting the Needs of a Growing World
 2. Global Agricultural Productivity Growth
 3. Can the U.S. Count on Unsustainable Food Producers
 4. The Cost of Food
 5. Food Prices are now an Election Issue
 6. Inflation
 7. Increased Farming Costs
 8. Western Drought has caused reductions in food production
- Demonization of Irrigated Agriculture and Forage Production in the West
 1. Facing the Realities of Water Limitations in Western U.S. for Forage Crops
- Why Protecting Western Agriculture Now is More Important than Ever
 1. Western agriculture cannot simply be moved elsewhere
 2. Vanishing farms harms families, habitat, local jobs, community security and the food production Americans depend on

Questions were asked of Mr. Keppen.

COLORADO DEPARTMENT OF AGRICULTURE

Mr. Robert Sakata from The Colorado Department of Agriculture presented to the Board a PowerPoint reviewing the following:

- DWR CDSS Information
 1. 2010-2020 CDSS Irrigated Acreage by Basin
- The Colorado long-term forecast
- How much of each dollar spent on food goes to on farm production
- Challenges faced by today's Farms
- The issue of a Mental Health Crisis in the Farming Community

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1. A sad statistic: More than 50,000 Americans took their own lives in 2023, the nation's highest yearly rate of suicide on record. Farmers are 3.5 times more likely to die by suicide than the general population, according to the National Rural Health Association. Special Correspondent Megan Thompson reports from Wisconsin on the burden Farmers often deal with and what's being done to help them.

Questions were asked of Mr. Sakata.

ACTION ITEMS:

URBAN RENEWAL AURHORITIES

Mr. Peter Levish covered action items involving several Urban Renewal Authority new and existing projects from The Pueblo Urban Renewal Authority and the Colorado Springs Urban Renewal Authority:

1. Pueblo Urban Renewal: Colorado Smelter Revitalization Project
2. Pueblo Urban Renewal: West Pueblo Urban Renewal Area
3. Colorado Springs Urban Renewal: Bristow-Lowell Urban Renewal Plan
4. Colorado Springs Urban Renewal: Amended - Gold Hills Mesa
5. Colorado Springs Urban Renewal: OneVeLa Urban Renewal

Mr. Edelman suggested that action be taken on all items at once. Legal Counsel, Mr. Lee Miller approved and advised that in the future all Urban Renewal Action Items will be processed as "Consent Items". Mr. Clayton moved, seconded by Mr. Hamel, to approve combining all Urban Renewal action items. They also moved for approval of Urban Renewal Action Items. Motion carried unanimously.

STATEMENT OF OPPOSITION IN THE APPLICATION OF SHAWNETTE SANDAVOL, BRIAN SANDAVOL, AND JASON WARD CASE NO. 24CW3034, WATER DIVISION 2

Mr. Peter Levish presented an action item recommending that the District Board authorize Special Water Counsel to file a Statement of Opposition to the Application of Shawnette Sandoval, Brian Sandoval, and Jason Ward in Case No. 24CW3034 (Water Division 2).

In Case No. 24CW3034, Shawnette Sandoval, Brian Sandoval, and Jason Ward ("Applicants") seek a change of water rights and approval of an augmentation plan including a water exchange project. The Applicants seek approval for a change in the point of diversion for the Cactus Ditch water right from the ditch headgate, located on Fountain Creek, to a well located on the Applicants' property. The Applicants also seek approval for an augmentation plan to augment out-of-priority lagged depletions to Fountain Creek resulting from pumping the new well, and for evaporative losses impacting Fountain Creek from a pond-well located partially on the Applicants' property. The augmentation plan includes a water exchange project that will exchange augmentation water from the confluence of Fountain Creek and the Arkansas River upstream to the augmented structures. The Applicants propose to use Fryingpan-Arkansas Project (Project) Water as its source of supply for their augmentation plan.

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Staff and counsel recommend filing a statement of opposition in Case No. 24CW3034 to ensure that the Applicants' use of Project Water as a source of augmentation supply is consistent with the District's policies and to ensure that the decree includes appropriate terms and conditions for the Applicants' use of Project Water.

Mr. Edelman moved, second by Mr. Colosimo, that the District Board authorize Special Water Counsel to file a Statement of Opposition to the Application of Shawnette Sandoval, Brian Sandoval, and Jason Ward in Case No. 24CW3034.

FRYINGPAN-ARKANSAS PROJECT COLLECTION SYSTEM PROJECT

Mr. Garrett Markus presented an action item proposing district Board of Directors approve the Wilson Water Group's Scope of Work to pursue the Colorado Water Conservation Board Local Capacity Grant to investigate instrumentation upgrades to the Fryingpan-Arkansas Project Collection System.

Colorado Water Conservation Board (CWCB) is offering grants to provide technical capacity and resources for entities pursuing federal funding opportunities that directly support the Colorado Water Plan objectives. A Local Capacity Grant would offset the cost associated with hiring a consultant team to investigate potential options to improve automation and telemetry components on the Fryingpan-Arkansas (Fry-Ark) Collection System. Under the Local Capacity Grant, the consultant team would develop a technical approach and draft the federal application for a Bureau of Reclamation WaterSMART Small-Scale Water Efficiency Projects (SWEF) grant.

This process will be split into two phases. Phase 1 will do the necessary technical work and scoping to adequately submit a federal grant application. Phase 2 will be receiving and executing the federal grant. The scope of Phase 1 would study how additional instrumentation and associated rating curves on the existing Fry-Ark Collection System would improve system modeling, forecasting, and measurement; especially when the Twin Lakes Exchange is not operable. The Local Capacity Grant will be used to acquire the technical information needed for a WaterSMART grant submittal, such as what diversions needs to be studied, what instrumentation is currently in place, compatibility with new instrumentation, and total cost requested to complete the project. The budgeted costs for acquiring the necessary technical information are \$30,000 project costs with \$22,500 funded by the Local Capacity Grant (American Rescue Plan Act Funds) and \$7,500 coming from the District in the 2025 budget cycle.

The scope of Phase 2 will be determined by the information from Phase 1, including the funds request from the WaterSMART SWEF program. The WaterSMART SWEF program has a 50% cost share with a maximum project grant portion of \$125,000 and would fall into the 2026 and 2027 budget cycle. The Bureau of Reclamation is in support of this project and will be involved in both grant opportunities.

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Mr. Edelman asked if Wilson water Group was the right agency to perform this task, Mr. Markus advised that this was the recommendation by CWCB.

Mr. Edelmann moved, second by Mr. Felt, the District Board of Directors approve the Wilson Water Group's Scope of Work to pursue the Colorado Water Conservation Board Local Capacity Grant to investigate instrumentation upgrades to the Fryingpan-Arkansas Project Collection System. Motion carried unanimously.

MONTHLY/QUARTERLY REPORTS:

UNITED STATES BUREAU OF RECLAMATION

Mr. Mike Holmberg presented a PowerPoint to the Board that reviewed the following topics.

As of October 9, 2024:

- 195,932 acre-feet stored in Pueblo Reservoir
- 141,126 acre-feet of Project Water
- 50,742 acre-feet of Excess Capacity Water
- 11,653 acre-feet of Winter Water
- 104,247 acre-feet of Project Water Space Available in Pueblo
- 9,388 acre-feet of Project Space in Twin & Turquoise Lake

Teacup Diagrams with statistics as of October 10, 2024:

- Ruedi 78% full
- Turquoise 90% full
- Mt. Elbert 77% full
- Twin lakes 84% full

Fixed Cone Valve:

- Malfunctioned on 8/16 Could only close to 25%
- Determined to be gear box and bearings
- Replaced gear box and drive shafts on 9/24; fix completed on 10/3
- Still under clearance to repair coatings inside cone

Cunningham Tunnel Repair:

- Shut down North Side Collection system on 7/29
- Contractor de-mobilizing 10/11
- 4 scour holes have been repaired
- Contractor will be allowed in 7/29/25

Mt. Elbert Powerplant:

- U1 back online in August for 2 days Shut down due to excess wear on new seal
- Two major problems Leakage from newly installed shaft seal
- New filters requiring excessive maintenance
- As of 10/11 Seal has been put into service
- Temporary filter system in place to allow U1 to be used
- Plan to start using Mt. Elbert Conduit on 10/15]
- Road Construction in Lake County
- CR 11 getting new culvert, scheduled to be complete by mid-November

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Questions were asked of Mr. Holmberg.

COLORADO RIVER ISSUES

Mr. Lee Miller gave an update to the Board:

Leann Noga recently met, along with several Front Range Water Council principals, with representatives of the Colorado River District to continue to push that they provide adequate historical use information to analyze the Colorado River District's and Xcel Energy's proposed change of the Shoshone Power Plant water rights. The Colorado River District continues to state they are working to gather this information. 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.

CWCB REPORT

Mr. Greg Felt reviewed with the Board:

- September CWCB Meeting – Finance Committee
- SECWCD Presentation
- Lot of Grants – Water Plan
 1. 41 applications/ 9.3 million funded
 2. December 1st, 14 million is available in new grants
- Technical Assistance Grants
 1. Capacity gap in accessing federal funding
- Shoshone, not much movement
- Colorado River issues are at a stand still
- HCU analysis is still underway
- Jeannine Shaw from Denver Water has been hired by CWCB as Grants Section Chief
- The C-9 Summit was held in Crested Butte Colorado, October 1-2, Mr. Felt reviewed highlights of the event. The Mirasol Documentary was presented, there was a Q&A following the film, with Matt Heimerich and Greg Felt as the panel.

Questions were asked of Mr. Felt

INFORMATIONAL ITEMS:

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

- Water Court Resume
- 2025 Budget Calendar
- Other Business Matters:
 1. Winter Water Annual Meeting – 10/18/2024
 2. NWRA Annual Conference and Leadership Forum – 11/9/2024, Albuquerque New Mexico
 3. CRWUA Annual Conference – 12-4 – 6, 2024, Las Vegas

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4. Districts Board Meeting and Holiday Lunch – 12/12/24

President Long recessed the District Board Meeting at 11:19 a.m. President Long reconvened the District Board Meeting for the purpose of going into Executive session @ 11:46 a.m.

EXECUTIVE SESSION:

Mr. Lee Miller announced a request has been made for the Southeastern Colorado Water District to enter Executive Session for the purpose of:

Discussion with legal counsel on the following matter:

1. Aurora Water Purchase and Uses of Project Facilities by Out-of-District Entities

Pursuant to:

- C.R.S. §24-6-402(4)(b):** (Conferences with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions)
- C.R.S. §24-6-402(4)(e):** (Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators)

The presence of the following persons is requested at this Executive Session:

1. Non-Excused Committee and Board Members (state for the record any who are excused)
 - a. Andy Colosimo
2. Executive Director
3. General Counsel
4. Staff Attorney
5. Special Water Counsel
6. Senior Policy and Issues Manager
7. Principal Engineer-Water Resources

MINUTES WILL BE ELECTRONICALLY RECORDED AS REQUIRED BY THE COLORADO OPEN MEETINGS ACT

Mr. Howard “Bub” Miller moved, second by Mr. Clayton that the Southeastern Colorado Water Conservancy District will enter into Executive Session at 11:48 a.m. The vote was unanimous.

At 12:28 coming out of Executive session, Mr. Lee Miller advised that during the Executive Session the Board received legal advice and the Board provide instruction to negotiators in the Aurora Water Purchase matter and with regard to uses of Project Facilities by Out-of-

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District Entities, and that no action was needed for Executive Session Items.
President Long asked if there were any other matters to come before the District Board,

Mr. Matt Heimerich provided all the Board with an invitation to an event:
The Arkansas Basin Roundtable Presents a Special Event on November 8th, in La Junta CO.
A Presentation will be given on the Arkansas River channel morphology and how it has
changed over time, led by Mr. Bill Tyner, PE.

Hearing no other matters, Mr. Long adjourned the District meeting at 11:53 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