

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO
WATER ACTIVITY ENTERPRISE
MINUTES
March 21, 2024**

A meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (Enterprise) was held on Thursday, March 21, 2024, at the District office, 31717 United Avenue, Pueblo, Colorado. President Long called to order the Enterprise meeting at 9:49 to be held in conjunction with the District meeting for Executive Session.

EXECUTIVE SESSION:

Mr. Lee Miller introduced the Executive Sessions as a request made for the Southeastern Colorado Water Activity Enterprise to enter Executive Session for the purpose of discussion with legal counsel on the on the following matters: AVC Contract Negotiations

The request is made 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 and 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.

Mr. Hamel moved, seconded by Mr. Clayton, to enter into Executive Session. Motion carried unanimously.

Mr. Lee Miller summarized the executive session: - AVC contract Negotiations, Legal Counsel provided legal advice, and Board provided advice to negotiators to continue negotiations with the Bureau of Reclamation. No action item as a result of Executive Session.

Following the joint Executive Session, President Long recessed the Enterprise meeting at 12:28 p.m. President Long reconvened the Enterprise meeting at 1:13 p.m. The ZOOM platform was also made available for Board members and visitors.

DIRECTORS PRESENT:

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

DIRECTOR(S) ABSENT AND EXCUSED:

None

President Long established that a Quorum was present.

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DISTRICT STAFF:

Executive Director Leann Noga; General Counsel Lee Miller; Staff Attorney Peter Levis; Senior Policy and Issues Manager Chris Woodka; Water Resources Principal Engineer Garrett Markus; Principal Engineer's Kevin Meador and Mark Scott; Principal Engineer/Operations Coordinator Gordon Dillon; Administrative Support Specialist's Margie Medina and Patty Rivas (remote); Former Executive Director Jim Broderick.

DISTRICT OFFICIALS:

H2O Consultant, Roy Vaughan (remote); Kogovsek & Associates, Christine Arbogast; McDonald Water Policy, Bill McDonald (remote); and Burns Figa & Will, Stephen Leonhardt (remote).

VISITORS PRESENT:

JHL Construction, Travis White; Kennedy Jenks, Jerry Pena; Aurora Water, Rick Kienitz and Abba Ahmed; Colorado Springs Utilities, Scott Lorenz and Lisa Windom; USGS, Andy Klakulak; and Bureau of Reclamation, Mike Holmberg.

VISITORS CONNECTED VIA ZOOM:

Assistant Attorney General Interstate Water Unit, Luke Mecklenburg; and Wilson Water Group, Lisa Brown.

APPROVAL OF MINUTES:

President Long said the minutes of the January 18, 2024, Enterprise Board meetings were posted to OnBoard and the website for review and asked if there were any corrections or additions. Hearing none, Mr. Felt moved, seconded by Mr. Garcia, to approve the minutes. Motion unanimously carried.

TREASURER REPORT:

Ms. Nichols reported the financial statements for January and February 2024, were posted to OnBoard and the Website for review. Ms. Nichols moved, seconded by Mr. Clayton, for acceptance of the January and February 2024 financial statements and payment of the March bills. Motion unanimously carried.

PRESENTATION ITEMS:

FEDERAL LEGISLATION UPDATE

Ms. Arbogast provided a written report to the Board.

ACTION ITEMS:

AMEND 2023 BUDGET RESOLUTION ADOPTION- HYDROELECTRIC POWER

Mrs. Noga presented to the Board an action item recommending approval of the 2023 Amended Budget Resolutions No. 2024-01EF for the Hydroelectric Power Project.

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This amendment to the 2023 Hydroelectric Power Budget is related to the first debt payment to the Colorado Water Conservation Board loan. The total Hydro loan payment is \$776,560 annually. The original 2023 Adopted Budget included the interest payment, but the debt portion of the payment was not. The loan payment is due on January 1, 2024, to ensure that the payment was made on time, it was made on December 30, 2023.

The Board of Directors adopted Resolution No. 2022-04EF for the 2023 Budget of the Southeastern Colorado Water Activity Enterprise – Hydroelectric Power on December 8, 2022, for total expenditures amount of \$991,456. This action is to amend the 2023 Adopted Budget to add an additional \$250,000 in expenditure. Upon approval, the Amended Hydroelectric Power 2023 Budget Resolution would total \$1,241,456. A copy of the amendment was provided to the Board. A copy of the Resolution was provided to the Board.

Mr. Garcia moved, seconded by Mr. Edlmann, that the Board of Directors adopt the 2023 Amended Budget Resolutions No. 2024-01EF for Hydroelectric Power. Motion carried unanimously.

RESTORATION OF YIELD (ROY) HAYNES CREEK PROPERTY APPROVAL OF BUREAU OF RECLAMATION PERMISSION TO ENTER

Mr. Garrett Markus provided an action item recommending the Southeastern Colorado Water Activity Enterprise Board of Directors approve the Bureau of Reclamation (Reclamation) Permission to Enter for exploratory work on the Arkansas Valley Conduit (AVC).

The ROY Group was formed in 2004 with six parties; City of Aurora, Colorado Springs Utilities, City of Pueblo, Pueblo Board of Water Works (Pueblo Water), Southeastern Colorado Water Conservancy District (the District) and City of Fountain entered into an Intergovernmental Agreement (“6-party IGA”) that established the Arkansas River Flow Management Program. The original parties have since been joined by the Pueblo West Metropolitan District through a March 2011 letter agreement clarifying the six-party IGA.

At the end of 2022, the ROY Partners purchased the Haynes Creek site as a future reservoir site for foregone diversions. So far, the governance of the property requires consent from all six owning agencies. Reclamation has asked for a Permission to Enter property for exploratory work associated with design, construction, and easements for the AVC. The Haynes Creek site will be adjacent to the future reservoir site and Reclamation is requesting Permission to Enter from all six Roy Partners.

Mr. Hamel moved, seconded by Mr. Pifher, the Southeastern Colorado Water Activity Enterprise Board of Directors approve the Bureau of Reclamation Permission to Enter the ROY Haynes Creek property for exploratory work on the Arkansas Valley Conduit. Motion carried unanimously.

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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

President Long asked if there were any other matters to come before the Enterprise Board, hearing no other matters Mr. Long adjourned the meeting at 1:22 p.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