

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO WATER
ACTIVITY ENTERPRISE
MINUTES
April 21, 2022**

President Long convened the meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (Enterprise) to order at 9:43 a.m., Thursday April 21, 2022, to be held in conjunction with the District Board meeting to present the 2021 Annual Audit Presentation.

Leann Noga gave a special thank you to Stephanie Shipley and Lynette Holt for their work in the audit process.

Mrs. Noga introduced Mitchell Downs from Erickson, Brown & Kolster, Inc, who represents the firm that conducted the 2021 audit. Mr. Downs read the Independent Auditor's Report.

ACTION ITEMS:

APPROVAL OF 2021 ANNUAL AUDIT

Mr. Garcia moved seconded by Mr. Pifher, the audit of the 2021 financial statement of the District and Enterprise be approved as presented. Motion unanimously carried.

Ms. Noga received and addressed questions by the Board.

APPROVAL OF 2021 FINANCIAL STATEMENTS

Mr. Clayton moved, seconded by Mr. Karney, the 2021 financial statements of the District and Enterprise be approved as audited. Motion unanimously carried.

President Long thanked Leann Noga and the finance team.

President Long Recessed the Enterprise Board Meeting at 9:50 a.m. that was held in conjunction with the District Board meeting.

President Long reconvened the meeting at 11:24 a.m. and welcomed all in attendance to the meeting.

President Long established that a Quorum was present.

DIRECTORS PRESENT:

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

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DIRECTOR(S) ABSENT AND EXCUSED:

Carl McClure, and Greg Felt

ENTERPRISE OFFICIALS PRESENT:

General Counsel Lee Miller and Staff Attorney Peter Levish; Senior Policy and Issues Manager Chris Woodka; Water Resource Engineer Garrett Markus; Administrator of Finance and Administration Leann Noga; Accountant Stephanie Shipley; Accounting Specialist Lynette Holt; Administrative Support Specialist's Margie Medina and Patty Rivas; Christine Arbogast Kogovsek and Associates.

VISITORS PRESENT:

Garrett Hyde and Oliver Wesley, JHL Constructors; Brandon Forbes and Krystal Brown, USGS; Mike Holmberg, USBR; Bill Tyner, Division Engineers Office; Jerry Pena, Kennedy Jenks; and Mitch Downs, Erickson, Brown & Kloster, Inc.

VISITORS CONNECTED REMOTELY:

Brandon Bernard, Widefield Water and Sanitation; Curtis Thompson, AECOM; Erin Wilson, Wilson Water Group; Kari Linker, Senator Hickenlooper's Office; Kevin Salter and Rachel Duran, Kansas Department of Agriculture; Luke Mecklenburg, Assistant Attorney General's Office Water Unit; Rick Kienitz, Aurora Water; Roy Heald, Security Water; and Scott Lorenz Colorado Springs Utilities.

APPROVAL OF MINUTES:

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

President Long said the minutes of the April 7, 2022, Special Enterprise Board meeting were posted to the Board website for review and asked if there were any corrections or additions. Hearing none, Mr. Garcia moved, seconded by Mr. Hamel to approve the minutes. Motion unanimously carried.

TREASURER REPORT:

Ms. Nichols reported the financial statements for March 2022, were posted to the Board website for review. Ms. Nichols moved, seconded by Mr. Clayton, for acceptance of the March 2022 financial statements and payment of the April 2022 bills. Motion unanimously carried.

PRESENTATION ITEM:

LEGISLATION UPDATE

Christine Arbogast reported to the Board the FY '22 appropriations process is underway, with the \$10 million for the Arkansas Valley Conduit included. A request for an earmark to increase was not made because it was determined that the better approach is to work directly with the Bureau of Reclamation (Reclamation) on how they plan to blend their baseline budget requests with added dollars from the infrastructure funding.

There are four ways that the participants can help to meet their cost needs for connections and system improvements: 1) earmarks, 2) USDA rural development, 3) state revolving funds through the Water

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and Power Authority, and 4) Corps of Engineers.

Ms. Arbogast is working to get a definitive answer from Reclamation about how such funding is counted as non-federal, or non-Bureau, which meets the criteria for getting dollars from resources other than Reclamation.

There are a few water bills floating around, but unlikely to be enacted. The Water Resources Development Act is up and is likely to pass, but that is primarily a Corps of Engineers bill, not Reclamation.

There is discussion taking place about forest and watershed health and the upcoming Farm Bill in 2023.

ACTION ITEM:

APPROVAL OF PONCHA SPRINGS WELL TO UPPER ARKANSAS WATER CONSERVANCY DISTRICT

Mr. Garrett Markus presented an action item to the Board recommending the Board approve the transfer of Project Water from Town of Poncha Springs to Upper Arkansas Water Activity Enterprise for augmentation purposes.

Town of Poncha Springs has applied to have the Upper Arkansas Water Activity Enterprise augment their wells. Town of Poncha Springs proposes to provide the Upper Arkansas Water Activity Enterprise with Project Water for this purpose, as opposed to purchasing water from the Upper Arkansas Water Activity Enterprise.

Mr. Hamel moved, seconded by Mr. Clayton, the Enterprise Board approve the transfer of Project Water from Town of Poncha Springs to Upper Arkansas Water Activity Enterprise for augmentation purposes. A copy of the Upper Arkansas Water Activity Enterprise Augmentation Application was provided to the Board. Motion unanimously carried.

INFORMATION ITEMS:

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

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

Mr. Long mentioned to the Board that the Arkansas River Basin Water Forum will be taking place at the end of April. Mr. Lee Miller reminded the reappointed and new Board members to remember to turn in the necessary paperwork to Lynette Holt. Hearing no other matters to be brought before the Enterprise Board, Mr. Long adjourned the meeting at 11:40 a.m.

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Respectfully submitted,

Patty Rivas
Administrative Support Specialist

Secretary
