



ARKANSAS VALLEY CONDUIT MONTHLY REPORT

Thursday, August 27, 2026

This monthly newsletter summarizes activities related to the Arkansas Valley Conduit and is made available to the Southeastern Colorado Water Conservancy District Board of Directors and Arkansas Valley Conduit stakeholders. To request a subscription to the Report, please contact info@secwcd.com or view it at <https://www.secwcd.org/>



Participants Meeting

We will have a participants' meeting to discuss the AVC at Colorado State University Extension Office, 27901 County Road 21, Rocky Ford, at 5:30 p.m. Wednesday, September 16, 2026. To join Zoom meeting click the link below:

<https://us02web.zoom.us/j/81440270166>

One tap mobile: 17193594580

AVC Committee

The next meeting date has not been determined. Watch for the date on our Web site.

<https://www.secwcd.org/>

Want to learn more about the AVC?

If your organization would like a presentation on AVC, contact Chris Woodka, 719-289-0785 or email chris@secwcd.com

For past issues of the AVC Report:

<https://www.secwcd.org/>



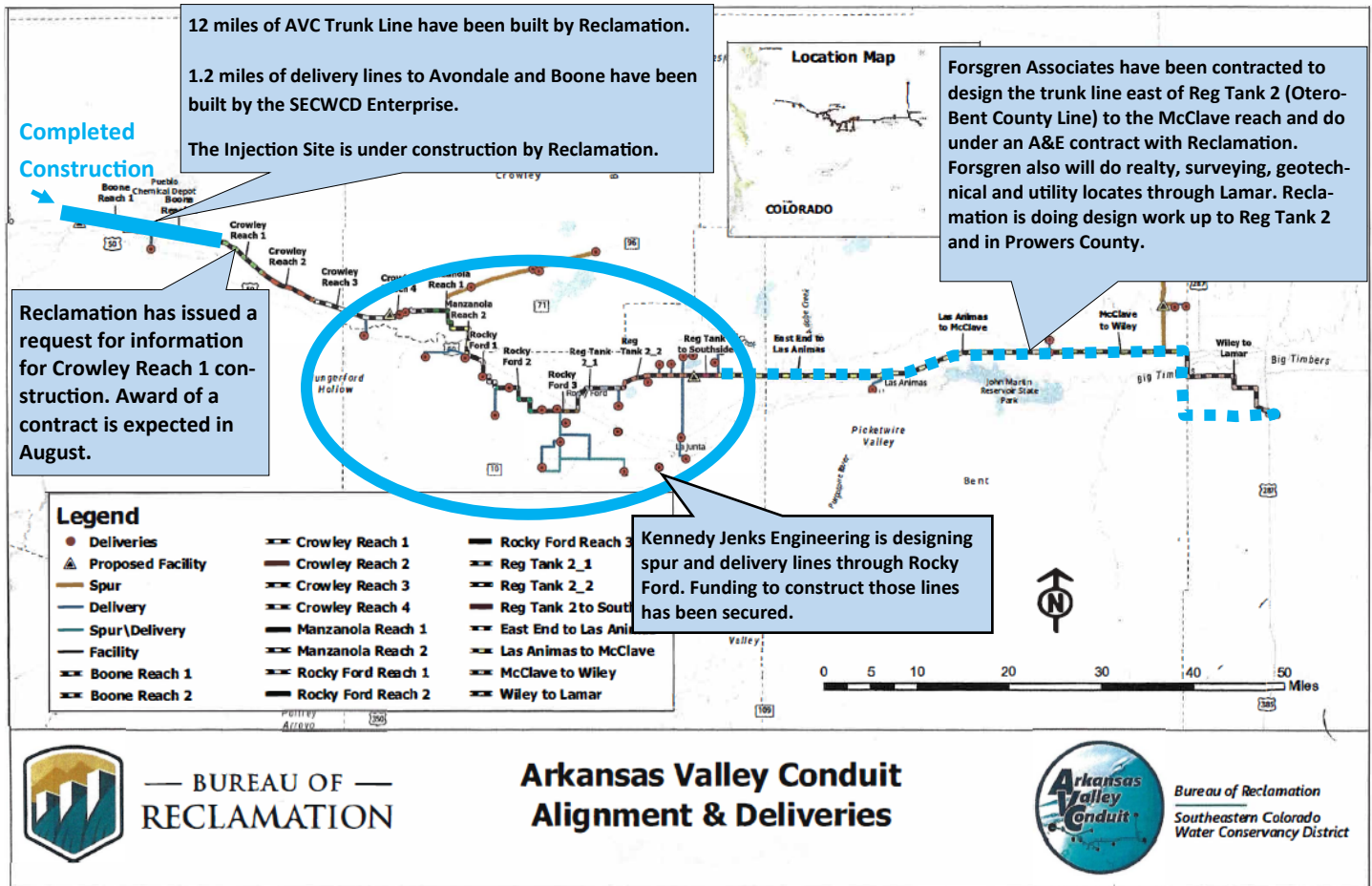
Presentation to CWRPDA

Southeastern Colorado Water Conservancy District Executive Director Leann Noga updated the Colorado Water Resources and Power Development Authority on the status of Arkansas Valley Conduit construction at its meeting in Steamboat Springs on Wednesday, August 19, 2026. Jeff Rieker, Area Manager for the Eastern Colorado Area Office of the Bureau of Reclamation, listens to the presentation. The CWRPDA approved a \$45 million loan in January 2026 for the Enterprise Sub-Project. The Colorado Water Conservation Board will contribute \$22.5 million in grant funds to repay the loan, while the other 50 percent is forgivable, as well as \$2.5 million for design. Otero County is serving as fiscal agent for the grant portion.





AVC PROJECT UPDATE



"39 communities in southeastern Colorado have struggled for decades to obtain clean water. A pipeline more than 60 years in the making finally broke ground in 2023, but recent federal funding changes have raised questions about the pipeline's future. We explore if — and when — the pipe dreams for 50,000 residents along the Arkansas River will become a reality. This documentary from Rocky Mountain PBS journalists details this fight for clean water."

[Watch Pipe Dreams, The Wait For Clean Water on PBS](#)

Enterprise Activity

The Southeastern Colorado Water Activity Enterprise has been working at all levels to continue construction of the Arkansas Valley Conduit.

During July and August, there was an AVC principals meeting with the Bureau of Reclamation, numerous technical meetings with Reclamation, coordination meetings with the Colorado Department of Public Health and Environment and financial coordination with Otero County, Colorado Water Conservation Board and Colorado Water Resources and Power Activity.

The Engineering Team has been working with Kennedy Jenks and participants to complete design work that will lead to construction as well and with landowners along the route to secure permission to enter and easements where needed.



Progress Report



Federal Construction

To date, about 12 miles of a 122-mile trunk line from Pueblo to Lamar has been completed. A contract for the next five miles will be issued soon.

Work is continuing on the Injection Site, which will stabilize water quality for the entire pipeline.

Design work continues for the entire pipeline.

Federal Funding

The 2024 cost estimate is \$1.3 billion.

\$613 million has been received to date.

\$221 million has been obligated, including \$204 million in expenditures.

Repayment

Participants will repay 35%, with miscellaneous revenues reducing their share of federal construction.

Reclamation and the Southeastern Colorado Water Conservancy District are negotiating the contract.

Federal legislation is needed to extend payment period and reduce the interest rate.

Enterprise Construction

The Enterprise is building delivery lines to connect with the trunk line.

Two of 38 delivery lines have been constructed.

Design work is continuing on the next section through Rocky Ford (18 water systems). Meetings are continuing with participants to finalize details.

Enterprise Funding

The Enterprise has commitments for \$90 million in loans and \$30 million in grants from the Colorado Water Conservation Board (CWCB).

The Enterprise has secured approval for \$45 million in funding from the State Revolving Fund, part of which will be matched by the CWCB grant.

Participants and the Enterprise have obligated or spent \$10.4 million.



Water Resources Engineer Robert Banham, Project Manager Hunter Willits, Executive Director Leann Noga, President Bill Long and Vice-President Curtis Mitchell discuss AVC issues at the August meeting.

AVC Committee pondering future policies

The Arkansas Valley Conduit Committee discussed potential policy changes at its August 4, 2026 meeting.

Executive Director Leann Noga told the Committee that the process is just beginning and decisions should be well thought-out before any action is taken.

Water Resource questions that must be answered include:

- ♦ Is the District going to require Project Water to be used in the AVC pipeline once it is completed or continue to use all or some of the water for augmentation?
- ♦ How will the first right of refusal be applied to Return Flows?
- ♦ How will Return Flows be managed and accounted for?
- ♦ How will Return Flows be stored downstream of Pueblo Reservoir? Haynes Creek, a reservoir being built near Boone, could be used, but another storage site must be located further east.
- ♦ Do Return Flows need to be measured? How will that be done?
- ♦ Would a model be available to account for Return Flows from communities that rely on septic systems for wastewater?

“These are items we need to think through and communicate with our customers before we pull a trigger on how we do it. Each participants’ needs are different and we’re here to help them and not put a big strain on them,” Mrs. Noga said.

The questions are frequently asked during meetings on the AVC in the Lower Arkansas Valley. Staff is collecting these questions in order to determine what policy changes should be recommended to the Southeastern Board when water systems begin to come on line as the AVC is built.

Staff also received approval for the Committee, subject to final Board approval, for a study to model to estimate the operation, maintenance and replacement costs as the District prepares to go into negotiations for participant agreements.

Past models only provided costs for the completed AVC, but the District realizes participants will be added as the pipe is built to them so this model will look at interim costs based on the number of water systems that are connected.

The new model should provide information to guide the decision of when it is economically feasible for participants to hook up to the AVC, as well as making better cost estimates available to participants when it comes time to sign contracts that will allow them to connect to the AVC.