

HUERFANO COUNTY WATER CONSERVANCY DISTRICT

Minutes of Board Meeting

August 24, 2026

The monthly meeting of the Huerfano County Water Conservancy District, which had been properly noticed and was available for public participation, was convened in person: Walsenburg Housing Authority, 220 Russell St, Walsenburg on August 24, 2026, at 6:00 pm.

Directors: Scott King, Jacque Sikes, Lonnie Brown, David Steffan, Kent Mace.

Secretary: Carol Dunn; **Attorney:** Ryan Farr; **Engineer:** Steve Smith by online Teams meeting.

Guests: Amos Mace, Ed Diemer, Lenna Rauber, Shauna Vucetich. By online Teams meeting: Dale Lyons.

Agenda: Accepted on a Mace/Brown **motion**.

Minutes: Minutes of the July 20, 2026 meeting were approved on a Mace/Brown **motion**.

Financial Reports: Financial reports were accepted as presented on a Brown/Sikes **motion**.

OLD BUSINESS: None.

NEW BUSINESS: Water Case 2026CW3034, Cucharas Collaborative exchange diligence.

DWR River Reports: Ed Diemer reported on the Cucharas River: 2 cfs at Boyd Ranch, 0 at the other gages. Call is #1. Lenna Rauber reported on the Huerfano: 5 cfs at Manzanares, 0.32 cfs at Badito, and 0.86 cfs at I-25. Call is #1. There was a rain event last week with 1,600 cfs that washed out headgates on the river.

Flood warning gages: Doug Brgoch reported on the onsite meeting with ARWC (Yates McConnell and Shea Garcia) about the emergency flood warning gages. Pueblo County is working separately from Custer County, so ARWC is not able to use the gages at this point. A collaborative effort between Custer and Pueblo Counties would be ideal, aiming for an hour of advance notice about pending flooding. Brgoch and Steffan both recommended we wait for the two entities to get organized. Steffan will write up the advice he and Brgoch gave ARWC. Sky Hi can go forward with removal of the remaining gages.

HUERFANO REGIONAL AUGMENTATION PLAN:

Vireo Growth (formerly SCG/Schwazze) – Farr's letter was delivered to Vireo about getting the aug certificate transferred from the previous owner's name to the new owner's name. The participant is paid up currently, however, the company is not permitted to use the well for their operation until the certificate is transferred. Rauber reported DWR has visited the operation twice and nothing is going on – it is locked and not operating.

Bear Bottom Ranch (BBR) – There are two applications: Tier 1 for Beaver Ponds 1, 2 & 3. Much of the engineering has already been done by Applegate for these. A Tier 2 application is for Sheep Rock Lower Pond; not much engineering was done previously on this when BBR was negotiating on which ponds were to be augmented. DWR gave BBR an extension of its SWSP to October 31 to get a survey, stage storage table, locking headgates, and low-level outlets. BBR has indicated the desire to renew the existing lease until Oct. 2027. Steve Smith reported the aug plan has the firm yield to cover both applications. There was a Mace/Brown

motion to confirm that Applegate Group may proceed with engineering on the two BBR applications.

The Land Use application by **ISO99, LLC** is in the Cucharas basin, so it would not be applicable for the HCWCD aug plan. It involves the existing large facility near the Spanish Peaks Hospital.

GroAway, LLC – The potential applicants have estimated up to 7 acre-feet of aug water will be required and have submitted questions several times to Steve Smith. Brown reported the applicant has stated to the Planning Commission that no marijuana will be raised, only hydroponics, aquaculture, vegetables, and a cat sanctuary. If lagged depletions will extend beyond six years, a purchase or lease-purchase of the aug water certificate will be required.

SMAF – Shauna Vucetich asked questions about how the aug plan works to make sure there's no injury to senior water rights holders.

Mace reported the reservoir still has water in it, and a rattlesnake den has been discovered at the site. The recent flood did not do any damage despite the beaver pond sticks that got washed through. Rauber took the DWR aug coordinator and municipal coordinator from Pueblo to SMAF for a tour. Releases were conducted all month long to make up for the lack of recharge from the dry pond at Wm. Craig Ranch. There is new community appreciation for SMAF and HCWCD.

Rural Development requested we get two additional estimates (not bids) from other rock quarries so the RD engineer can determine whether we can stockpile the riprap. There was a Mace/Brown motion to approve the recommended 2027 participant aug plan administration fees: Tier1 \$2191; Tier2 \$284.83; Tier3 \$153.37.

Thorne Ranch Diligence: Smith explained highlights of the historical consumptive use (HCU) report for Thorne Ranch. After meeting with former water commissioner Ray Garcia, Applegate increased the estimate to 191 af/yr. The increase was affected by the number of acres used in the calculation (south and north acreage in the consolidated Badito and Martin ditches). The Thorne Ranch water rights are #3 and #6. Exchange potential is a challenge in summer, so Smith advised that eventually 100 af of storage will be needed on Thorne Ranch.

Infrastructure Improvements Project Funding Update – Community Project Funding 2024 (Cong. Boebert/Hurd) – We are still waiting for Rural Development permission to stockpile. It was suggested we request permission to do all the bids for the project at one time.

REPORTS:

Arkansas Basin Roundtable: King reported on the most recent meeting, including a presentation about demand management. There was a federal mandate that the southern users on the Colorado River cut 1.25 million af of use.

Public Comments: None.

At 7:58 pm, King called for a break. Meeting was reconvened at 8:18 pm.

BILLS: On a Brown/Sikes **motion**, the board authorized transfer of \$12,000 from ColoTrust and payment of the following bills, which total \$26,924.94:

Mountain States Financial: monthly bookkeeping	\$275.00
Monson, Cummins, Shohet & Farr: mtg; Thorne; Collab exchg stor. case; aug plan	\$6,693.00
Dunn Write: contract, mileage, internet, phone	\$2,717.63
La Veta Carpentry: monthly website admin	\$250.00

Doug Brgoch: monthly water consultant contract	\$500.00
Applegate Group: aug plan acct/projectn/adm, bd mtg, Thorne, BBR, Gardner water	\$11,751.43
Mace Water & Land: SMAF operations July 2026 + Ditch recharge report	\$1,980.81
Mitchell Wardell: Wm Craig ditch water data retrieval	\$120.00
Visionary Broadband: Internet connectivity at SMAF	\$1,073.03
Scott King: Colo Water Congress summer conference	\$1,314.23
San Isabel Electric: monthly usage at SMAF (EFT)	\$184.81
Spanish Peaks Library: monthly rent	\$65.00

At 8:20, there was a Brown/Steffan **motion**, approved by the board, to go into executive session, joined by attorney Farr and engineer Smith, to discuss: Thorne Ranch diligence, which included a conference with the attorney representing the District for the purposes of diligence for purchasing property according to CRS 24-6-402(4)(a) and receiving legal advice about reservoir sites for Cucharas junior water right case 17CW3075 for specific legal questions pursuant to 24-6-402(b).

On a Steffan/Mace **motion**, approved by the board, the executive session was closed at 8:45 pm, and the regular session reconvened.

There was a Mace/Steffan **motion** to arrange a conference call between attorney Farr and Peter Yribarra at Rural Development about getting permission to start the SMAF project. If we cannot get an advance on the grant, then Ryan will discuss with Huerfano County an appropriate extension of time on our diligence period. Board approved.

There being no further business, board approved a Mace/Steffan **motion** to adjourn at 8:46 pm.

Scott King, President

Carol Dunn, Secretary