
RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO WATER
ACTIVITY ENTERPRISE**

MINUTES

September 15, 2011

The regular meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (SECWAE) was held on Thursday, September 15, 2011 at 9:33 a.m., at the District office, 31717 United Avenue, Pueblo, Colorado.

President Long announced a quorum was present.

DIRECTORS PRESENT:

Bill Long	Scott Reed	Harold Miskel
Gary Bostrom	Kevin Karney	Greg Johnson
Carl McClure	Howard "Bub" Miller	Reed Dils
Gibson Hazard	Shawn Yoxey (arrived at 9:39)	

DIRECTORS ABSENT AND EXCUSED:

Ann Nichols, Vera Ortigón, David Simpson, and Alan Hamel-Advisory Board Member

ENTERPRISE OFFICIALS PRESENT:

Executive Director James Broderick; Administrative Manager Toni Gonzales; Finance Coordinator Tina White; Director of Engineering and Resource Management Bob Hamilton; Conservation Outreach Coordinator Jean Van Pelt; Legal Counsel Lee Miller and Alix Joseph; and Federal Lobbyists Ray Kogovsek and Christine Arbogast.

VISITORS PRESENT:

Roy Vaughan, U.S. Bureau of Reclamation; Chris Woodka, The Pueblo Chieftain; Bob Hartzman, City of Canon City; Tom Simpson, Aurora Water; Brett Gracely, Colorado Springs Utilities; Jim Baldwin, Otero County; Christina Thiebaut, Senator Udall's office; Dwight L. Gardner, U.S. Senator Bennet's office; David Mau, U.S. Geological Survey; Shirley Klipfel, Pueblo; Tom Goodwin, Avalon Ranch; Connie Goodwin, Cheyenne Creek Metro; Lindsay George, Applegate Group; Russ Livingston, Livingston Professional Services-Hydro Sciences; Terry Book, Board of Water Works of Pueblo; Bill Hower, Beulah Water District; and Ken Weber.

APPROVAL OF MINUTES:

President Long asked if the members of the Board had received their copy of the minutes of August 18, 2011 and whether there were any corrections or additions. Hearing none, Mr. Johnson moved, seconded by Mr. Dils, to approve the minutes. Motion unanimously carried.

RECORD OF PROCEEDING

FINANCIAL REPORT:

Mr. Reed reported the financial statement for August was posted to the Board website for review. Mr. Reed moved for acceptance of the August financial statements and payment of the September 2011 bills. Mr. Hazard seconded the motion, the motion unanimously carried.

CONSENT ITEMS:

None

PRESENTATIONS:

FEDERAL LEGISLATION

Excess Capacity Revenue

Ms. Arbogast said the activities since the previous Board meeting have focused on the issue of disbursement of excess capacity revenues, in follow up to the Bureau of Reclamation's (Reclamation) two public meetings at which they presented six scenarios for applying funds generated in 2010 and 2011.

The Southeastern District, Board of Water Works of Pueblo, the Fountain Valley Authority, the Colorado River Conservation District, and the State of Colorado (Parties)—met in Steamboat Springs while attending the Colorado Water Congress Summer Convention. While the discussion was lively, ultimately the Parties reached an agreement to propose to Reclamation. Reclamation had previously indicated that they would welcome other ideas beyond their six scenarios and would most welcome a consensus plan.

Ms. Arbogast provided the Board members the letter of transmittal, which was provided to Reclamation. Following transmittal of the letter, representatives from the Parties went to Washington, D.C. to meet with the congressional delegation and seeking their support for a letter to Reclamation asking for acceptance of the plan. That letter was also provided to the Board.

Arkansas Valley Conduit

Additionally, while in Washington, Jim Broderick and Christine Arbogast met with the delegation staff to discuss future appropriations. The necessary administration request for FY '13 is small; about \$750,000. This will complete the NEPA process and perhaps allow for some technical activity. It is the following year and thereafter that large appropriations will be necessary to enter into the design and construction phases.

The FY '12 appropriations process creeps along, with the Senate Energy and Natural Resources Committee and now the full committee having marked up their bill, which provides for just under \$3 million for the Conduit. It is expected that a continuing resolution will be passed next week, but the length of it is uncertain at this time. In the meantime, it is also uncertain whether individual appropriations bills will continue to move forward or whether they will be lumped into an omnibus.

RECORD OF PROCEEDING

MONTHLY REPORT:

U.S. BUREAU OF RECLAMATION REPORT

Roy Vaughan presented a PowerPoint presentation reviewing the following:

- As of September 12, there were 170,271 acre-feet stored in Pueblo Reservoir; 113,928 acre-feet of Project water; 46,561 acre-feet of Excess Capacity water; 9,781 acre-feet of Winter water.
- There is currently 143,021 acre-feet of Project space in Pueblo Reservoir and 6,306 acre-feet of space in Turquoise and Twin Lakes Reservoirs.
- Project Reservoirs: Turquoise 104%; Twin Lakes 108%; Pueblo 129%.
- 2011 Boustead Imports 98,823 acre-feet

Mr. Broderick asked that Mr. Vaughan do a presentation on the effects of moving water down sooner and the effects of Homestake being out for a year to do maintenance, and an overview of the maintenance schedule that Reclamation performs. Mr. Broderick also asked Mr. Vaughan to make contact with the proper entities to see if there is going to be any work done on the levee.

PRESENTATIONS CONTINUED:

ARKANSAS VALLEY CONDUIT/NEPA/ EXCESS CAPACITY MASTER CONTRACT UPDATE

Jean Van Pelt reported she will have face to face meetings with both the Conduit and Master Contract participants September 19 – 23, to introduce herself and be directly available to participants for questions. At that time she will also deliver the signed MOAs and the second quarter billing invoices.

Ms. Van Pelt reported the Environmental Impact Study (EIS) team is working with the Water Treatment Plant (WTP) consultant, Black and Veatch, and the following were reviewed:

- Met with the Board of Water Works of Pueblo (BWWP) to discuss the possibilities of locating a new plant on BWWP property or having the existing Whitlock Treatment Plant act as a treatment plant for the conduit.
- Working on the no-action alternative – EIS must examine what would happen if the “no-action” alternative is chosen and the conduit is not built. It was stressed to the water providers that this is a requirement of the EIS.
- Possibly the larger municipal providers would absorb the smaller providers around them and deliver water through their systems.
- Conducted interviews and toured the WTPs of Rocky Ford, La Junta, and Lamar.
- Fowler conference call is scheduled for September 21.
- The EIS team has continued to incorporate the Master Contract into the hydrologic daily model.
- Bob Hamilton attended a team meeting on Monday, September 12 to review the Daily Model that will be used in the EIS.
- MWH will make the suggested revisions and send the model results back out for review.

Ms. Van Pelt attended a team meeting with the Colorado Department of Public Health and Environment on Tuesday, September 13. The Health Department stated it is aware of the need for the conduit and is very supportive of the project. They provided Reclamation with a Proposed Public Water System Identification Number in order to formally document their views on regulatory issues related to the conduit. A discussion was

RECORD OF PROCEEDING

held on the various disinfection strategies and how to define the terminology for the treatment process for the conduit.

Mr. Hamilton and Ms. Van Pelt are reviewing and commenting on the predecisional drafts of

- Appendices A.1- Purpose and Need by Participant,
- A.2 – AVC Participant Water Rights, and
- A.3 – Non- AVC Participants Water Rights
- Staff comments are due back to Reclamation on September 19 2011.

The consultant who is developing the conduit Water Conservation Plan is conducting audits of the participants' water systems and should complete them by the end of September. He will provide the District and each participant with a white paper that defines the condition their respective system is in and recommendations for improving the efficiency of their systems. These recommendations will be integrated into the toolbox of water conservation programs in the Plan.

ACTION ITEMS:

None

INFORMATIONAL ITEMS:

The Board members were provided written reports on the following, which were posted to the Board website:

- Arkansas Valley Conduit Update
- Master Contract Update

OTHER BUSINESS

President Long asked if there were any other matters to come before the meeting, and hearing none, adjourned the meeting at 10:02 a.m.

Respectfully submitted,

Toni Gonzales
Administrative Manager

Secretary

RECORD OF PROCEEDING
