



SOUTHEASTERN COLORADO

# Water Conservancy District

*"Your investment in water"*

March 1, 2019

Dear Sir or Madam,

The Southeastern Colorado Water Conservancy District has launching a Financial Strategy and Sustainability Study to be completed in late 2019. This study that will help to assure the future of the Fryingpan-Arkansas Project (Fry-Ark Project), as well and District and Enterprise Projects and Programs.

The Fry-Ark Project was approved by Congress in 1962, and the Arkansas River basin has enjoyed its benefits to cities, agriculture and recreation ever since. The project provides flood control, stable flows for aquatic wildlife along with supplemental water for homes and fields. As the Project has aged, however, the need to preserve its features has become more apparent. Over the past three years, the Southeastern Board of Directors have carefully deliberated how to adequately fund the Project, as well as the activities that support the Project.

The purpose of the Study is to develop several financial tools which will help the District adjust to change in an efficient way that has the least impact on District customers or program participants. The major elements of the study include:

1. A financial plan
2. Analysis of policies
3. Capital Improvement and Capital Project Plan
4. Revenue requirement analysis
5. Cost of service analysis
6. Rate design analysis

As many of you know, the District has discussed the possibility of increasing rates for water sales over the past few years. The cost of Project water at the District has not changed since 1998. As a result of the Financial Strategy and Sustainability Study there could be an increase in the cost water, as early as 2020. The study plans to have preliminary increases for budgeting assistance sometime in July 2019. As we begin the process of structuring The District's financial

future, we are inviting you to attend one of the following short presentations provided by District staff. The presentations will include a layout of the Financial Strategy and Sustainability Study's main elements, study timeline, and schedule of opens meetings.

**Lower Arkansas Valley Outreach Meeting**

March 12, 2019 at 11:00 a.m.

Otero Juror College – Rizzuto Banquet Room  
1802 Colorado Ave  
La Junta, CO 81050

**Upper District Area Outreach Meeting**

March 14, 2019 at 1:30 p.m.

Upper Arkansas Water Conservancy District Office  
339 E. Rainbow Blvd  
Salida, CO 81201

**Northern District Area Outreach Meeting**

March 15, 2019 at 10:00 a.m.

Fountain City Hall  
116 S. Main Street  
Fountain, CO 80817

**Central District Area Outreach Meeting**

March 21, 2019 at 9:30 a.m.

Southeastern Colorado Water Conservancy District  
31717 United Ave  
Pueblo, CO 81001

Attached to this letter is the Finance Strategy and Sustainability Study schedule of meeting and study timeline. Please contact the District office with questions (719) 948-2400 or visit [www.secwcd.org](http://www.secwcd.org) for ongoing information.

Sincerely,



James W. Broderick  
Executive Director