

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO
WATER CONSERVANCY
DISTRICT MINUTES
October 19, 2023**

A meeting of the Board of Directors of the Southeastern Colorado Water Conservancy District (District) was held on Thursday, October 19, 2023, 9:34 a.m., at the District office, 31717 United Avenue, Pueblo, Colorado. The ZOOM platform was also made available for Board members and visitors.

President Long asked Margie Medina for a roll call of those connected via ZOOM.

DIRECTORS PRESENT:

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

DIRECTOR(S) ABSENT AND EXCUSED:

Howard "Bub" Miller

President Long established that a Quorum was present.

President Long called on Mr. Garrett Markus to give a brief tutorial for the new Audio/Visual upgrades that have been done to the Board Room and Executive Conference Room. The need was apparent during COVID when we needed to have remote meetings. The rooms were not equipped to do both In-Person and Remote meetings simultaneously. Mr. Thad Graham from CTI, the vendor that installed the equipment, was present to observe the meeting, to be able to make necessary adjustments, based on the needs of our Board. Mr. Jim Broderick emphasized the importance of refraining from "side conversations" by Board seated at the Board Room Table. The new equipment in the Board Room, is voice activated. It will send the camera to where the voice is coming from, thus interrupting the speaker, where the focus should be on.

INTRODUCTION OF VISITORS:

President Long asked all present to introduce themselves and welcomed the visitors to the meeting.

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DISTRICT OFFICIALS:

Executive Director James Broderick; General Counsel Lee Miller (remote); Staff Attorney Peter Levish (remote); Senior Policy and Issues Manager Chris Woodka; Water Resources Principal Engineer Garrett Markus; Principal Engineer's Mark Scott; Director of Administration and Finance Leann Noga; Administrative Support Specialist's Margie Medina and Patty Rivas (remote); Finance Manager Stephanie Shipley; H2O Consultant Roy Vaughan; and Kleinfelder Gordon Dillon.

VISITORS PRESENT:

Aurora Water, Abba Ahmed; USGS, Andrea Creighton, Andrew Klakulak, Erin Hennessey, and Krystal Brown; Otero County Commissioner's, Rob Oquist, and Tim Knabenshue; CTI, Thad Graham; and Arkansas Headwaters, Tom Waters.

VISITORS CONNECTED VIA ZOOM:

Representative Lauren Boebert's office, Cathy Garcia (@ 9:46) AECOM, Curtis Thompson; Pueblo West Metro District, Jeffery DeHerrera; Luke Mecklenburg, Assistant Attorney General Interstate Water Unit; USBR, Mike Holmberg; Kansas Department of Agriculture, Rachel Duran; Colorado Division of Water Resources, Rachel Zancanella; Security Water & Sanitation District, Roy Heald (@ 10:11); and JHL Construction, Travis White.

APPROVAL OF MINUTES:

President Long said the minutes from the September 21, 2023, District Board meeting was posted to OnBoard and the website for review and asked if there were any corrections or additions. Hearing none, Mr. Hamel moved, seconded by Mr. Pifher, to approve the minutes. Motion unanimously carried.

TREASURER REPORT:

Mr. Karney reported the financial statements for September 2023, were posted to OnBoard and the website for review. Mr. Karney moved, seconded by Mr. Clayton, for acceptance of the September 2023 financial statements and payment of the October 2023 bills. Motion unanimously carried.

PRESENTATION ITEMS:

GFOA DISTINGUISHED BUDGET PRESENTATION AWARD FOR THE 2023 BUDGET PUBLICATION

Mrs. Noga presented to the Board the Government Finance Officers Association (GFOA) established the Distinguished Budget Presentation Awards Program to encourage and assist state and local governments in preparing budget documents with a very high quality that reflect both the guidelines established by the National Advisory Council on state and local budgeting and the GFOA's best practices on budgeting. In addition, to then recognize these individual governments with the success in achieving this goal. The guidelines are designed to assess how well an entity's budget serves as; a policy document, a financial plan, an operations guide, and a communications device. The GFOA Distinguished Budget Presentation Award is the highest form of recognition in governmental budgeting.

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More information can be found at <http://www.gfoa.org/budgetaward>.

The District has now earned the award for the twelfth time for the 2023 Budget Publication. The 2023 Distinguished Budget Presentation Award is presented to the Finance Team of the Southeastern Colorado Water Conservancy District. The Finance Team is made up of Jim Broderick, Leann Noga, Chris Woodka, Stephanie Shipley and Lynette Holt.

ACTION ITEMS:

PUEBLO URBAN RENEWAL AUTHORITY: THE BLUFFS

Mr. Jim Broderick presented to the Board an action item recommending the Board authorize the Executive Director to execute an agreement with the Pueblo Urban Renewal Authority (PURA) to provide tax increment financing for an urban renewal project: The Bluffs.

The purpose of this Plan is to implement those provisions of the Comprehensive Plan and the City Strategic Plan that applies to the Urban Renewal Area. The provisions of this Plan are intended to help provide important services to the area, eliminate, and prevent conditions of blight, attract private investment, utilize underdeveloped land, and leverage public investment and funding mechanisms to promote redevelopment and rehabilitation of the area by private enterprise, and where necessary, provide necessary public infrastructure to serve the area.

This Urban Renewal Plan has been proposed for consideration by the City Council of Pueblo pursuant to the provisions of the Act. The administration of the project and the implementation of the Plan shall be the responsibility of the (PURA). The Bluff, an Urban Renewal Area ("URA" or "Plan Area") is within the City of Pueblo's municipal limits. The area, titled "Bluffs Phase 1" includes 5 parcels encompassing 3.3 acres including public right-of-way and are zoned R-5 residential.

The most significant term of the proposed Agreement is the waiver of the right to receive incrementally increased property tax payments on the property for twenty-five years. The Plan Area located within Southeastern Colorado Water Conservancy District, has a 0.839 Mill Levy. The District's share of the current property tax base will continue to be collected by the District. The base amount is expected to grow at 3% every two years and generate a total of approximately \$56,000 over the 25-year period.

The impact report and a copy of the agreement were posted for the Boards review.

Mr. Hamel moved, seconded by Mr. Colosimo, the Board of Directors recommend the Executive Director draw up an agreement with the Pueblo Urban Renewal Authority to provide tax increment financing for the Bluffs Phase 1 Urban Renewal Plan. Motion unanimously carried.

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STATEMENT OF OPPOSITION IN THE APPLICATION OF SECURITY WATER AND SANITATION DISTRICT, CASE NO. 23CW3039 (WATER DIVISION 2)

Mr. Peter Levish presented an action item to the Board recommending that the District Board authorize the filing of a statement of opposition by Special Water Counsel in the Application of Security Water and Sanitation District, Case No. 23CW3039.

Security Water District has decreed plans for augmentation in Case Nos. W-4212, 90CW28, 01CW149, 06CW117, 07CW51, which are used to replace depletions to Fountain Creek resulting from Security's municipal well field diversions from the Widefield Aquifer in El Paso County. Security Water District seeks to quantify the historical consumptive use yield of 86 unchanged Fountain Mutual Irrigation Company (FMIC) shares and to change FMIC shares to all municipal uses, including without limitation, storage and augmentation, and the right to use, reuse, and successively use to extinction the historical use yield after replacement of historical return flows under the existing Augmentation Plans. These Augmentation Plans include Fryingpan-Arkansas Project Water. Security further seeks approval of a permanent plan of augmentation to replace out of priority depletions associated with two ponds located on the sewer treatment plant operated by Security.

Among the objectives that the District will have in this case are:

1. Ensure that any use of Project Water and Project Return Flows is in accordance with the District's Policies.
2. Ensure that Security proposed Augmentation Plan and change of FMIC shares is consistent with previous changes of FMIC shares.
3. Ensure that all historic return flows are replaced in a manner that avoids injury to the District's rights and operations.

Mr. Garcia moved, seconded by Mr. Pifher, that the District Board authorize the filing of a statement of opposition by Special Water Counsel in the Application of Security Water and Sanitation Districts, Case No. 23CW3039. Motion unanimously carried.

MONTHLY/QUARTERLY REPORTS:

COLORADO DIVISION OF WATER RESOURCES – DIVISION ENGINEER

Mrs. Rachel Zancanella reported to the Board *CBA-CLE - Water Law, Basin and Groundwater Administration*. The following topics were covered:

- Introduction
 1. Division 6
 - a. Yampa River
 - b. White River
 - c. North Platte River
 - d. Green river
 2. Division 2
 - a. Over-appropriated

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- b. Highly administered groundwater and surface water
- c. Heavy Compact administration
- New Appropriations in Water Court (example: Springs)
 - 1. Division 6-Water available for appropriations, new water rights for new appropriations awarded.
 - 2. No appropriated water, except Denver Basin, exchanges, Aug plan to operate and make absolute or formerly futile call.
- Administration-Headgates and Measuring devices.
 - 1. Division 6-Historic requirement, more calls and administrative need, Division 6 measurement rules.
 - 2. Division 2-can not divert, measuring devices are always necessary to divert water.
- Administration of instream flow water rights
 - 1. Division 6-over 200 decreed instream flow water rights, admin of Elk River instream flow, contact by CWCB.
 - 2. Division 2-Always out-of-priority, no measurement, 37-92-102(3)(b)
- Administration of exchanges
 - 1. Division 2-Daily operations, very complex, competition for exchange potential
 - 2. Division 6-some administration of administrative exchange
- Compact Administration
 - 1. Division 2-integral part of daily operations, 122 years of "Compact Doctrine," continued ongoing communication between states.
VS
 - 2. Division 6, Nebraska Wyoming decree, articles XI and XIII of the Upper Colo River Compact
 - 3. Division 6, Upper Colo River Compact Article XIII & XI, Nebraska vs Wyoming Decree, Pot Creek MOU
- Concluded with this summary.
 - 1. Prior appropriation is foundation.
 - 2. despite differences, fair and equitable process
 - 3. unintended consequences
 - 4. interesting and challenging administration

The Board was given opportunity to ask questions or comment to Mrs. Zancanella

U.S GEOLOGICAL SURVEY

Mrs. Krystal Brown introduced two Hydrologists, Erin Hennessey, and Andy Creighton to present "Enhanced snowpack monitoring in the Fry-Ark Project Updates":

- Project Goals and the Presentation Overview-Recap Field Efforts, Data Collected, Lessons Learned, Moving Forward
- Snow Persistence above SNOTEL
- Snowmelt Runoff Diversions
- Field Efforts
- Collaboration with Colorado Mountain College (CMC) Avalanche Science Program
- Snow Depths
- Snow Pits

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- Dust Layer
- Ground Penetrating Radar Signals
- Status of the Permit-BOR WaterSMART grants submitted, \$200,000 over two years requested.
- Lessons Learned
 1. Access
 2. Personnel
 3. Equipment
 4. Site Recon
 5. Utility of Permanent Station to Gage snowpack changes real-time

Questions were asked of the USGS team.

COLORADO PARKS AND WILDLIFE/ARKANSAS HEADWATERS

Mr. Tom Waters updated the Board by discussing:

- Voluntary Flow Management Program (VFMP)
 1. None of the 10k released.
 2. BOR released water for Mt. Elbert Hydro repair/WAPA request (350)
 3. Pueblo Water coordinated/communicated their release as well.
 4. Construction Projects
 - a. Mt. Elbert Hydro Dec 4-February
 - b. Low Head Dam October 23-December
 - c. Scout Wave January
 - d. Pocket Wave-Postponed
- Paul Foutz will be coordinating the calls for Fall and Winter
- Park Updates
 1. Staffing
 2. Visitation on track to meet last year's numbers of 1,152,907.
 3. Visitation was up in June despite the cooler weather.
 4. Camping revenue showed slight increase over '22.
 5. Commercial Outfitters' numbers are still coming in.
 6. Low Head Dam Project
 7. Parkdale Boat Ramp
 8. Keep Colorado Wild (KCW) fee at time of vehicle registration

Questions were asked of Mr. Waters

STATE LEGISLATIVE UPDATE

Mr. Lee Miller updated the Board stating the next Water Resources and Agriculture Review Committee (WRARC) meeting will be held on October 31, 2023, at which time the WRARC will consider 16 proposed pieces of legislation for the next legislative session.

Governor Jared Polis has appointed Lauren Ris, Director of the Colorado Water Conservation Board, to serve a term expiring at the pleasure of the Governor, to the Arkansas River Compact Administration. In addition, Scott "Lane" Malone of Holly, Colorado, has been

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reappointed to serve as a resident of and water right owner in water district 67, for a term expiring August 16,2027.

Governor Polis also announced Rebecca Mitchell as the Director of Compact Negotiations for the Colorado Water for the 21st Century Act. The Director is charged with the development of a negotiation framework and foundational principles to guide voluntary negotiations between basin roundtables, the facilitation of continuing discussions within and between basins on water management issues, and to encourage locally driven collaborative solutions to water supply challenges. Dan Gibbs previously held this position, Department of Natural Resources Executive Director.

COLORADO RIVER ISSUES

Mr. Lee Miller updated the Board on SB23-295 Colorado River Drought Task Force (CRDTF) meeting on October 12, 2023, in Ignacio. Lee Miller is the District's representative to the CRDTF; Jim Broderick is the alternate.

The meeting schedule for the rest of the year is as follows:

- October 26 (Towaoc; Jim will attend)
- November 9, all day (Glenwood Springs) and Nov. 16th (virtually)
- December 7 (Water and Power Authority Offices in Downtown Denver)

In addition, Mr. Miller gave a CRDTF presentation to the Arkansas Basin Roundtable on October 11,2023.

Questions were asked of Mr. Miller.

CWCB REPORT

Mr. Greg Felt reported to the Board on the following topics:

- August Meeting- Final announcement of new Executive Director: Lauren Ris has been appointed.
- Becky Mitchell was appointed Head of the Interbasin Compact Committee (IBCC), taking over for Dan Gibbs
- Kevin Rein will be stepping down at the end of the year as State Engineer
- Robert Sakata is now Vice Chair of the CWCB Board, replacing Bob Broscheid
- Progress continues on the Operational Plan
- System Conservation Pilot Program, a re-authorization decision will be done in November
- A proposal by the Colorado River Water Conservation District to acquire the Shoshone Hydroelectric Facility for approximately \$99 million.
- The next C-9 Summit, where all of the Basin Roundtables come together, will be held November 14th.
- November 15 and 16 will be the next CWCB meeting

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INFORMATIONAL ITEMS:

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

- Water Court Resume
- Winter Water Annual Meeting – October 20, La Junta
- NWRA 2023 Leadership Forum- San Antonio, TX
- December Board Meeting, Thursday December 7
- CRWUA, Las Vegas, NV

President Long mentioned that the Proposed 2024 Budget is available for those that may want it. Hearing no other matters to come before the Board, Mr. Long adjourned the District Meeting at 11:08 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

Kevin Karney

Ann Nichols – Treasurer

Mark Pifher

Alan Hamel

Matt Heimerich

Andy Colosimo

Pat Edelmann

Dallas May

Patrick Garcia

Greg Felt

Tom Goodwin