

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO WATER
ACTIVITY ENTERPRISE**

MINUTES

February 15, 2018

A regular meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (Enterprise) was held on Thursday, February 15, 2018 at 11:37 a.m., at the District office, 31717 United Avenue, Pueblo, Colorado.

President Long announced a quorum was present.

DIRECTORS PRESENT:

Bill Long	Ann Nichols	Curtis Mitchell
Gibson Hazard	Kevin Karney	Carl McClure
Howard "Bub" Miller	Tom Goodwin	Dallas May
Mark Pifher	Alan Hamel	Seth Clayton
Andy Colosimo		

DIRECTOR(S) ABSENT AND EXCUSED:

Greg Felt

ENTERPRISE OFFICIALS PRESENT:

Executive Director James Broderick; General Counsel Lee Miller; Administrative Manager Toni Gonzales; Principal Engineer Kevin Meador; Water Resources Engineer Garrett Markus; Issues Management Program Coordinator Chris Woodka; Finance Manager Leann Noga; and Federal Lobbyist Christine Arbogast.

VISITORS PRESENT:

Jenny Bishop, Colorado Springs-Utilities; Doug Fitzgerald, U.S. Congressman Scott Tipton's office; Dwight Gardner, U.S. Senator Michael Bennet's office; Cathy Garcia, U.S. Senator Cory Gardner's office; Roy Vaughan and Shane Hayden, U.S. Bureau of Reclamation; Jerry Peña, GEI Consultants; Curt Thompson, AECOM; Judy Leonard, Pueblo West Metropolitan District; Bob Hamilton, citizen; Kevin Niles, Arkansas Groundwater Users Association; Bob Hartzman, City of Canon City Water; Bill Banks, U.S. Geological Survey; and Philip Reynolds, Colorado Division of Water Resources.

APPROVAL OF MINUTES:

President Long said the minutes of the January 18, 2018 Board meeting were posted to the Board website for review, and if there were any corrections or additions. Hearing none, Mr. Hazard moved, seconded by Mr. Pifher, to approve the minutes. Motion unanimously carried.

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FINANCE COMMITTEE REPORT:

Treasurer Nichols reported the financial statements for January 2018 were posted to the Board website for review. Treasurer Nichols moved, seconded by Mr. Hamel, for acceptance of the January 2018 financial statements and payment of the February 2018 bills. Motion unanimously carried.

CONSENT ITEMS:

None

PRESENTATIONS:

FEDERAL LEGISLATION

Christine Arbogast reported in recent weeks, Congress passed and the President signed a two-year budget bill that includes \$63 billion in new spending for domestic programs, and more than \$80 billion for military.

On February 12, 2018, the Administration released its FY '19 budget, which included drastic cuts in domestic programs: it zeroed out the popular TIGER transportation grants and proposes to cut Department of Transportation by 19 percent; it proposes to reduce farm conservation programs by \$13 billion over 10 years; it proposes to cut the Corps of Engineers by 22 percent, and Medicare by \$200 billion over a number of years.

It also proposes significant cuts in Reclamation programs, including water and related resources, taking rural water projects from \$87 million to \$30 million; cutting WaterSmart grants and Title 16 reuse and recycling programs from \$34 million to \$3 million.

And then on February 14, 2018, the Administration announced a \$1.5 trillion infrastructure plan to include \$200 billion in 10 years to leverage the remaining dollars from state, local, and private sources. The pay for the additional \$200 billion in spending is across the board cuts in domestic spending and a possible 25 cent gas tax increase.

With all of that, the budget included zero dollars for the Arkansas Valley Conduit.

We will now work with our delegation to try to restore funding. The AVC was mentioned in the budget documents, which may help overcome the earmark issue. Jim Broderick and Christine Arbogast are going to Washington, D.C. to discuss this with the delegation on March 1 and 2. And there will be an overall push from groups like Family Farm Alliance and National Water Resources Association to oppose the President's proposals.

Please bear in mind that the Administration's budget is simply the opening bid in the budget process.

One additional note: the Administration's budget does include funding for the reorganization of the Department of the Interior. That proposal has not landed with support on Capitol Hill. While it may be

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desirable to have agencies like Reclamation and Bureau of Land Management headquartered in the West, the broader reorganization is much more complex.

PUEBLO DAM HYDROELECTRIC PROJECT UPDATE

Kevin Meador reported construction of the Pueblo Dam Hydroelectric Project continues on schedule for a mid-2018 start-up. Mr. Meador provided the Board a copy of the Project Status Report showing the major tasks timeline along with a PowerPoint reviewing the following:

- Pictures of the Construction Project

AVC UPDATE

Chris Woodka presented a PowerPoint reviewing the following:

- Activities for Early 2018
- Administrative Budget Released
- New Concept Technical and Costing Evaluation Report
- District Proposal to Reclamation
- Proposed Timeline
- Participants Meetings

ACTION ITEMS:

None

INFORMATION ITEMS:

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

- AVC and Excess Capacity Master Contract Update
- Regional Resource Planning Group (RRPG) 2018 Update

OTHER BUSINESS MATTERS:

Mr. Broderick asked that the Board members submit any suggested edits to the County Communication and Legacy of Service publications by the end of the week, so they can be finalized and printed for distribution.

President Long asked if there were any other matters to come before the meeting, and hearing none, adjourned the meeting at 12:05 p.m.

Respectfully submitted,

Toni Gonzales
Administrative Manager

Secretary

