

HUERFANO COUNTY WATER CONSERVANCY DISTRICT

Minutes of Board Meeting

November 28, 2016

The monthly meeting of the Huerfano County Water Conservancy District Board of Directors was called to order by President Sandy White on Monday, November 28, 2016 at 6:00 pm at the Huerfano County Community Center, 928 Russell St, Walsenburg, CO.

Directors present: Lewis "Beaver" Edmundson, Michael "Sandy" White, Juan Vallejos, Scott King.

Secretary: Carol Dunn; Attorney: Steve Monson

Guests: Doug Brgoch, Keith Bouchard, Mayor Jim Eccher, Phil and Rebecca Cummings; Bill Knowles and David Rinehart, Press.

The agenda was approved.

MINUTES – King moved and Edmundson seconded to approve the October 24, 2016 minutes. Board approved.

TREASURER'S REPORT – King moved and Vallejos seconded to accept the financial reports, with one change: Clerical for Collaborative should be \$402.96 for October, and Clerical and Administrative should be \$402.96 less. This will show correctly on next month's YTD total. Board approved.

OLD BUSINESS – The court decree has been issued for the HCWCD Regional Augmentation Plan, Case 13CW3062. The 2017 SWSP will continue until the marijuana-related businesses and any other customers are added to it through an administrative process that may take until the latter part of 2017. There were objectors to the filing of the 2017 SWSP, which delayed its filing until just last week.

Brgoch pointed out that the engineering in the court decree is proprietary to it.

NEW BUSINESS –

Water case 2016CW13, Suzanne Janecek (app for Reasonable Diligence) – Janicek Spring 2, 1.1 gpm.

2016CW16, Rodney & Tana Williams (app for Conditional Surface Water Rights) – Ojo Spring #1, 10 gpm conditional to deliver down its historic channel.

2016CW3074, Novell & Deborah Perrino (app for Change of Water Rights, Underground Water Right & Plan of Augmentation) Martin Ditch #2, Spanish Peaks Well #1.

Brgoch explained the Perrino application – expansion of irrigation use; year-round use of a well. Engineering is forthcoming according to the attorney. There are no concrete numbers in the app yet that Brgoch can test the validity of. DWR has written an extensive list of concerns. White will call Steve Witte about the case.

There was a King motion, seconded by Edmundson, to not oppose 2016CW13 & 2016CW16 and oppose 2016CW3074 because it could impact the District's Craig Ranch water rights. Board approved.

Ranch Lease – Edmundson reported we have one showing of the Ranch on Friday, so we will probably have at least one bid on next year's lease.

Brgoch reported that the Huerfano River is low and the call is at #2 and #5. Walsenburg and La Veta are taking water on the Cucharas River, and it is live to Maria Lakes, which is storing the rest of the water coming in with a senior storage right.

King moved and Edmundson seconded to continue to issue a 1099-MISC, rather than a W-2, to the board members for director compensation. Board approved.

Edmundson moved and Vallejos seconded to change the time of the next meeting, December 12 at Spanish Peaks Library, to 5:00 pm. Board approved.

DIRECTOR COMMITTEE REPORTS— Ark Basin Roundtable report – King reported that Sandy White presented an update on the Huerfano Regional Augmentation Plan, which was required in the process of getting the grant and loan contract deadlines extended. White is trying to amend the grant approval so the District can add other reservoir sites besides Red Wing. Regarding community planning, the population of Colorado is expected to double by 2050. CWCB announced it will be upgrading from 90% funding to 100% funding on loans. Al Tucker is now recorder of the executive committee instead of the PEPO (educational) representative.

DIRECTOR AND GUEST COMMENTS – Monson asked the marijuana-related businesses about their anticipated water use in January-February 2017. White called a recess at 6:56 pm. Meeting reconvened at 7:10 pm.

BILLS – There was a motion by King, seconded by Edmundson, and approved by the board to pay the following bills, total \$46,799.83 and transfer \$34,000 to the ColoTrust savings account.

- Mountain States Financial Group – November bookkeeping \$120.00
- Dunn Write – Contract, mileage, meeting supplies \$1,657.41
- Dunn Write – Cucharas Storage Collaborative admin work/grant match \$342.96
- Dunn Write – Infrastructure Improvements grant work \$45.00
- Dunn Write – Invasive Phreatophyte grant admin \$228.42
- Dunn Write – BIP Coordinator grant admin \$652.50
- Parsons Water Consulting – Collaborative Storage project \$19,875.00
- Monson, Cummins & Shohet – SWSP, board mtg, Aug plan, new applicants \$10,868.33
- La Veta Carpentry – Read wells and report to Faux, November \$200.00
- TZA Water Engineers – Aug plan, Sheep Mtn, SWSP, new applicants \$7,414.12
- Colo Div of Water Resources – Satellite water monitoring, both rivers, annual \$2,400.00
- TCTelcom – pull phone line from basement of library to District office \$176.50
- Glatfelter Public Practice – Liability and property insurance premium \$2404.00
- CenturyLink – Phone service, November \$43.91
- Spanish Peaks Library – Rent \$65.00
- The Signature – Legal notices: Ranch lease, 2017 budget & budget message \$134.00
- World Journal – Legal notices: Ranch lease, 2017 budget & budget message \$172.68
- Gary Barber, BIP Coordinator \$5,212.50, pre-approved pending grant funds to cover it.

At 7:12 pm Edmundson moved, King seconded and Board approved going into executive session to discuss matters involving the regional augmentation plan, ongoing litigation and SWSP, including the purchase, acquisition, lease or sale of real, personal or other property interest as in CRS 24-6-402(4)(a); conference with an attorney representing the District for the purposes of receiving legal advice on specific legal questions pursuant to CRS 24-6-402(4)(b); and determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators pursuant to CRS 24-6-402(4)(e).

At 8:26 pm, King moved and Vallejos seconded closing the executive session and returning to regular session. Board approved. The meeting was called back to regular session at 8:26 pm. White announced that he will not serve as president of the board next year. There being no further business, meeting adjourned at 8:32 pm.

Sandy White, President

Carol Dunn, Secretary