

RECORD OF PROCEEDING

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**SOUTHEASTERN COLORADO WATER  
CONSERVANCY DISTRICT**

**MINUTES**

**April 17, 2008**

A regular meeting of the Board of Directors of the Southeastern Colorado Water Conservancy District was held on Thursday, March 17, 2008 at 9:34 a.m., at the District office, 31717 United Avenue, Pueblo, Colorado.

President Long announced a quorum was present.

**DIRECTORS PRESENT:**

Bill Long	Harold Miskel	Edward Bailey
Ann Nichols	Shawn Yoxey	Vera Ortegón
Gibson Hazard	Greg Johnson	Howard "Bub" Miller
Lissa Pinello	Reed Dils	Carl McClure
Kevin Karney	Alan Hamel-Advisory Board Member	

**DEPARTING BOARD MEMBER PRESENT:**

Carl Genova

**DIRECTORS ABSENT AND EXCUSED:**

Lee Simpson and Scott Reed.

**DISTRICT OFFICIALS PRESENT:**

Attorneys Stephen Leonhardt and Lee Miller; Executive Director James Broderick; Administrative Manager Toni Gonzales; Projects Manager Phil Reynolds; Chief Financial Officer Kathie Fanning; Director of Engineering and Resource Management Bob Hamilton; Engineering Support Specialist Margie Medina; and Federal Lobbyist Ray Kogovsek.

**VISITORS PRESENT:**

Mike Collins and Roy Vaughan, U.S. Bureau of Reclamation; Chris Woodka, The Pueblo Chieftain; Scott Lorenz, Colorado Division of Water Resources-Division 2; Rick Kienitz, Aurora Water; Dan Henrichs, High Line Canal Company; Greg Williams, Catlin Canal Company; Mike Fink, City of Fountain Water Department; Brian McCain, Senator Wayne Allard's office; Roy Heald, Security Water District; Pat Edelmann, U.S. Geological Survey; Tom Piltingsrud, City of Florence; Gary Bostrom, Colorado Springs Utilities; Wayne Vanderschure, Fountain Valley Authority; Bill Stoner, Black & Veatch; Brenda Fillmore, AGUA and Ken Weber.

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**INTRODUCTION OF VISITORS:**

President Long welcomed the visitors to the meeting, and asked them to introduce themselves and identify the organization they represented.

**ACTION ITEMS:**

**SWEARING IN OF APPOINTED BOARD MEMBERS**

Mr. Leonhardt said he had received a Court Order appointing Gibson Hazard, Kevin Karney, Harold Miskel, Vera Ortegón and Scott Reed to four-year terms on the District Board. He asked that Mr. Hazard, Mr. Karney, Mr. Miskel and Mrs. Ortegón stand and repeat the oath. After reading the oath, the appointed Board members were asked to sign the oath, for filing with the court.

President Long welcomed Kevin Karney as the new member appointed to serve on the Board, and congratulated the reappointed members; Gibson Hazard, Harold Miskel, Vera Ortegón and Scott Reed. Mr. Reed was absent and will sign his oath at a later date.

**ELECTION OF OFFICERS**

Lissa Pinello moved to elect the following:

- Bill Long – President
- Harold Miskel – Vice President
- Scott Reed – Secretary
- Ann Nichols – Treasurer
- James Broderick – Assistant Secretary/Treasurer

The motion was seconded by Mr. Dils. Motion unanimously carried.

**BOOTH WELL ASSOCIATION**

Mr. Hamilton said the Booth Well Association (Booth) Case No. 08CW12, is an application by Booth for a Plan for Augmentation and Conditional right of Appropriative Exchange. Mr. Hamilton recommended that the Board direct legal counsel to send a letter of reply to counsel for Booth Well Association, accepting the two letters provided as sufficient to avoid the District filing a Statement of Opposition. Mr. Hazard moved, seconded by Mrs. Yoxey, to approve the recommendation. Motion unanimously carried.

**WAIVER OF 80/20 RULE**

Mr. Hamilton reported the Allocation Committee met on April 8, 2008 and discussed the current storage situation and Reclamation's projected imports. The Catlin Canal and Bessemer Irrigation Ditch Company have requested that they be allowed to carryover all of their agricultural Project water. After the April 8 meeting, Mr. Hamilton contacted the agricultural entities with water in their accounts, and received a more limited extension request. Mr. Hamilton then contacted the Allocation Committee members, which agreed with the extension for agricultural entities to carryover their Project water until midnight on May 14, 2008. Chairman of the Allocation Committee Carl McClure moved, seconded by Howard Miller, to approve the extension to carryover agriculture Project water until May 14, 2008. Motion unanimously carried.

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**SOUTH ARKANSAS RIVER EXCHANGE**

Lee Miller reported that in Southeastern's application for South Arkansas River exchange water rights (Case No. 97CW160), Public Service Co. is the last remaining objector, and recently provided legal counsel comments on terms they proposed to address its concerns regarding the exchanges. Lee Miller reported the changes proposed by Public Service Co. are acceptable. The Board was provided copies of the proposed stipulation and the revised proposed decree to which Southeastern and Public Service Co. would consent by this stipulation.

The purpose of the exchanges is to deliver water allocated by Southeastern from the Fryingpan-Arkansas Project (Allocated Project Water) to entities whose storage facilities and/or points of diversion are located in the drainage basin of the South Arkansas River, which extends west from Salida. The allocated Project water is released from Twin Lakes Reservoir and/or Turquoise Reservoir into the Arkansas River, above its confluence with the South Arkansas River. These exchanges provide allocated Project water to Salida, Poncha Springs, and the Upper Arkansas Water Conservancy District. All objectors except Public Service Co. have previously settled by stipulation with Southeastern.

Lee Miller said once legal counsel has executed and filed a stipulation with Public Service Co., they will be able to provide Southeastern's proposed decree to the Water Referee for her consideration in entering a ruling. Lee Miller recommended that the Board approve the proposed stipulation with Public Service Co. Mr. Dils moved, seconded by Mrs. Pinello, to approve the stipulation with Public Service Co. Motion unanimously carried.

**PUBLIC SERVICE COMPANY'S EXCHANGE**

Mr. Leonhardt reported the Public Service Company's application for diligence and to make partially absolute its conditional Comanche exchange rights (Case No. 04CW9) involves exchange of consumable Comanche Station return flows up the Arkansas River from the St. Charles to Public Service Co.'s Comanche Station Pump facilities and into Pueblo Reservoir. Public Service Co. obtained a conditional decree for these exchanges in 1998, after negotiating stipulations with Southeastern and several other objectors.

In February legal counsel sent a comment letter to counsel for Public Service Co., stating their concerns with the extent of the reach sought to be made absolute, and Public Service Co.'s lack of a current contract to allow use of Pueblo Reservoir to store water by exchange. Public Service Co.'s counsel replied by making all revisions to the proposed decree that legal counsel had requested, and provided a stipulation that addresses the further concerns expressed in their letter. In particular, the stipulation reaffirms that Public Service Co. will not exchange water into Pueblo Reservoir until it has a valid contract for use of the Reservoir. The Board members were provided a copy of the revised proposed decree and stipulation.

Mr. Leonhardt said with the revisions made to the proposed decree, and the District's remaining concerns addressed in the proposed stipulation, he recommends the Board authorize legal counsel to execute the stipulation to resolve the District's participation in this case. Howard Miller moved,

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seconded by Mrs. Ortegón, to authorize legal counsel to execute the stipulation with Public Service Co. in Case No. 04CW9. Motion unanimously carried.

President Long complimented legal counsel on the new format of their quarterly written report. Mr. Leonhardt thanked Mr. Johnson and Mr. Broderick for working with them to accomplish the format.

**APPROVAL OF MINUTES:**

President Long asked if the members of the Board had received their copy of the minutes of the March 20, 2008 Board meeting, and if there were any corrections or additions. Hearing none, Mrs. Ortegón moved, seconded by Mr. Hazard, to approve the minutes. Motion unanimously carried.

**FINANCE COMMITTEE REPORT:**

Mr. Johnson reported that the check report for the month of March for the District was mailed to the Board and moved for the acceptance of the check report for March and payment of the April bills for the District, seconded by Howard Miller. Motion unanimously carried.

**PRESENTATIONS:**

**SOUTHERN DELIVERY SYSTEM**

John Fredell, SDS Project Director, Colorado Springs Utilities gave a PowerPoint presentation titled, *Southern Delivery System: Our Future Depends On It*. He reviewed the following:

- Our Future Depends On It
- Conservation
- Conservation Programs
- Reuse
- Evaluates 7 Alternatives
- Water Rights We Own From Arkansas River
- Public Comment Period
- Proposed Action

Board members were given an opportunity to ask questions, and Mr. Fredell answered each of the questions presented to him.

**2007 ANNUAL AUDIT**

Evelyn Law of Bondi & Co. LLC reviewed with the Board the Financial Statement Audit and Report to Governance Resulting from the 2007 Financial Statement Audit, of which the Board was provided copies. The Board will vote for acceptance at the May Board meeting.

**MONTHLY REPORTS:**

**U.S. BUREAU OF RECLAMATION REPORT**

Roy Vaughan reported as of April 14, there were 253,871 acre-feet of water stored in Pueblo Reservoir, 149,028 acre-feet of Project water, 40,936 acre-feet of water stored in If & When space, and 51,640 acre-feet of Winter water. New Winter water stored is 39,341 acre-feet.

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There is currently 107,921 acre-feet of Project space in Pueblo Reservoir, and 86,246 acre-feet of Project space available in Turquoise and Twin Lakes Reservoirs.

Mr. Vaughan said Reclamation is currently moving 375 cfs of Project water from the upper reservoirs to Pueblo Reservoir. The April 1 forecast was 109,200 acre-feet.

Mr. Vaughan reported the collection system was opened April 11.

**DIVISION ENGINEER'S REPORT**

Scott Lorenz said the Division Engineer's monthly report for April 17, 2008 was provided to the Board in their binders.

Mr. Lorenz reported regarding the John Martin Reservoir Operations, the calls for releases of Colorado account releases began April 1. The Conservation storage transferred to accounts as of April 14, 2008, allowing ditches below John Martin to exercise their direct flow rights to call upstream ditches.

Mr. Lorenz reported on the Compact commitments. He said Colorado has run the HI for 1998-2007 and submitted it to Kansas, but has not received any comments from them concerning the determination of a net accretion for that 10-year compliance period. Kansas has claimed that it is owed 3,633 acre-feet due to shortfalls in the deliveries of its Section II water over the period 1996-2006, but this claim arose outside of the interstate lawsuit. This issue is still unresolved. Kansas has filed an exception to the Special Master's fifth report to the United States Supreme Court on the question of expert witness fees.

**U.S. GEOLOGICAL SURVEY REPORT**

Pat Edlmann presented a PowerPoint reviewing the following:

- Map of 28-day average streamflow compared to historical streamflow for the day of the year (Colorado)
- Map of real-time streamflow compared to historical streamflow for the day of the year (Colorado)

**INFORMATIONAL ITEMS:**

Written material was provided to the Board on the following topics:

- State Legislation
- Records Management Reconfiguration Update
- Water Court Résumé
- Legal Matters

**OTHER BUSINESS MATTERS:**

President Long announced that Reed Dils had been appointed to serve on the Colorado Water Conservation Board as the Arkansas Basin representative. He thanked Harold Miskel for all his assistance while serving on the CWCB board.

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Mr. Broderick announced the Arkansas River Basin Water Forum is scheduled for April 30-May 1 in Westcliffe.

President Long asked if there were any other matters to come before the meeting, and hearing none, adjourned the meeting at 11:05 a.m.

Respectfully submitted,

Toni Gonzales  
Administrative Manager

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Secretary

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