

ARKANSAS VALLEY CONDUIT COMMITTEE
MINUTES
April 24, 2025

A meeting of the Arkansas Valley Conduit (AVC) Committee was held at 10:00 a.m. April 24, 2025, at District offices and via electronic and telephonic means.

Chairman Kevin Karney announced a quorum was present for the AVC Committee.

AVC COMMITTEE MEMBERS PRESENT:

Kevin Karney – Chairman, Matt Heimerich (via Zoom), Dallas May (via Zoom) Bill Long, and Leann Noga

AVC COMMITTEE MEMBERS ABSENT AND EXCUSED:

Justin Di Santi

OTHERS PRESENT:

Curtis Mitchell, Ann Nichols, Mike Bartolo, Pat Edelmann and Seth Clayton, SECWCD Board members (all via Zoom); Harry Martin, citizen from Boone; Curtis Thompson, AECOM (via Zoom); Bill McDonald, McDonald Water Policy (via Zoom); Will Kroger, Forsgren Associates; Tom Seaba, City of La Junta (via Zoom); Gordon Dillon, Chris Woodka, Patty Rivas, Lee Miller (via Zoom), Peter Levish (via Zoom), and Stephanie Shipley, SECWCD staff.

APPROVAL OF MINUTES:

Bill Long moved, and Leann Noga seconded approval of the January 23, 2025, AVC Committee meeting minutes. Motion passed unanimously.

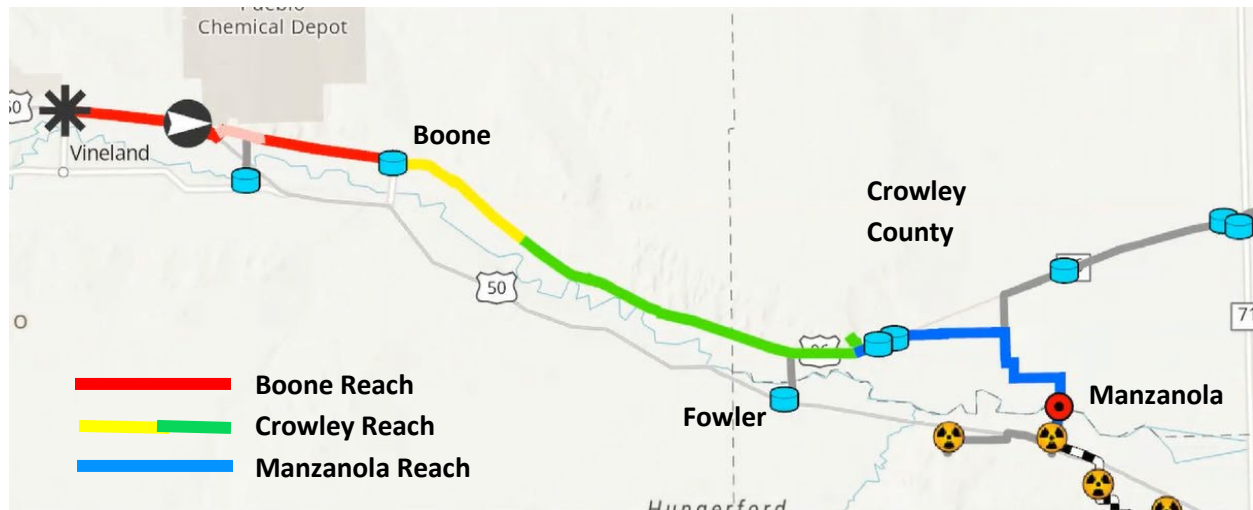
PRESENTATIONS:

AVC Reclamation Sub-Project

Gordon Dillon updated the Committee on the progress of the Reclamation Sub-Project, following the Principals Meeting with Bureau of Reclamation (Reclamation) on March 12, 2025. Reclamation updated the Enterprise on the anticipated schedule and funding currently available for AVC design and construction.

Final design for the entire AVC from Boone to Lamar is expected to be completed by 2028 using the available funding, while construction will continue to Manzanola. The Technical Services Center (TSC) is designing everything from Pueblo to Regulating Tank 2, which is located north of La Junta, while an architectural and engineering (A&E) contract will be used for the Trunk Line after that point. Reclamation is designing parameters for trenchless crossings, such as waterways, highways and railroads, that will eventually be constructed under a design-build contract.

Construction contracts have been awarded for the entire Boone Reach, and completion is expected to be complete in 2027 because of delays at the Injection Site. There are 4 reaches in



Detail from a map showing reaches of the Reclamation Sub-Project.

what Reclamation calls the Crowley Reach and two in the Manzanola Reach. If all goes according to schedule, construction of the AVC to Manzanola is expected to be complete by March of 2030.

As of February 2025, the AVC has received \$500 million from the Infrastructure Investment and Jobs Act (IIJA), which is also known as the Bipartisan Infrastructure Law (BIL). Of that amount \$147,731,953.45 has been spent and \$175,903,369.33 obligated, meaning it is designated for specific contracts that have not been awarded.

Bill Long asked whether contracts for the construction between Boone and Manzanola would be awarded individually or lumped together. Mr. Dillon said some of the contracts have been grouped. Leann Noga explained that for the Enterprise, the goal is to match Reclamation's schedule for the Trunk Line, as the Enterprise constructs spurs and delivery lines.

Mr. Dillon updated construction:

Boone Reach 1: WCA Construction LLC has installed all of the pipeline for the first leg of the Trunk Line and is installing sectionizing valves and blow-offs.

Boone Reach 2: Pate Construction has resolved two issues where gas lines had to be moved and has about 1,000 feet to complete and should be close to schedule.

Injection Site: Thalle Construction Company is behind schedule and realistically will not be finished with construction by mid- to late-2027.

Matt Heimerich asked about issues with the Colorado Canal, which is in the vicinity of Regulating Tank 1. Original access was going to be on the canal road, which is not suitable for construction and maintenance. A bridge will be built over the canal where the tank will be built.

Federal Legislation

Mrs. Noga, Mr. Long, Christine Arbogast, Seth Clayton and Andy Colosimo will be in Washington D.C. for the National Water Resources Association Water Policy meeting April 28-30 and will discuss the progress of legislation with Congressional officials. Legislation to extend time and reduce interest for AVC repayment has been introduced, but there is no progress reported.

Reclamation Staffing

Mrs. Noga and Bill McDonald provided an update on Reclamation staffing. About 400-500 transitional employees were fired, and 1,000 more are looking at retirement buyouts. That would leave about 4,000 employees, although some of those could move to the Department of Interior for certain services. Some may be asked to apply for their jobs. There are apparently enough Reclamation employees to open the Collection System and operate Pueblo Dam, but even Reclamation is uncertain of the final outcome under the current administration.

AVC Enterprise Sub-Project

Mr. Dillon updated the Committee on prior actions approved by the Committee.

Kennedy Jenks signed an agreement with the Enterprise to finish environmental clearances in the amount of \$72,666 on April 7, 2025, and AECOM is expected to sign a similar agreement for \$10,000. The work is to complete contracts to 30 percent level of design for the entire AVC. Kennedy Jenks is finishing its work in Otero County using American Rescue Plan Act (ARPA) funds, while AECOM's work will be paid using the AVC fund balance.

No plans to continue design contracts have been made, and only the delivery lines and spurs in the Crowley and Manzanola Reaches will be designed. The Enterprise has applied for PFAS funding (remediation for "forever chemicals") which may be used in the case of the Crowley County Water Association, Olney Springs Fowler, and Manzanola.

Mrs. Noga reviewed the progress of a four-party agreement for funding among the Enterprise, the Colorado Water Conservation Board (CWCB), the Colorado Water Resources and Power Authority (CWRPDA) and Otero County. The CWRPDA is still reviewing the agreement, and Mrs. Noga will attend an April 25, 2025 CWRPDA meeting in Denver where action may be taken.

Mr. Dillon outlined the process for application of State Revolving Funds (SRF). Pre-qualification was completed in January 2024, and a pre-qualification meeting took place in March 2024.

The next step is loan application, which involves a Project Needs Assessment (PNA), the environmental checklist, basis of design and application.

Mrs. Noga stressed that the design must be completed prior to application. This led to a discussion of how design contracts will be paid, which will determine if any CWCB grants can be used for design, or if they can be saved for leveraging SRF loans. PFAS funds could lower design costs by about \$360,000.

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Other sources of funding, such as USDA Rural Development, were discussed as well. Rocky Ford has used this source for wastewater funding. Mr. Dillon said he has talked to several participants about sources of funding, as well as technical issues.

Participant Meetings

A workshop with the La Junta Utility Board is scheduled for May 12. This will be a general update of the project.

County Commissioners in the six counties in the AVC project will meet with the Enterprise in Rocky Ford on May 29. This is to update and inform new Commissioners.

A full participants meeting is planned in June, date to be determined.

ACTION ITEMS:

None

OTHER BUSINESS:

None

NEXT MEETING

The next meeting will be scheduled in the future.

ADJOURN

Chairman Kevin Karney adjourned the meeting at 11:08 a.m.

Respectfully submitted,

Chris Woodka
Senior Policy and Issues Manager