

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO WATER
ACTIVITY ENTERPRISE**

MINUTES

October 16, 2014

A regular meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (Enterprise) was held on Thursday, October 16, 2014 at 9:40 a.m., at the District office, 31717 United Avenue, Pueblo, Colorado.

President Long announced a quorum was present.

DIRECTORS PRESENT:

Bill Long	Ann Nichols	Gibson Hazard
Harold Miskel (arrived at 9:50)	Kevin Karney	Gary Bostrom
Carl McClure	Curtis Mitchell	Leonard Pruett
Jay Moore	David Simpson	Pat Edelman
Alan Hamel-Advisory Board Member		

DIRECTOR(S) ABSENT AND EXCUSED:

Tom Goodwin, Howard "Bub" Miller, and Vera Ortegon.

ENTERPRISE OFFICIALS PRESENT:

Executive Director James Broderick; General Counsel Lee Miller; Administrative Manager Toni Gonzales; Project Manager Kevin Meador; Director of Engineering and Resource Management Bob Hamilton; Water Resources Specialist/Engineer Garrett Markus; Program-Project Coordinator Jean Van Pelt; and Special Water Counsel Steve Leonhardt.

VISITORS PRESENT:

Chris Woodka, The Pueblo Chieftain; Tom Simpson, Aurora Water; Doug Fitzgerald, U.S. Congressman Scott Tipton's office; Doris Morgan, U.S. Congressman Cory Gardner's office; Dwight Gardner, U.S. Senator Michael Bennet's office; Roy Vaughan, U.S. Bureau of Reclamation; Rodger Ortiz, U.S. Geological Survey; Steve Witte and Bill Tyner, Colorado Division of Water Resources-Division 2; Jerry Peña, GEI Consultants; Roy Heald, Security Water District and Fountain Valley Authority; Terry Book, Board of Water Works of Pueblo; Bob Hartzman, City of Canon City Water; Kevin Niles, Arkansas Groundwater Users Association; Jim Baldwin, Otero County; Terry Scanga, Upper Arkansas Water Conservancy District; Jack Goble, Lower Arkansas Valley Water Conservancy District; and Dan Henrichs, High Line Canal Company.

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APPROVAL OF MINUTES:

President Long said the minutes of the September 18, 2014 Board meeting were posted to the Board website for review, and if there were any corrections or additions. Hearing none, Dr. Moore moved, seconded by Mr. Edelmann, to approve the minutes. Motion unanimously carried.

FINANCE COMMITTEE REPORT:

Treasurer Nichols reported the financial statements for September 2014 were posted to the Board website for review. Treasurer Nichols moved, seconded by Mr. Edelmann, for acceptance of the September 2014 financial statements and payment of the October 2014 bills. Motion unanimously carried.

CONSENT ITEMS:

None

PRESENTATIONS:

FEDERAL LEGISLATION

Mr. Broderick reported Christine Arbogast was unable to attend the Board meeting. Mr. Broderick said Congress is in recess.

Mr. Broderick said Estevan Lopez has been named Principal Deputy Commissioner for the Bureau of Reclamation and Jennifer Gimbel was named Principal Deputy Assistant Secretary for Water and Science at the Department of Interior. Mr. Lopez will serve in this capacity pending confirmation as Commissioner by the United States Senate.

AVC AND EXCESS CAPACITY MASTER CONTRACT UPDATE

Jean Van Pelt reported:

- On September 17, 2014 Consultant Bill McDonald and Lee Miller met with Eastern Colorado Area Office (ECAO) and Great Plains Regional staff in a “technical session” to identify potential issues in the upcoming negotiation of the Master Contract. Specifically, they discussed the
 - Price
 - Build up period
 - Environmental compliance
 - Liability insurance requirements
 - Term of the contract
 - Standard articles
 - Any significant deviations foreseen from the Southern Delivery System contract form
- Kevin Meador and Jean Van Pelt attended a meeting with Reclamation’s Technical Service Center to review the latest Comanche North Alignment
 - It appeared that the alignment strays from the Environmental Impact Statement (EIS) study corridor significantly in some locations. Both the ECAO and the District stressed

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the importance of keeping the alignment inside the corridor. Mr. Meador and Ms. Van Pelt are investigating a number of circumstances and are working on suggestions to avoid straying out of the corridor

- Reclamation has signed a one year contract with MWH and an option for four additional years to coordinate and obtain permissions to enter and work on private and public lands
 - MWH was the lead consultant on worked performed on the EIS and intends to contract with the same subcontractors who also worked on the EIS
- Reclamation and the District are currently working on the second Intergovernmental Personnel Act Assignment Agreement for Mr. Meador and Ms. Van Pelt
 - Reclamation will reimburse the District for the time and travel when they work on the AVC project, which will significantly reduce the participants contributions
 - Mr. Meador is currently tasked with developing an Operating plan for the project
 - Most of Ms. Van Pelt's duties will be communication and administrative
- ECAO, District, and Board of Water Works of Pueblo staff met on October 6, 2014 to begin conversations to utilize the Whitlock Treatment Plant for AVC water treatment
- Ms. Van Pelt is currently researching grant opportunities to fund the cost of developing and facilitating a working group to improve communications between CDPHE and AVC participants
- Last week Tracy Bouvette and Ms. Van Pelt provided a presentation at the Water Smart Innovations conference in Las Vegas, on the Regional Water Conservation Plan, water system audits, and associated BMP tool box which was very well received
- In addition, last week the Town of Cheraw elected to participate in the AVC project and has signed a MOA and made a catch-up payment to the District
- The third quarter invoices will be going out the week of October 19
- Participants will be provided budget numbers for 2015

Mr. Broderick said the work Ms. Van Pelt has done on the Regional Water Conservation Plan and BMP Toolbox is getting national recognition, and congratulated Ms. Van Pelt on the good work.

ACTION ITEMS:**SET PUBLIC HEARING FOR 2015 PROPOSED BUDGET**

The Board of Directors conduct a Public Hearing each year prior to adopting the annual budget in compliance with Colorado State Law C.R.S. 29-1-108(1). Ms. Nichols moved, seconded by Mr. Bostrom, that the Board set November 20, 2014 at 9:45 a.m. at the office of the Southeastern Colorado Water Conservancy District for a Public Hearing for the 2015 Proposed Budget. Motion unanimously carried.

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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

OTHER BUSINESS MATTERS:

President Long asked if there were any other matters to come before the meeting, and hearing none, adjourned the meeting at 10:01 a.m.

Respectfully submitted,

Toni Gonzales
Administrative Manager

Secretary

