

**ARKANSAS VALLEY CONDUIT COMMITTEE**  
**MINUTES**  
**May 13, 2022**

A meeting of the Arkansas Valley Conduit (AVC) Committee was held on Friday, May 13, 2022 at 10:00 a.m. at District headquarters 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, Howard “Bub” Miller – Vice Chairman (remote), Dallas May (remote), Bill Long, and Jim Broderick

**AVC COMMITTEE MEMBERS ABSENT AND EXCUSED:**

None

**OTHERS PRESENT:**

Matt Heimerich (remote) and Mark Pifher (remote), SECWCD Board Members; Lee Miller, Peter Levis, Leann Noga, Mark Scott, Garrett Markus, Chris Woodka, SECWCD staff; Christine Arbogast, Kogovsek & Associates (remote), Jason Meyer, GMS Consulting Engineers; and Joe Kelley.

**APPROVAL OF MINUTES:**

Bill Long moved, and Jim Broderick seconded approval of the April 7, 2022 AVC meeting minutes. Motion passed unanimously.

**PRESENTATIONS:**

**AVC Update** – The Committee was updated on the progress of recent activities by Enterprise staff, the Bureau of Reclamation and GMS Consulting Engineers relating to the AVC.

**Fiscal Agent** – The Fiscal Agent Agreement approved by the Committee and the Board on April 7, 2022 was approved by Otero County on April 11, 2022. The agreement allows Otero County to administer the \$10 million Colorado Water Conservation Board grant on behalf of the Enterprise. Lee Miller reviewed.

**Outreach Meetings** – A meeting was held with the Rocky Ford City Council and Enterprise officials on April 12, 2022, to explain the AVC project and answer questions.

At the request of the Lower Arkansas Valley Water Conservancy District (LAVWCD), Enterprise staff made a presentation to the LAVWCD Board on April 20, 2022.

A meeting is planned for 5 p.m. May 16, 2022 with the La Junta City Council to answer questions about the AVC project. Reviewed by Chris Woodka and Leann Noga.

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**GMS Services** – Consultants for the Enterprise have been meeting with participants and preparing reports on each AVC participant to assess needs each water system has in connecting to the AVC. These reports also will look at the financial information associated with those water systems for loan applications. – Mark Scott reviewed.

Mr. Scott said GMS has completed 50 percent of the total reports and they are in final stages for completion, and data has been gathered for 25 of 39 participants. Consolidation reports have been completed for Crowley County and the La Junta area.

**CDPHE Compliance Orders** – The Colorado Department of Public Health and Environment issued Compliance Advisory - Enforcement Orders to 16 AVC water systems on April 6, 2022. All of the systems are in violation of EPA drinking water standards for radionuclides in groundwater. The advisories relate to previous compliance orders which required alternative compliance strategies by December 31, 2022, if the water system is not to be connected to AVC by December 31, 2025.

These orders were accompanied by five questions:

1. Does the Supplier intend to connect to the Arkansas Valley Conduit?
2. If the Supplier intends to connect to the Arkansas Valley Conduit, can the Supplier implement any interim measures (blending, treatment, etc.) to lower contaminant levels until they are able to connect?
3. If the Supplier does not intend to connect to the Arkansas Valley Conduit, is the Supplier planning to complete a drinking water design application for an alternative compliance strategy?
4. Has the Supplier identified any distribution system improvements that will be critical for maintaining long-term compliance with the MCLs (Maximum Contaminant Levels)?
5. Has the Supplier identified a funding plan for system improvements, either for connection to the Arkansas Valley Conduit or for an alternative compliance strategy?

The AVC participants were required to reply with answers to the questions by May 6, 2022. Mr. Woodka reviewed.

Mark Pifher asked if all of the responses had been filed, and how the financial questions were answered without the GMS reports.

Mr. Woodka replied that GMS offered to help many of the participants. Those which had not responded to that offer would answer the questions to the best of their ability.

Not all of the recipients have responded. Not all 39 recipients received letters, only those with radionuclides in their water supply.

**Design Bids** – The Enterprise advertised a Request for Proposals (RFP) for design of AVC delivery lines to Avondale and Boone, and a Request for Qualifications (RFQ) for designing AVC delivery lines for the remaining 37 water systems on May 3, 2022. The RFP submittal deadline is June 8,

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and the RFQ deadline is June 14. The RFP is on an accelerated timeline in order to meet contract procurement dates using American Rescue Plan Act (ARPA) funds provided by Pueblo County. Mr. Scott reviewed.

Mr. Scott said the RFP and RFQs were published on Rocky Mountain Bidnet, as well as in newspapers throughout the District and on the District website. About 30 companies downloaded information.

**Governance Meetings** – The Enterprise has set a series of meetings to discuss a governance proposal with county commissioners and home-rule cities in the AVC project area. Meetings are set for:

1. La Junta, May 16, 2022, 6 p.m.
2. Crowley County, May 23, 2022, 8:30 a.m.
3. Otero County, May 23, 2022, 1:30 p.m.
4. Lamar, May 23, 2022, 7 p.m.
5. Prowers County, May 24, 2022, 10 a.m.
6. Pueblo County, May 24, 2022, 2 p.m.
7. Bent County, May 26, 2022, 9:30 a.m.
8. Kiowa County, May 26, 2022, 1 p.m.
9. Joint Meeting at Otero Junior College, June 22, 2022, 9:30 a.m.

Mr. Miller reviewed.

Mr. Miller said a structure similar to the one used for the Fountain Valley Authority will be considered, but all of the entities involved will be given the opportunity to provide input on the form of the agreement.

Mr. Pifher talked about how the Water Infrastructure and Supply Efficiency (WISE) partnership was put together with South Metro, Denver Water, and Aurora. Mr. Miller responded that outside counsel, Burns Figa & Will, has looked at the WISE agreement and other similar agreements in putting together a draft proposal that will be shared during the governance meetings.

Kevin Karney and Joe Kelley talked about the change in attitude in the Lower Arkansas Valley, generally agreeing that communities are more willing to work with each other than in the past.

**Repayment Contract** – The Enterprise has submitted a draft AVC Repayment Contract to the Bureau of Reclamation (Reclamation). Reclamation will develop a Basis of Negotiation (BON), and negotiations are expected to begin by the end of 2022. Mrs. Noga reviewed.

**Reclamation AVC Project** – Progress of Reclamation on the AVC will be discussed following meetings on May 9, 2022, and May 12, 2022. Included will be an update on the progress of a Joint Operating Agreement. Mr. Scott reviewed.

Mr. Scott reported that Reclamation is on track to release contract bids by the end of 2022.

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**Washington D.C. NWRA Trip** – Enterprise officials who traveled to Washington D.C. for the National Water Resources Association (NWRA) Federal Water Issues Conference May 9-11, 2022, reviewed their meetings with top government officials regarding the AVC.

Bill Long, Jim Broderick, Mrs. Noga and Christine Arbogast represented the District.

Ms. Arbogast reported there was a luncheon briefing with delegation staff, and the entire delegation supports AVC. There were also separate one-on-one meetings with Senator Michael Bennet’s staff, and with Senator John Hickenlooper himself.

Infrastructure funding was discussed, and Ms. Arbogast said Senate and Department of Interior officials are investigating whether Infrastructure funding must be spread over five years, or whether it can be spent more quickly.

The meeting with top Reclamation officials was positive, with no hesitation about District proposals for spending Infrastructure funding for AVC. The discussion of whether only non-federal or simply “non-Reclamation appropriations” can be used to help build spur and delivery lines.

Reclamation reported a “plus-up” of \$2 million was awarded to AVC in FY2022, even though the District had not asked for any “plus-up” money. Ms. Arbogast said this is a sign that Reclamation and the Office of Management and Budget are trying hard to get AVC under construction.

Bill Long said the trip was very positive.

**ACTION ITEM:**

None

**INFORMATION ITEMS**

None

**OTHER BUSINESS:**

None

**NEXT MEETING**

Not determined

**ADJOURN**

Kevin Karney adjourned the meeting at 10:36 a.m.

Respectfully submitted,

Chris Woodka,  
Senior Policy and Issues Manager