

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO WATER
ACTIVITY ENTERPRISE
MINUTES
January 19, 2023**

A meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (Enterprise) was held on Thursday, January 19, 2023, at the District office, 31717 United Avenue, Pueblo, Colorado. President Long called to order the Enterprise meeting at 11:40 a.m. The ZOOM platform was also made available for Board members and visitors.

President Long established that a Quorum was present.

DIRECTORS PRESENT:

Alan Hamel	Greg Felt(remote)	Pat Edelmann
Andy Colosimo	Howard Miller(remote)	Patrick Garcia
Ann Nichols	Kevin Karney	Seth Clayton
Bill Long	Mark Pifher	Tom Goodwin
Curtis Mitchell	Matt Heimerich	

DIRECTOR(S) ABSENT AND EXCUSED:

Dallas May

ENTERPRISE OFFICIALS PRESENT:

Executive Director James Broderick; General Counsel Lee Miller; Staff Attorney Peter Levish; Senior Policy and Issues Manager Chris Woodka; Water Resources Principal Engineer Garrett Markus; Principal Engineer Kevin Meador (remote); Administrator of Administration Leann Noga; Finance Manager Stephanie Shipley; Administrative Support Specialist's Margie Medina and Patty Rivas(remote); Kogovsek and Associates Christine Arbogast(remote); and H2O Consultants Roy Vaughan.

VISITORS CONNECTED:

Abba Ahmed, Aurora Water; Cathy Garcia, Congresswoman Boeberts Office (@9:45); Eric Kuhn, retired Colo River Water Conservation District; Jeffery DeHerrera, Pueblo West Metro; Jennifer Gimbel, Colorado Water Center; Jerry Pena, Kennedy Jenks; Cassidy Davis, Colo Division of Water Resources; Kevin Salter, Kansas Dept of AG (@ 10:57); Luke Mecklenburg, Assistant Attorney General, Federal and Interstate Water Unit; Mitch Frischmeyer, Wilson Water Group; Roy Heald, Security Water & Sanitation; and Sage Church, Fountain Valley Authority.

VISITORS PRESENT:

Brandon Forbes, USGS; Lauren Duncan, Colorado Water Conservation Board; Mike Holmberg, USBR; Rachel Zancanella, Colo Division of Water Resources; Sam Ebersole, Ebersole Media; Scott Lorenz, Colorado Springs Utilities; and Terry Scanga, UAWCD; and Rick Kientz, Aurora Water.

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APPROVAL OF MINUTES:

President Long said the minutes of the December 8, 2022 Enterprise Board meetings were posted to the Board website for review and asked if there were any corrections or additions. Hearing none, Mr. Garcia moved, seconded by Mr. Colosimo to approve the minutes. Motion unanimously carried.

TREASURER REPORT:

Ms. Nichols reported the financial statements for November 2022 and DRAFT December 2022, were posted to the Board website for review. Ms. Nichols moved, seconded by Mr. Clayton, for acceptance of the November 2022 and DRAFT December 2022 financial statements and payment of the January 2023 bills. Motion unanimously carried.

PRESENTATION ITEMS:

FEDERAL LEGISLATION UPDATE

Ms. Arbogast updated the Board as follows:

The 118th Congress has convened and so organization and the development of priorities and an agenda for the House and Senate and the Administration, and each agenda is of course a little different. For Colorado, our elected officials remain in key positions on committees. Senator Bennet is our only member of the Agriculture Committee, which will write a five-year farm bill this year. Senator Bennet is the chair of the subcommittee which will draft the watershed health title and the conservation title.

Senator Hickenlooper remains a member of the Energy and Natural Resources Committee. Congressman Lamborn representing El Paso County and Congresswoman Boebert representing Pueblo, Crowley and Otero counties in the Arkansas Basin remain members of the House Natural Resources Committee. Congressman Neguse from the Second District including some mountain counties is also a member and it is uncertain whether Congresswoman Diana DeGette of Denver will remain on the committee.

Other than the farm bill, I will be watching other water resources related bills. Thus far, those introduced are generally focused on California, with one bill aimed at permitting streamlining and making Reclamation the sole permitter for water resource development.

There are also some endangered species reform or modernization bills in the hopper. The Colorado delegation will be working on legislation for long-term sustainability of the Upper Colorado and San Juan River recovery programs which have been so important to the water community.

It is expected that legislation will codify a definition of Waters of the United States. The new rule has been released, and of course a law suit has already been filed by Texas. And, all eyes are on the Supreme Court's pending decision in the Sackett case.

Awaiting for the release of the Administration's FY '24 budget, usually released the first week in February; it will more likely be late February or into March. Last year, the one year extension of the recovery programs was passed, as was a two-year authorization for the system conservation pilot program. The we know that the Inflation Reduction Act included significant sums for Colorado River drought.

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Bill, Jim and Christine went to Washington just after the new year, meeting with both Senate offices and Representatives Buck and Boebert's office. Again, as has been said before, we enjoy strong bipartisan support for the Arkansas Valley Conduit. There was a meeting with the Bureau of Reclamation (BoR) there in DC, and more recently, at the federal center.

As for the Arkansas Valley Conduit, it is on an accelerated schedule and therefore more robust spending, including the Bureau. There has been plenty of support and commitment from headquarters at the BoR and the regional director and his team, the area office team, and now Tyler Artichoker here in Pueblo. Tyler is a Pueblo native and thru BoR is a lead in the building of the conduit.

The funding plan for the conduit is aggressive; we are pursuing in the short term some funding from the plus-up included in the FY '23 omnibus appropriations bill. In the long-term, we are working to significantly bump the line-item budget request from the administration, and then blend that with the infrastructure bill money. We are fortunate that in the category of infrastructure funding we are in, there are only a handful of other BoR projects which in this same category. The area and regional BoR teams are coordinating with their counterparts on those projects. This kind of strategic thinking will really help us through this acceleration effort.

60TH ANNIVERSARY VIDEO: WATER AND AGRICULTURE

Mr. Chris Woodka showed the latest installment in the 60th Anniversary Video series. This installment focused on Water and Agriculture.

The Fry-Ark Project has a significant impact on agriculture in the Arkansas River Basin. The supplemental transmountain water provided by the Fry-Ark Project gives farmers a cushion that allows irrigation water to be available either at the start of the growing season, when soil moisture is low, or at the end of the growing season to finish off a crop. For many years, irrigation has benefited from unused municipal flows, but that is changing.

A second benefit of the Fry-Ark Project has been the Winter Water program, which allows native water to be stored for future use. The Winter Water program is possible because of the Fry-Ark Project and is an additional benefit to farmers within the Southeastern District, as well as those on the Amity Canal, which is outside District boundaries. Winter Water has increased availability of water on the shoulders of the growing season and changed cropping patterns.

Finally, the Fry-Ark Project serves as a bridge for agriculture as more municipal and industrial interests purchase agricultural water rights in the Arkansas Valley. The storage provided by the Fry-Ark Project allows more flexibility in how water is used.

To help explain these concepts we interviewed Fort Lyon, Holbrook and Amity Canal officials, as well as the District's Water Resource Engineer Garrett Markus. They will explain the ins and outs of how Project Water and Winter Water impact farming operations in the Arkansas Valley.

The Board thanked Sam Ebersole for his production on the video series.

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ACTION ITEMS:

None

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

President Long asked if there were any other matters to come before the Enterprise Board, hearing no other matters Mr. Long adjourned the meeting at 12:12 p.m.

Respectfully submitted,

Patty Rivas
Administrative Support Associate

Secretary
