

RECORD OF PROCEEDING

**SOUTHEASTERN COLORADO
WATER ACTIVITY
ENTERPRISE MINUTES
September 18, 2025**

President Long reconvened the meeting of the Board of Directors of the Southeastern Colorado Water Activity Enterprise (Enterprise) on Thursday, September 18, 2025 , at 10:41 a.m., at the District office, 31717 United Avenue, Pueblo, Colorado. The ZOOM platform was also made available for Board members and Visitors.

Attendance:

Board Members Present:

Abby Ortega	Dallas May	Seth Clayton
Alan Hamel	Justin DiSanti	
Andy Colosimo	Kevin Karney	
Ann Nichols	Mike Bartolo	
Bill Long	Pat Edelmann	

DIRECTOR(S) ABSENT AND EXCUSED:

Greg Felt, Matt Heimerich, Curtis Mitchell, and Tom Goodwin.

DISTRICT OFFICIALS:

Executive Director Leann Noga; General Counsel, Lee Miller; Staff Attorney Peter Levish; Senior Policy and Issues Manager Chris Woodka; Engineering Manager, Gordon Dillon; Project Engineer, Trevor Singleton; Water Resources Engineer, Robert Banham; Water Resources Administrative Analyst, Margie Medina; Finance Manager, Stephanie Shipley; Accountant, Karen Muniz; Administrative Support Specialist Patty Rivas; H2O Consultant, Roy Vaughan; Jewell, Jimmerson Natural Resources Law, April Hendricks; Wilson Water Group, Mitch Frischmeyer (remote); and AECOM, Curtis Thompson (remote).

PRESENT VISITORS:

Aurora Water, Abba Ahmed; USGS, Dustin Ethridge and Krystal Brown; Pueblo West Metro District, Elissa Velasquez; USBR, Mike Holmberg; Colorado Division of Water Resources, Rachel Zancanella.

VISITORS CONNECTED VIA ZOOM:

Colorado Springs Utilities, Katie Garrett and Lisa Windham.

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CONSENT ITEM:

Mr. Karney moved, seconded by Mr. DiSanti, to approve:

- The minutes from the August 28th Enterprise Board meeting
- Treasurer report for July 2025
- Treasurer report for August 2025

Motion carried unanimously.

PRESENTATION ITEMS:

FEDERAL LEGISLATION UPDATE

Mrs. Leann Noga presented the Federal Legislation update, as Ms. Arbogast was unable to attend the Board meeting:

Biggest news is that the Administration has withdrawn Bureau of Reclamation Commissioner Ted Cooke's nomination. While rumors are rampant that acting Assistant Secretary for Water and Science Scott Cameron will be the new nominee, he has said he is not interested in the position of Commissioner.

Others who have been contacted are also declining. DOI is saying any candidate must not have an allegiance to the Upper or Lower Basin; in other words, they want someone from outside the Colorado River Basin.

In the meantime, David Palumbo will continue as acting.

Andrea Travnicek, the nominee to be Assistant Secretary for Water and Science may be confirmed today as part of a 48-nominee *en banc* vote in the Senate. Particularly good news for Western water.

Discussions on a continuing resolution to fund the government are ongoing; House may vote today or tomorrow on a proposal for a CR until November 21. In the meantime, we have no word on FY 26 funding for BoR or the AVC.

AVC UPDATE

Mr. Gordon Dillon updated the Board on construction of the AVC:

- AVC 2025 Trunkline Design & Construction
 1. Boone Reach
 - a. Hydrostatic test complete
 - b. Cleanup
 2. Boone Reach 2
 - a. Laying west from starting point
 - b. Gas line relocation scheduled for October.
 3. Injection Site Phase 1- Early 2027 completion (current schedule)
 4. Crowley Reach 1 – Construction starts early 2027
- AVC 2025 Work plan through November
- 1. Design through Rocky Ford (SRF Package 1)
 - a. Action Item for AVC Design Services Award on agenda today
 - b. Kennedy Jenks was successful.

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- c. First Design deliverable due October 17th – staging area for PNA
- d. Second design is deliverable due November 3rd for SRF loan application.
- e. SRF Loan application is in process for November 5th submission

Questions were asked of Mr. Dillon.

An update on the September 9th Participants' meeting was given by Mr. Kevin Karney.

AGRICULTURAL FRY-ARK PROJECT WATER CARRYOVER

Mr. Robert Banham presented to the Board a PowerPoint:

Spill Category Recommendation

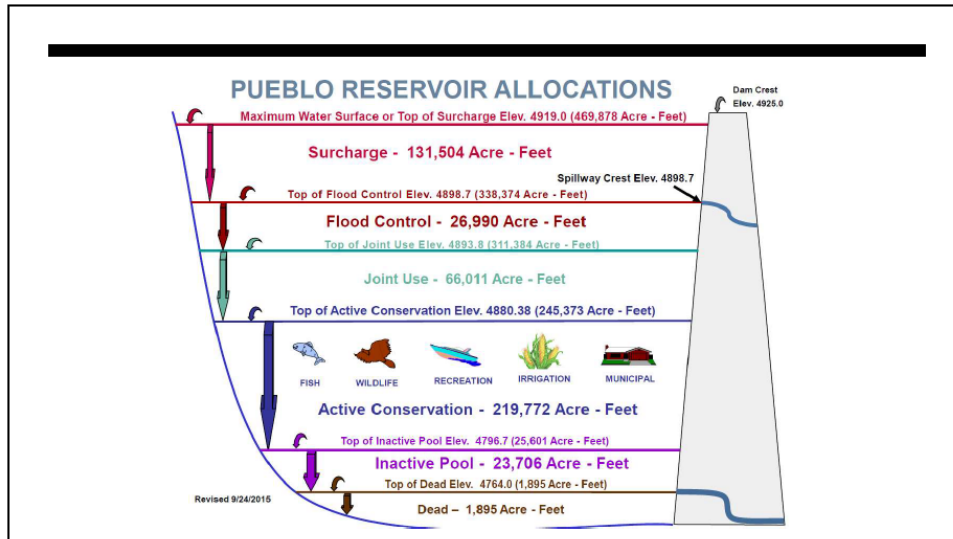
- Category 2 – Marginal Risk of Spill (selected for 2025):
 - Annual Waiver of the 80/20 Rule.
 - Any water above the 20% of current year allocation is subject to the following conditions:
 - Agricultural Project Water may be stored from November 15 to March 15 but must be used by **April 15**.
 - The Allocation Committee will recommend one of the three spill categories to the Board of Directors in **September**.
 - The Board of Directors will decide on one of the three spill categories in **September**.
 - Committee will review spill risk and consider agriculture letters for variance in **February-March** and possibly take action depending on the hydrological conditions.

Other Category (1 – Imminent Risk of Spill, 3 – Unlikely Risk of Spill) remain part of the framework but are not recommended for 2025 currently.

Predictions for Pueblo Reservoir

As of September 2, 2025	
Current Content	194 KAF
+ New WW	43 KAF (20 yr. average WW)
+ Project Water	20 KAF (Planning to move to Pueblo)
+ M&I Inflow	25 KAF (Sept 24 – 15 Apr 25)
- Total Releases	23 KAF (Sept 24 – 15 Apr 25)
- Evaporation	8.9 KAF (Sept 24 – 15 Apr 25)
250.1 KAF – 245,373 = 4.7 KAF Above	

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Questions were asked of Mr. Banham

ACTION ITEMS:

AGRICULTURAL FRY-ARK PROJECT WATER CARRYOVER

Mr. Banham presented an action item to the Board, based on the above PowerPoint, recommending the Board of Directors select Category 2 – Marginal Risk of Spill for the Agricultural Project Water Carryover Program (Program) for the 2025 water year, based on the Programs outlined parameters and conditions.

Under the current “use it or lose it” policy, agricultural entities often choose to use their Project Water at less opportune times simply to maintain utilization. However, this approach does not allow them to optimize the value of the resource, especially during dry years when allocations are limited. The District has explored the potential benefits of the Agricultural Project Water Carryover pilot program for the past 3 years. District staff proposes to continue this program with the following parameters, ensuring that the program does not interfere with other Frypan-Arkansas Project operations.

The framework for 2025 is as follows:

- Category 2 – Marginal Risk of Spill (selected for 2025):
 1. Agricultural Project Water may be stored from November 15 to March 15 but must be used by **April 15**.
 2. The Allocation Committee will recommend one of the three spill categories to the Board of Directors in **September**.
 3. The Board of Directors will decide on one of the three spill categories in **September**.
- Committee will review spill risk and consider agriculture letters for variance in **March** and possibly take action depending on the hydrological conditions.

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Other Category (1 – Imminent Risk of Spill, 3 – Unlikely Risk of Spill) remain part of the framework but are not recommended for 2025.

Mr. Colosimo moved, seconded by Mr. Clayton, that the Board of Directors select Category 2 – Marginal Risk of Spill for the Agricultural Project Water Carryover Program for the 2025 water year, as outlined. Motion carried unanimously.

AVC DESIGN SERVICES AWARD

Mr. Gordon Dillon presented to the Board an action item recommending the Enterprise Board award of Design Services to Kennedy Jenks to develop 100 percent Construction plans and Specification for the spur and delivery lines in the SRF Package 1 area to include participants east of Boone through Rocky Ford to include the Hilltop Spur in the form of two contracts.

Staff propose to award one proposed bid and issue two contracts to complete this design work. The first contract would include an estimated \$2,000,000 funded by the AVC funds balance for identification of construction staging areas and the environmental clearances associated with them, design work to approximately 60 percent as required to complete the next steps of the Project Needs Assessment (PNA). A second contract would complete the design process from 60 to 100 percent design and would be paid through the Colorado Water Conservancy Board (CWCB) grant funding estimated at \$2,500,000.

No budget amendment is needed.

This approach for funding allows for completion of the PNA and designs required for the SRF loan application to be initiated quickly to meet calendar deadlines and allows for the District to obtain additional funding through CWCB to complete the 100 percent design work.

AVC Committee authorized staff to issue an RFP for 100% design of spur and delivery lines for 18 participants (15 connections) between Boone and Rocky Ford including the Hilltop spur. This design effort is fast paced to take advantage of the last year of Bipartisan Infrastructure Law (BIL) funding, through the State Revolving Funds (SRF) to fund construction. Priority items listed in the design contract will complete required reporting deliverables for the PNA that have not been included in previous scopes of work. The PNA is a required process for funding through SRF.

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The selection committee of Gordon Dillon, Trevor Singleton, Lowell Pimley, Chris Woodka and Leann Noga reviewed the submitted proposals and scored them based on the following criteria:

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

Below is a list of consultants that submitted proposals, their base bid and average score based on the above criteria.

Bidder	Base Bid	Average Scores
AECOM	\$3,339,812	74
Kennedy Jenks	\$2,779,995	90
TetraTech	\$4,995,867	57

After discussion and further analysis of the fee proposals, it was decided that Kennedy Jenks had the best overall proposal.

The Board was provided a copy of the agreement.

Mr. Karney moved, seconded by Mr. Clayton, the Enterprise Board to approve and sign a substantially similar agreement with Kennedy Jenks for Engineering Services for the Arkansas Valley Conduit (AVC) Spur and Delivery Lines Engineering Design SRF Package 1. Motion carried unanimously.

TEMPORARY CONSTRUCTION AND RIGHT OF ENTRY LICENSE AGREEMENT FOR THE AVC

Mr. Gordon Dillon presented to the Board an action item recommending approval to sign the Temporary Construction and Right of Entry License Agreement for the Arkansas Valley Conduit Fryingpan-Arkansas Project.

The Haynes Creek property was bought by six entities for Recovery of Yield (ROY). Included in this group are PWWB, CSU, Fountain, Pueblo West, Aurora and SECWCD. The ROY Group is in the process of creating an authority to act as one. Bureau of Reclamation (Reclamation) is in final preparations to advertise for construction of Crowley Reach 1, which will traverse the parcels owned by the ROY Group. Until the ROY Group has singular authority to act for the group, individual Temporary Construction and Right of Entry License Agreements will need to be executed for each entity with a duration of five years. This license agreement will suffice for construction, maintenance, and operation until the

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permanent easement for Crowley Reach 1 is negotiated with the ROY Group authority and allow Reclamation to move forward with construction.

A copy of the Temporary Construction and Right of Entry License Agreement for the Arkansas Valley Conduit Fryingpan-Arkansas Project was provided to the Board.

Mr. Hamel Moved, seconded by Mr. Karney, the Enterprise Board of Directors to approve and sign a substantially similar Temporary Construction and Right of Entry License Agreement for the Arkansas Valley Conduit Fryingpan-Arkansas Project for the Haynes Creek property. Motion carried unanimously.

INFORMATION ITEMS:

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

- Arkansas Valley Conduit Newsletter
- JWBHP Update
- Excess Capacity Master Contract Update

President Long adjourned the Enterprise Board Meeting @ 11:02 a.m. and reconvened the District Board Meeting.

EXECUTIVE SESSION:

Mr. Lee Miller announced a request has been made for the Southeastern Colorado Water Conservancy District to enter Executive Session for the purpose of:

Discussion with legal counsel on the following matter:

Aura Water Purchase

Pursuant to:

“ **C.R.S. §24-6-402(4)(b):** (Conferences with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions)

“ **C.R.S. §24-6-402(4)(e):** (Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators)

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The presence of the following individuals are requested at this Executive Session:

1. Non-Excused Board members, (state for the record any who are excused)
2. Executive Director
3. General Counsel
4. Staff Attorney
5. Special Legal Counsel
6. Senior Policy and Issues Manager
7. Water Resources Specialist/Engineer

MINUTES WILL BE ELECTRONICALLY RECORDED AS REQUIRED BY THE COLORADO OPEN MEETINGS ACT

Mr. Clayton moved, seconded by Mr. DiSanti , that the Southeastern Colorado Water Conservancy District will enter into Executive Session at 11:04 a.m. The vote was unanimous.

At 12:01 p.m. coming out of Executive session, Mr. Lee Miller advised that there was discussion with legal counsel instructing, and that no action was needed for Executive Session Item:

Aurora Water Purchase

President Long asked if there were any other matters to come before the District Board, hearing no other matters, Mr. Long adjourned the District Board meeting at 12:02 p.m.

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Respectfully submitted,

**Patty Rivas
Administrative Support Specialist**

Seth Clayton – Secretary

Bill Long – President

Greg Felt

Curtis Mitchell – Vice President

Justin DiSanti

Ann Nichols – Treasurer

Kevin Karney

Abby Ortega

Matt Heimerich

Alan Hamel

Mike Bartolo

Andy Colosimo

Pat Edelman

Dallas May

Tom Goodwin