dated water conservation plan to the Southeastern district for review by the Bureau of Reclamation. See [www.wcc.uscourts.gov/conservation-plans](http://www.wcc.uscourts.gov/conservation-plans).

Upcoming expenses for Pueblo Reservoir capital asset management and replacement in the next six years will be about $39 million. As a result, annual reservoir operations and maintenance rates will be more than seven times higher at the end of this six-year period. These rapidly rising O&M costs for Donala would only be about 57 percent of what they are now once Donala becomes included. Storage fees are separate from and in addition to O&M fees.

Petersen said the current rate for Donala’s non-member “if and when” storage is $42.04 per acre-foot for 499 acre-feet of storage. Donala has requested a long-term contract from the bureau for 499 acre-feet of storage in Pueblo Reservoir to avoid annual negotiations and new annual “if and when” contract paperwork. Broderick said the Southeastern district “stays out of” non-member long-term storage contracts as a board policy.

Broderick said there are currently four of these non-member short-term storage contracts in place for the Pueblo Reservoir. These four water entities have to worry about the Southeastern district having to temporarily limit or eliminate the “if and when” storage for these four contracts during high spring snow melt flows. The simpler name used for this problem is “spilling” and it is only a serious threat for about two weeks a year. “Spilling” has not actually occurred recently due to closely coordinated pro-active measures taken by all the interested parties during each of the recent annual warnings.

The board thanked Broderick for his overview. There was board consensus to schedule an agenda item to discuss Broderick’s overview at the next regular board meeting where all five directors will be in attendance, as well as scheduling an in-depth discussion of Broderick’s overview at the board’s Nov. 16 9 a.m. strategic planning workshop.

Chandler reports safe investment environment will likely remain unchanged Donala’s investment advisors from Chandler Asset Management, a financial strategy and institutional sales and executive Vice President Scott Prickett and Client Service Manager Stacey Alderson—presented a technical review of the current Donala investments and investment policies in a “benign” inflation environment coupled with a weak rate of increases for both wages and core personal consumption expenditures, and then answered questions from the directors regarding the board’s investment objectives. The duration of Donala’s investments have been increased to provide higher rates of return. Two-year instruments may yield 1.4 to 1.6 percent as well as higher total returns.

Colorado state law sets high investment safety requirements to ensure preservation of capital in the overall portfolio, and sets diversification limits that preclude investment in long-term corporate bonds, certificates of deposit, or equities to get a higher yield due to the risk of principal loss in the event of subsequent failure of this type of security issuer or backer. The Donala portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. There was consensus to continue the district’s current investment policies with no changes. The directors thanked Pricket and Alderson for the higher yields that Chandler’s recently recommended policy changes have garnered.

for the district.

Donala positions explained again during public comment Petersen stated, as he has recently done at previous board meetings, that the El Paso County assessor will release information to Donala later this year on how Colorado’s statewide annual property tax rate changes will affect Donala, in exactly the same way as every other Colorado special district, along with the most recent county tax assessments on individual properties, will determine whether the total Donala property taxes collected by the state for 2017