

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO WATER
ACTIVITY ENTERPRISE
MINUTES**

May 20, 2021

A virtual meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (Enterprise) was held on Thursday, May 20, 2021 at 11:24 a.m., via ZOOM.

President Bill Long welcomed all in attendance to the virtual meeting. Mr. Long established that a quorum was present.

DIRECTORS CONNECTED:

Alan Hamel	Curtis Mitchell	Mark Pifher
Andrew Colosimo	Dallas May	Pat Edelman
Ann Nichols	Howard “Bub” Miller	Patrick Garcia
Bill Long	Kevin Karney	Seth Clayton

DIRECTOR(S) ABSENT AND EXCUSED:

Tom Goodwin, Greg Felt and Carl McClure

ENTERPRISE OFFICIALS CONNECTED:

Executive Director James Broderick; General Counsel Lee Miller; Principal Engineer Kevin Meador; Senior Policy and Issues Manager Chris Woodka; Water Resource Engineer Garrett Markus; Administrator of Finance and Administration Leann Noga; Administrative Support Specialist Margie Medina; Accountant Stephanie Shipley; Accounting Specialist Support Lynette Holt; Administrative Support Associate Patty Rivas; April Hendricks and Steve Leonhardt, Burns Figa and Will: Christine Arbogast, Kogovsek and Associates.

VISITORS CONNECTED:

Barbara Crockett, Jacobs Engineering; Bill Banks and Krystal Brown, USGS; Bill Tyner, Colorado Division of Water Resources; Cathy Garcia, Congress Woman Lauren Boebert’s office; Curtis Thompson, AECOM; Fred Easton and J.C. Cundall, Farnsworth; Jerry Pena, Kennedy Jenks; Joseph Staderman and Tom Waters, Colorado Parks & Wildlife; Kevin Salter and Rachel Duran, Kansas Water Division Engineer; Mark Scott, Providence Infrastructure; Terry Dawson Unites States Bureau of Reclamation; and Toni Gonzales.

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APPROVAL OF MINUTES:

President Long said the minutes of the April 15, 2021 Board meeting were posted to the Board website for review and asked if there were any corrections or additions. Mr. Hamel moved, seconded by Mr. Garcia, to approve the minutes. Motion unanimously carried.

TREASURER REPORT:

Treasurer Nichols reported the financial statements for April 2021, were posted to the Board website for review. Ms. Nichols moved, seconded by Mr. Clayton, for acceptance of the April 2021 financial statements and payment of the May 2021 bills. Motion unanimously carried.

PRESENTATION ITEMS:

FEDERAL LEGISLATION UPDATE

Ms. Arbogast reported: still awaiting the nomination for the new Commissioner of the Bureau of Reclamation (Reclamation). The appointment of Tanya Trujillo as Assistant Secretary of Water and Science is moving forward. Her confirmation hearing was held this week and she had bipartisan support.

In other administrative appointment news, former Reclamation Commissioner Mike Connor has been nominated to serve as the head of the U.S. Army Corps of Engineers. He is expected to be easily confirmed.

The Administration is expected to release its detailed budget on May 27, the hope is to see a request for the Arkansas Valley Conduit.

The appropriations process is expected to pick up steam after Memorial Day with the release of the administration budget. It could be for water infrastructure under Reclamation, there will be a major plus up in FY '22 appropriations as the vehicle for Reclamation's infrastructure investment.

A coalition of Western interests continues to meet with House and Senate members to promote a significant investment in Western Water Infrastructure. The request they are making is just over \$19 billion over a multi-year period.

The path forward for infrastructure continues to be uncertain. The House intends to pass a package by the July 4th recess. That is most likely a strategy to spur negotiation with the Senate.

ACTION ITEMS:

FRYINGPAN-ARKANSAS PROJECT WATER AND RETURN FLOW ALLOCATION

Mr. Markus presented an action item accompanied by a PowerPoint, recommending the Board approve the allocation of 25,534 acre-feet (AF) of Fry-Ark Project water (Project water) (13,939 AF for municipal use and 11,595 AF for agricultural use) and the allocation of 4,130 AF of Project water Return Flows. The Project water will be based off the May 1, 2021 import basis for allocation of 38,000 AF with an adjustment of 2,654 AF less Project water available from the 2020 excess evaporation. Fifty percent (50%)

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of the imports will be made available for allocation to municipal and agricultural entities following payment for one hundred percent (100%) of the allocation. The remaining fifty percent (50%) will be made available when the District is confident that imports will meet Project obligations. If any portion of the fifty percent (50%) of allocated water is not available to the entities at that time, that portion of their Project water payments will be refunded.

Reclamation has forecasted an import basis for allocation of 38,000 AF based on the snowpack of May 1, 2021. With the reduction due to more evaporation than projected of the 2020 unallocated Project water, 25,534 AF will be available for allocation. The recommended municipal allocation is 13,022 AF of Project water with 917 AF of NPANIW totaling 13,939 AF for municipal. The agricultural allocation calculates to be 11,595 AF of Project water producing 4,130 AF of Return Flows.

Mr. Hamel moved, seconded by Mr. Pifher the Board allocate 25,534 AF of Project water and 4,135 AF of Return Flows. Project water allocations would be available initially at fifty percent (50%) of the projected import amount available to municipal and agricultural entities following payment for 100 percent (100%) of the allocation. The remaining fifty percent (50%) would be made available when the District is confident that imports will meet Project obligations. If any portion of the fifty percent (50%) of allocated Project water is not available to the entities at that time, that portion of their Project water payments will be refunded. Motion unanimously carried.

INFORMATION ITEMS:

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

- AVC Update
- JWBHP Update
- Excess Capacity Master Contract Update

Mr. Broderick concluded by letting the Board know that District Staff is diligently working on reviewing how the import amounts will affect the budget, from initial to the final release of water. It was asked of the Board to review the information from Mr. Markus's report in regards the requests for water. Mr. Broderick advised the Board, that the outreach/education has proven to be successful, as some Ditch Companies are reaching out with changes, moving water to other places. Mr. Long asked if there were any other business matters to come before the Enterprise Board, hearing none, Mr. Long adjourned the meeting at 12:03 p.m.

Respectfully submitted,

Patty Rivas
Administrative Support Associate

Secretary

