

# ARKANSAS VALLEY CONDUIT COMMITTEE MEETING

## Arkansas Valley Conduit Update Presentation Report

**Date: May 13, 2022**

**Agenda Item: VI.A.**

### **STAFF RECOMMENDATIONS:**

Information

### **BUDGET IMPLICATIONS:**

Information

### **PREVIOUS BOARD ACTION AND/OR ACTIVITY:**

The Arkansas Valley Conduit (AVC) last met April 7, 2022. This report reviews activities that have occurred since that meeting. Each topic will be discussed by multiple speakers as listed below.

### **ISSUE SUMMARY DESCRIPTION:**

**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.

**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, Enterprise staff made a presentation to the Lower Ark 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.

**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.

**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?

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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.

**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, 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.

**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.

**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.

**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.

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

**SUGGESTED MOTION:**

Information

**ATTACHMENTS:**

None