

HUERFANO COUNTY WATER CONSERVANCY DISTRICT

Minutes of Board Meeting October 23, 2017

The monthly meeting of the Huerfano County Water Conservancy District was called to order by President Scott King on Monday, October 23, 2017 at 6:02 pm.

Directors present: Michael "Sandy" White, Scott King, John Vallejos, Kent Mace, Beaver Edmundson. Secretary: Carol Dunn; Attorney: Ryan Farr.

Guests: Doug Brgoch, Gail Terry, Rebecca Hoehne, Rick Dunn, Bill Tyner; Bill Knowles, David Rinehart (press).

White moved, Mace seconded and board approved the agenda.

Minutes – White moved, Mace seconded and board approved the September 25, 2017 minutes.

Treasurer's Report – White moved, Vallejos seconded and board approved the treasurer's report.

Budget – Dunn explained the changes that were made since the draft was presented to the board. White moved to accept the budget for publication, Edmundson seconded and board approved.

Old Business – White presented a pro-forma budget for the Collaborative Storage geotechnical survey grant application. If a \$5,000 grant from HCFMLD is approved, we can add that as match and reduce the HCWCD commitment. Commitment letters have been received from City of Walsenburg, La Veta Fire Protection District, Maria Lake Grazing Association, Town of La Veta, Cucharas Sanitation & Water District and Cuchara Investments (Marshall Moore). Huerfano County is pending.

New Business – Water case 2017CW3056 Fuchs Pond #6 enlargement, reservoir ditch enlargement and Aragon Ditch enlargement: The Board decided to take no action on this case.

River reports: Brgoch reported on both rivers. There is no call on the upper reaches of either river. It's the first time in 30 years that there has been this much water in the system.

Water Infrastructure Improvements grant add for stream gage repairs – Bill Tyner, Division of Water Resources, explained the two bids to repair flood-damaged Cucharas River stream gages at Boyd Ranch and Harrison Bridge. DWR staff recommended Chaparral Construction as the contractor for \$23,400. The other bid was \$25,000 from Chad Lessar. Andy Moore (CWCB) will issue a purchase order for \$24,400, which includes \$1,000 HCWCD administrative. There was a motion by White, seconded by Mace to award the bid to Chaparral. Board approved.

White moved, Mace seconded and board approved authorizing the contract by HRS with Site Services Drilling to install the test wells for the Water Infrastructure Improvements project.

Ranch property appraisal – King reported that appraiser Ed Lumpee expects to have the Ranch appraisal finished in two weeks. He is still figuring out how the water right affects the value.

Farr addressed reactivating the Water Activity Enterprise. Since HCWCD has de-Bruced, the Enterprise is not needed, and process of closing it will be discussed at the next meeting.

Brgoch advised that the Ranch tenant, Shrou, needs to run 3-tenths into the recharge pond even if he doesn't want to irrigate. HCWCD has enough credits for the year, so the water doesn't need to go through the augmentation station.

Sheep Mountain Augmentation Facility update – Rick Dunn reported that Morgan Excavating is almost finished at the SMAF site. Bisulca will be measuring certain quantities to verify payments due

and so he can recommend the final payment later this week. The County is crushing gravel, and Dunn said he's heard mixed reviews of the gravel being produced, but the County is using it.

King called a recess at 7:19 pm. Meeting was called back to order at 7:40 pm.

Bills – White moved, Mace seconded and board approved transferring up to \$148,000.00 from ColoTrust and paying the following bills, which total up to \$163,021.74:

Mountain States Financial group, October bookkeeping –	\$120.00
IOA (Walsenburg Insurance), bonds for King, Edmundson, Vallejos and Dunn –	\$425.00
Monson, Cummins & Shohet, Bd mtg, Sheep Mtn, Aug plan, Perrino, Ranch, exchg storage	\$4,046.25
Monson, Cummins & Shohet, work for 5 growers/new applicants–	\$368.04
Dunn Write, contract, mileage, meeting expense –	\$1,641.50
Dunn Write, Phreatophyte grant admin, 9/25/17–10/22/17	\$70.00
Dunn Write, PRWCD grant fiscal agent, 9/24/17 – 10/22/17	\$236.25
Dunn Write, Infrastructure ADD for gage repairs, through 10/22/17	\$542.50
Dunn Write, Geotechnical study meeting arrangements (PEPO)	\$257.84
La Veta Carpentry, Water analyst contract, October –	\$200.00
La Veta Carpentry, Water analyst assist TZA, Sheep Mtn Aug Facility inspections	\$1,201.06
TZA Water Engineers, Water acctg, SMAF phase 1, Cucharas exchange app –	\$9,192.76
TZA Water Engineers, Inclusions of growers/new applicants in Reg Aug Plan –	\$264.00
Paul Morgan Excavating, SMAF phase 1 construction – up to . . .	\$133,205.75
Century Link, phone service, August –	\$54.36
Garald Barber, BIP Coordinator invoice for September 2017 (grant pmt pending) –	\$4,486.79
New John Flood Ditch Company, PRWCD grant project	\$5,445.00
HRS Water Consultants, Engineering on Infrastructure improvements grant project --	\$1,082.04
The Signature, Legal ad: Rules & Regulations –	\$17.60
Friends of Spanish Peaks Library, room for Geotechnical Study meeting (PEPO) –	\$100.00
Spanish Peaks Library, October rent –	\$65.00

Executive Session – At 7:44 pm there was a motion by White, seconded by Edmundson and approved by the board to go into executive session to discuss matters involving the regional augmentation plan and ongoing litigation 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 8:38 pm, White moved, Edmundson seconded and board approved closing the executive session and returning to open session.

White moved and Edmundson seconded that, at King's discretion, HCWCD should withdraw its letter of support and instead oppose the Walsenburg grant and loan applications to CWCB for City Lake improvements/expansion. Walsenburg was invited to attend this meeting to discuss their position but failed to appear.

White moved, Mace seconded, and board approved one year lease extensions for the original four augmentation plan participants: Huerfano County, CO61 Water Association, Paradise Acres Homeowners Association and Gardner Public Improvement District.

There being no further business, meeting adjourned at 8:45 pm.

Scott King, President

Carol Dunn, Secretary