

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO
WATER ACTIVITY ENTERPRISE
MINUTES
September 15, 2022**

A meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (Enterprise) was held on Thursday, September 15, 2022, at the District office, 31717 United Avenue, Pueblo, Colorado. Vice-President Mitchell called to order the Enterprise meeting at 12:14 a.m. The ZOOM platform was also made available for Board members and visitors.

Vice-President Mitchell established that a quorum was present.

DIRECTORS PRESENT:

| | | |
|-------------------|--------------------|-----------------------------|
| Alan Hamel | Dallas May(remote) | Pat Edelmann |
| Andy Colosimo | Greg Felt | Patrick Garcia |
| Ann Nichols | Kevin Karney | Seth Clayton (left @ 11:51) |
| Bill Long(remote) | Mark Pifher | Tom Goodwin |
| Curtis Mitchell | Matt Heimerich | |

DIRECTOR(S) ABSENT AND EXCUSED:

Howard "Bub" Miller

ENTERPRISE OFFICIALS PRESENT:

Executive Director James Broderick; General Counsel Lee Miller; Staff Attorney Peter Levish; Senior Policy and Issues Manager Chris Woodka; Water Resource Engineer Garrett Markus; Principal Engineers Kevin Meador and Mark Scott; Administrator of Finance and Administration Leann Noga; Administrative Support Specialists Margie Medina and Patty Rivas (remote); and Roy Vaughan, H2O Consultants.

VISITORS PRESENT:

Bill Tyner and Rachel Zancanella, Division Engineers Office; Curt Thompson, AECOM; Daniel Tucker, AGRA; Jerry Pena, Kennedy Jenks; Krystal Brown and Matt Ely, USGS; Mike Holmberg and Tyler Artichoker, Bureau of Reclamation; Rick Kienitz, Aurora Water; Robert Wahl, JHL Constructors; and Tom Rusler, Rusler Produce Farming/Bessemer Irrigation Ditch.

VISITORS CONNECTED REMOTELY:

Al Paqueet, Jacobs Engineering; Brett Gracely, LRE Water; Cathy Garcia (11:03), Congress-Woman Lauren Boebert's Office; Lisa Brown, Wilson Water Group; Luke Mecklenburg, Assistant Attorney General Water Unit; and Tom Waters, Arkansas Headwaters Recreation Area.

RECORD OF PROCEEDING

APPROVAL OF MINUTES:

Vice-President Mitchell said the minutes of the July 21, 2022 Enterprise Board meeting were posted to OnBoard as well as the Board website for review and asked if there were any corrections or additions. Hearing none, Mr. Hamel moved, seconded by Mr. Garcia to approve the minutes. Motion unanimously carried.

TREASURER REPORT:

Ann Nichols reported the financial statements for July and August 2022 were posted to OnBoard and the Board website for review. Ms. Nichols moved, seconded by Mr. Clayton for acceptance of the July and August 2022 financial statements and payment of the September 2022 bills. Motion unanimously carried.

PRESENTATION REPORT:

JWBHP UPDATE

Mr. Kevin Meador referred the Board to view his presentation in the packet, if they had any question to contact him.

ACTION ITEMS:

Vice-President Mitchell convened the meeting of the Enterprise Board meeting to order at 10:53 a.m. to be held in conjunction with the District Board meeting to appoint the 2023 Budget Officer as well as to set the Public Hearing for the 2023 Budget.

APPOINTMENT OF BUDGET OFFICER

Mrs. Noga presented an action item regarding the appointment of a Budget Officer. This happens annually in order to be in compliance with Colorado State Budget Law.

The first action the governing board must take under the Budget Law is to designate or appoint a Budget Officer to prepare and submit a proposed budget (Section 29-1-104, C.R.S.).

Mr. Garcia moved, seconded by Mr. Hamel, that the Board of Directors appoint Leann Noga, Administrator of Finance and Administration, as the Budget Officer for the 2023 District budget preparation. Motion unanimously carried.

SET PUBLIC HEARING FOR 2023 PROPOSED BUDGET

Mrs. Noga presented an action item regarding a public hearing for the 2023 Proposed Budget. This is done annually to be in compliance with Colorado State Law C.R.S 29-1-108 (1).

A copy of the letter that will be sent to the newspapers for publication, and the Notice as to 2023 Proposed Budget was provided to the Board.

RECORD OF PROCEEDING

Mr. Clayton moved, seconded by Mr. Karney that the Board of Directors set November 17, 2022 at 9:45 a.m. for the Southeastern Colorado Water Conservancy District to hold the Public Hearing of the 2023 Proposed Budget. Motion unanimously carried.

Vice-President Mitchell recessed the Enterprise Board meeting at 10:55 a.m. that was held in conjunction with the District Board meeting.

ENGINEERING DESIGN CONSULTANT SHORTLIST FOR SPURS AND DELIVERY LINES

Mr. Kevin Meador presented an action item recommending that the Enterprise Board approve the selection of the engineering design firms of Kennedy Jenks, Inc. (KJ) and AECOM, Inc. as the qualified firms from the formal Request for Qualifications (RFQ) evaluation process for the AVC Spur and Delivery Lines. These selected firms will be the primary design firms to support the AVC Spur and Delivery Lines engineering design contracts.

The purpose of this summary is to:

- Summarize the results of the AVC Spur and Delivery Line Engineering Design RFQ review evaluation of prospective design consultants,
- Recommendations consultant shortlist to solicit project specific proposal and negotiate design contracts,
- Provide a schedule for AVC Committee and Board approval of selections and contracting.

On May 2, 2022, a Request for Qualifications (RFQ) was published on the government bidding network, BidNet, for design engineering services associated with the AVC Spur and Delivery Lines in addition the RFQ was advertised in local newspapers and on the SECWCD website. On BidNet, 299 design firms in Colorado were notified and fifty-four of those downloaded the RFQ. The RFQ did not request any contract scope of services or fees. The RFQ was focused on design firm qualifications for a qualification-based selection process. Proprietary meetings were conducted with interested engineering firms in May 2022. The purpose of these meetings was to meet the proposed team members, address questions regarding the RFQ and discuss the project objectives. Response submittals were received from four engineering firms on June 15, 2022, including AECOM, HDR Inc., Kennedy Jenks Inc. (KJ), and Jacobs Engineering. All four of these firms participated in the proprietary meetings prior to the submission of a proposal. The proposals, along with an evaluation form, were provided to the AVC team members on June 17 for review by July 22.

A separate proposal selection process was completed earlier this Summer for the design of the Avondale and Boone Delivery Lines. GMS, Inc. was selected to provide the design services for this portion of the project.

Summary of Results and Evaluations

Staff evaluations were conducted in July 2022. Evaluation scoring was based on the following criteria:

| | |
|---|------|
| Project Approach | 40 % |
| Project Team and Management | 25% |
| Project Experience and Past Performance | 20% |
| Demonstrated Ability to Meet Schedule | 15% |

RECORD OF PROCEEDING

All four proposals submitted were very professional, well presented, and demonstrated abilities to perform the requested services as requested in the RFQ. However, proposals from KJ and AECOM addressed more specific technical and local issues pertaining specifically to the AVC than the other proposals. In addition, these two proposals demonstrated a knowledge of issues pertaining to small water system design. Both KJ and AECOM included team members that have long histories of previous work on AVC or in the Arkansas Valley.

Based on the composite scores of the evaluations and additional comments provided by the evaluators, ranking results were as follows:

1. Kennedy Jenks, Inc.
2. AECOM
3. HDR, Inc.
4. Jacobs Engineering

The intent of this RFQ process is the selection of the firms to be our primary designers moving forward. Design packages, detailed scope of services, and fees will be established with the selected firms as the next step in the process.

Project Design Packages

It is anticipated that the Spur and Delivery Line design services will be divided into two design packages:

Design Package 1 – This design package would include the delivery lines for all Participants located in Otero County and the La Junta Spur Line. The estimated design fees (not including construction management services) would be in the range of \$1.5 million to \$2.3 million.

Design Package 2 – This design package would include delivery lines for Participants in the remaining counties and the Eads Spur Line. The estimated design fees (not including construction management services) would be in the range of \$1.1 million to \$1.5 million.

Both contract design packages would include delivery line designs covered by the American Rescue Plan Act (ARPA) funding. The ARPA funded designs will be completed first in 2023.

These design packages are recommended based on the scope of the services, fee breakdown, and the need to design completion schedules.

The objective is to complete all designs by the end of 2024 with construction completion objectives by the end of 2026. The current ARPA funded designs will be completed first in 2023.

Design Contracting Schedule

The design contracting schedule moving forward is as follows:

September 2022 – AVC Committee recommendation and Board approval to contract with selected Consultants.

October 2022 – Solicit final proposals with scope of services and fees for the design packages with selected Consultants.

RECORD OF PROCEEDING

November/December 2022 – Negotiate and prepare final contracts with selected Consultants.

January 2023 – Provide staff recommendations for final design contracts and fees to the AVC Committee and recommendation to the Board for approval of the contracts.

February 2023 – Notice to Proceed for Engineering Contracts.

Mr. Garcia moved, seconded by Mr. Colosimo, the Enterprise Board approve the selection of the engineering firms of Kennedy Jenks, Inc. and AECOM, Inc. as the qualified engineering design firms to perform the AVC Spur and Delivery Lines east of Boone and Avondale. Motion carried unanimously.

AGRICULTURAL FRYINGPAN-ARKANSAS PROJECT WATER CARRYOVER PILOT PROJECT

Mr. Garrett Markus presented the Board with an action item that recommends the Enterprise Board of Directors allow District staff to initiate the Agricultural Fryingpan-Arkansas Project Water Carryover Storage Pilot Project, investigate initial parameters of the storage conditions, and allow agricultural Project Water to be stored May 1, 2023, to April 30, 2024 if storage parameters are met.

Last year the Allocation Committee recognized the need to allow all agricultural allocations to have the ability to be stored during the off-season storage until spring of 2022. The Agricultural 80/20 Rule is typically enacted to prevent excessive pressure on Pueblo Reservoir around the April 15 timeframe when the Joint Use Pool is evacuated. With the current storage levels in Pueblo Reservoir and the value of water in below-average scenarios, District staff would like to investigate how agricultural Project Water Carryover would maximize the utilization of Project Water. With the current “use it or lose it” condition, ag entities chose to use their Project Water at less opportune times to maintain some utilization, but they do not optimize this resource during dry conditions, when they are likely to receive limited allocations. To investigate agricultural Project Water Carryover, District staff proposes a pilot project to determine what parameters need to be in place to allow storage, but not interfere with other Fryingpan-Arkansas operations.

Mr. Edelman moved, seconded by Mr. Colosimo the Enterprise Board of Directors allow District staff to initiate the Agricultural Fryingpan-Arkansas Project Water Carryover Storage Pilot Project, investigate initial parameters of the storage conditions, and allow agricultural Project Water to be stored May 1, 2023 to April 30, 2024 if storage parameters are met. Motion carried unanimously.

INFORMATION ITEMS:

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

- AVC Update
- Excess Capacity Master Contract Update

RECORD OF PROCEEDING

Vice-President Mitchell asked if there were any other matter to come before the Board. Mr. Broderick referred all to the magazine that was handed out, Municipal Water Leader. There is an article titled: **Chris Woodka of the Southeastern Colorado Water Conservancy District: Progress on the Arkansas Valley Conduit.** Mr. Broderick encouraged all to read, and congratulated Mr. Woodka. Mr. Broderick stated a correction to the information item in the District packet. The December Board Meeting will be held December 8th, not December 1st. Hearing no other matters to be brought before the Board, Vice-President Mitchell adjourned the meeting @ 12:14 p.m.

Respectfully submitted,

Patty Rivas
Administrative Support Specialist

Secretary
