

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO
WATER ACTIVITY
ENTERPRISE MINUTES
January 15, 2026**

A meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (Enterprise) was held on Thursday, January 15, 2026, at 9:59 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:

Abby Ortega	Curtis Mitchell	Mike Bartolo
Alan Hamel	Greg Felt	Pat Edelmann
Andy Colosimo	Justin DiSanti (arrived @ 10:09)	Seth Clayton
Ann Nichols	Kevin Karney	Tom Goodwin
Bill Long	Matt Heimerich	

DIRECTOR(S) ABSENT AND EXCUSED:

Dallas May.

DISTRICT OFFICIALS:

Executive Director Leann Noga; Staff Attorney Peter Levish; Senior Policy and Issues Manager Chris Woodka; Engineering Manager, Gordon Dillon; Project Engineer, Trevor Singleton; Water Resources Engineer, Robert Banham; Administrative Manager, Misty Bellino; Administrative Support Specialist Patty Rivas; Accountants, Meg Scarlett and Karen Muniz; H2O Consultant, Roy Vaughan; Jewell, Jimmerson Natural Resources Law, April Hendricks, and Pete Jaacks; Wilson Water Group, Mitch Frischmeyer (remote); and Kogovsek & Associates, Christine Arbogast.

PRESENT VISITORS:

Aurora Water, Abba Ahmed and Rick Kienitz; Pueblo West Metro District, Jeffery DeHerrera and Elissa Velasquez; USGS, Krystal Brown; USBR, Mike Holmberg; and Colorado Springs Utilities, Dan Tucker and Scott Lorenz; and Senator Hickenlooper's Office, Jesse Cruz.

VISITORS CONNECTED THRU ZOOM:

Otero County Commissioner, Tim Knabenshue; Otero County Clerk, Kaysie Schmidt.

CONSENT ITEM:

Mr. Hamel moved, seconded by Mr. Colosimo, to approve:

- The minutes of the December 4, 2025, Enterprise Board meeting
- Treasurer Report for November 025 and DRAFT December 2025

Motion carried unanimously.

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President Long introduced Jesse Cruz, representing Senator Hickenlooper's office of Southern Colorado.

Mr. Cruz addressed the Board by first giving a bit about his background.

- 20 years in the United States Army
- Administrative Officer in the United States Space Force
- U.S. Department of Education, Program Specialist
- El Paso County, Administrative Specialist
- United States Senate, Senator Hickenlooper's office, Regional Outreach Director

A message from Senator Hickenlooper was read:

"We continue efforts in advancing longstanding priorities for Southern Colorado, such as reliable water infrastructure and access to clean drinking water. The AVC has been decades in the making, its completion remains essential to the health and economic vitality and resilience of Southern Colorado communities."

"While recent efforts to override a Presidential veto in the bipartisan "Finish the Arkansas Valley Conduit Act" fell short in the House. The Senator has made clear that Southern Colorado continues to pay the price for Political games, he will keep working to deliver a solution for the community, as well as find alternative solutions to pass this forward. We look forward to partnering with you all, listening, learning, and doing the work together"

President Long again thanked the Senator for his continued efforts on behalf of the project.

PRESENTATION ITEMS:

FEDERAL LEGISLATION UPDATE

Ms. Christine Arbogast gave an update to the Board:

- The Colorado delegation is working on other options to pass measures to make AVC participant costs affordable. They have done everything we could ask in support of us.
- The appropriations measure which includes \$3 m for AVC is on the Senate floor today and is expected to pass. It also includes 2025 funding levels for State Revolving Funds.
- House Agriculture Committee is ready to release a farm bill soon. The Fix Our Forests Act may go to Senate floor after appropriations.

Questions were asked of Ms. Arbogast

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AVC UPDATE

Mr. Woodka gave an update to the Board, reiterating what has already been discussed regarding the Presidential Veto on the “Finish the Arkansas Valley Conduit Act”. It is the Districts mission to keep accurate information going to the Participants, as the media recently failed at doing so.

There is a virtual Outreach Meeting for the Participants being held, Monday January 26th. This will be a verbal discussion of this months newsletter, as it is the Districts stand to not get involved in the unfortunate Political Game, the communities of Southern Colorado have been subjected to, but to dispel any inaccuracies coming from the Media, and to reassure all that the Project is still alive and moving.

WATER RESOURCES UPDATE

Mr. Robert Banham presented in detail the following information to the Board:

Precipitation Outlook

- Discusses expected precipitation trends and forecasts for the upcoming months.
- Highlights potential impacts on water resources and drought conditions.

Soil Conditions

- Evaluates current soil moisture levels across southeastern Colorado.
- Indicates implications for agriculture and water conservation efforts.

Streamflow Conditions

- Analyzes streamflow data and trends in local rivers and streams.
- Assesses the impact of streamflow on water supply and drought management.

Drought Conditions

- Reviews current drought status in Colorado, including affected areas.
- Provides statistics on drought severity and its implications for water resources.

DROUGHT FOR COLORADO

- Details the ongoing drought situation in Colorado.
- Discusses historical drought patterns and their effects on water availability.

Precipitation Outlook

- Reiterates the importance of precipitation forecasts for water management.
- Emphasizes the need for adaptive strategies in response to changing weather patterns.

Soil Conditions

- Summarizes soil health and moisture retention capabilities.
- Highlights the importance of soil conditions for sustainable agriculture.

Streamflow Conditions

- Provides insights into streamflow variability and its effects on ecosystems.
- Discusses the relationship between streamflow and reservoir levels.

DROUGHT FOR COLORADO RIVER

- Analyzes the drought conditions affecting the Colorado River.

Questions were asked of Mr. Banham

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ACTION ITEM:**POLICY 1 REDLINE – LATE ALLOCATION APPLICATIONS/PAYMENTS**

Mr. Banham presented to the Board an action item recommending proposed revisions to Section 21, establishing a formal Late Application and Late Payment Policy, as approved by the Allocation and Storage Committee. (a copy was provided to the Board)

In 2025, District staff and the Board recognized the need to update Section 21 of the Project Water policies to better reflect current administrative practices related to application and payment deadlines. The existing policy, adopted in 1993, strictly prohibits consideration of any application received after the published deadline and automatically voids approved allocations if payment is not received on time. While this approach provides clarity, it does not allow flexibility for minor delays and does not provide a mechanism to address late submissions in a consistent or enforceable manner.

Under the current “hard deadline” policy, applicants who miss the deadline by a short period are automatically excluded, even when the delay is administrative in nature. As a result, otherwise eligible participants may lose access to Project Water, and staff have limited options to address late submissions without formal policy direction. In addition, the current policy does not clearly define participant responsibility once a Project Water request has been made, nor does it establish consequences for unpaid balances beyond voiding the current allocation.

To address these issues, District staff proposes revising Section 21 to establish a formal Late Application and Late Payment Policy that introduces limited flexibility while maintaining accountability and protecting District operations. As part of this revision, late application and late payment fees would be established through the Rate Sheet, where none currently exist. The proposed policy framework would be as follows:

- Applications may be submitted up to five business days after the published deadline and will be considered only upon payment of a late application fee, to be established in the Rate Sheet.
- All applications received after the published deadline will be treated as late applications, and the District will notify the applicant and provide an opportunity to submit the required late application fee.
- Failure to submit the late application fee upon notification will result in the application being deemed ineligible for review.
- Payments for Project Water may be accepted after the published deadline with an applicable late payment fee, to be established in the Rate Sheet, and Project Water will be made available once payment is received.
- Once a request for Project Water is made, participants remain financially responsible for the allocation, even if they later withdraw.
- Failure to submit payment, including any applicable late fees, will result in the participant being ineligible for all future Project Water allocations until the outstanding balance is paid in full.
- The Board retains the discretion to modify or waive the Late Application and Late Payment Policy, either at its discretion or upon receipt of a written request for consideration.

The proposed revision replaces the current absolute prohibition on late applications and payments with a structured policy framework, provides clear authority to establish late fees, and improves administrative consistency while preserving Board discretion and protecting District financial interests.

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Mr. Colosimo moved, seconded by Mr. Heimerich, that the Board approve the proposed redlined changes to the Allocation Policy, including revisions to Section 21 addressing late applications and late payments, as presented by staff, with the understanding that no late application or late payment fines will be assessed during the 2026 allocation year and that such fines will begin in the 2027 allocation year. Motion carried unanimously.

INFORMATION ITEMS:

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

- Arkansas Valley Conduit Newsletter
- JWBHP Update
- SNOTEL Update
- Excess Capacity Master Contract Update

President Long adjourned the Enterprise Board Meeting @ 10:25 a.m. and reconvened the District Board Meeting.

EXECUTIVE SESSION:

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

Discussion on the following matter:

Aurora Water Transfer

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 individuals are requested at this Executive Session:

1. Non-Excused Board members, (state for the record any who are excused)
2. Executive Director
3. Staff Attorney
4. Senior Policy and Issues Manager
5. Outside Legal Counsel
6. Water Resources Specialist

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

MOTION

VOTE (2/3 needed)

At this time the Southeastern Colorado Water Conservancy District will enter into Executive Session.

Mr. Hamel moved, seconded by Mr. Felt, that the Southeastern Colorado Water Conservancy District will enter into Executive Session at 10:32 a.m. The vote was unanimous.

At 11:41 a.m. coming out of Executive session, Mr. Peter Levish advised that there was discussion with legal counsel instructing, and that no action was needed for Executive Session Item:

1. Aurora Water Transfer

President Long asked if there were any other matters to come before the District Board, hearing no other matters, Mr. Long adjourned the District Board meeting at 11:44 a.m.

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Respectfully submitted,

Patty Rivas
Administrative Support Specialist

Seth Clayton – Secretary

Bill Long – President

Greg Felt

Curtis Mitchell – Vice President

Justin DiSanti

Ann Nichols – Treasurer

Kevin Karney

Abby Ortega

Matt Heimerich

Alan Hamel

Mike Bartolo

Andy Colosimo

Pat Edelman

Dallas May

Tom Goodwin