

HUERFANO COUNTY WATER CONSERVANCY DISTRICT

Minutes of Board Meeting

April 27, 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 April 27, 2026, at 6:02 pm.

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

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

Guests: Ed Diemer, Lenna Rauber, Doug Brgoch, Pauline Adams, Amos Mace, Rick Dunn, Shawn Martini, Mervyn Long, Jeremyia Bernath. By online Teams meeting: Dale Lyons.

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

Minutes: Minutes of the March 23, 2026 meeting were approved on a Brown/Sikes **motion**.

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

OLD BUSINESS: None.

NEW BUSINESS: **Water Court cases:** 25CW3052 – Walsenburg proposed decree & engineering (discussed in executive session). 2026CW3013 – Tres Valles West Owners Assn: make conditional water rights absolute or for reasonable diligence, 4 Tres Valles ponds; tributary to Cucharas River. After attorney Ryan Farr's explanation, the Board decided to take no action on this case.

DWR River Reports: Ed Diemer reported on Cucharas flows: 4 cfs at Boyd Ranch, 0.4 cfs at Harrison Bridge, and 0 cfs at Hwy 10, with #6 in priority. Lenna Rauber reported on Huerfano flows: 11 cfs at Manzanares, 14 cfs at Badito, and less than .5 cfs at I-25, with #13 in priority.

Cloud seeding project – Shawn Martini, Rainmaker Tech, explained a proposed project with Huerfano County to seed clouds above Huerfano and Las Animas counties. The 3-year \$3.9 million project, which could start in November 2026 pending federal funding, would potentially bring 45,000–60,000 acre-feet of water in the form of snow to the Apishapa, Purgatoire, Huerfano, and Cucharas drainage basins. Martini said the atmosphere holds 3-times more water than global annual demand at any given moment.

HUERFANO REGIONAL AUGMENTATION PLAN

Recharge pond update – Kent and Amos Mace are debating using the Solar Bee pond aerator because of the turbidity/silt in the recharge pond. La Veta paid around \$47,000 for that unit and would probably let HCWCD have it in lieu of making an annual \$5,000 donation for two years (equivalent of \$10,000).

TKJ Investments update: TKJ Investments has defaulted on the amount they owe HCWCD for 2026 admin fees and late charges. Farr and Smith will determine how to show HCWCD will replace TKJ's lagged depletions after the participating diversion is removed from the aug plan. After that information is published to the interested parties, the participating diversion will be removed.

THORNE RANCH: Steve will be doing a needs analysis in preparation for the eventual water court case. There are municipal, industrial, agricultural, and undecreed ponds needs. Applegate is calculating historical use, gathering irrigated acreage info, total irrigation water requirements, and ditch diversion data; It was determined that 23,000 af are needed in a dry year. The undecreed ponds report from DWR Division 2 shows 500 acres of surface area in 1300 structures. About 1500 af of water are needed to augment the evaporation off those undecreed ponds. Considering even half of that amount indicates the potential need for the ponds and a reservoir.

Survey: BH2 Land Surveying notified HCWCD the ALTA survey begins tomorrow, April 28.

Diligence: As part of diligence, Farr got a flat rate quote of \$6,000 from ERO Resources Corp. to do a phase 1 environmental assessment. He recommended adding into terms and conditions: "HCWCD is not waiving any governmental immunity." The study will identify potential environmental liabilities and look at the past history of the property since it was owned by Shell Petroleum. If environmental risk is found, ERO would perform a phase 2. This would give HCWCD a shield for liability protection. There was a

motion by Mace/Brown to have Farr sign the quote and submit to ERO, with the recommended additional language in the terms and conditions. Board approved.

INFRASTRUCTURE IMPROVEMENT PROJECT FUNDING UPDATES –

- **Community Project Funding 2024** (Cong. Boebert) – The funding through USDA Rural Development has been obligated, and we are requesting permission to stockpile materials
- **Community Project Funding 2027** (Cong. Hurd) – Congressman Hurd personally called to let us know he submitted our request for up to \$3.25-million to the House Appropriations Committee. The project would construct a reservoir and improve water infrastructure on Thorne Ranch. We are not guaranteed funding, but Congressman Hurd assured he would personally push for it.
- **Congressionally Directed Spending** (Sen. Bennet & Hickenlooper) – The request was submitted on March 25 for the same project that was submitted to Cong. Hurd.

REPORTS –

Ark Basin Water Forum: The Forum was held April 22-23. Mace and Brown reported this was a useful meeting. There was “doom and gloom” from Becky Mitchell on the Colorado River Compact. The water outlook is drier this year than 2002. 33 Colorado counties have declared a drought emergency. Huerfano County water resources were not represented much in the maps and reports exhibited.

Ark Basin Roundtable: Brgoch, King and Brown reported on the most recent meeting: There is still \$37 million in the water plan grants fund, with a July 1 application deadline. A presentation by Sally Clark, head of Rural Development, encouraged applications for funding for: affordable housing, business economic development, and infrastructure development.

PUBLIC COMMENTS: Jeremyiah Bernath and Mervyn Long warned that a new data center, Blue Sky AI, is being planned along Hwy 69 north of Walsenburg. The 15MW facility would require 300,000 gallons of water per day to operate. King suggested they speak to the County Commissioners and the County Planner, because permits will need to be applied for and approved before construction. King called a break at 7:58 pm; meeting reconvened at 8:12 pm.

BILLS: On a Brown/Sikes **motion**, the board authorized transfer of \$2,500.00 from ColoTrust and payment of the following bills, which total \$18,462.47:

Mountain States Financial: monthly bookkeeping	\$275.00
Monson, Cummins, Shohet & Farr: mtg, RD funding call, Walsenburg SO	\$4,985.25
Dunn Write: contract, mileage, internet, phone, office supplies	\$2,758.56
La Veta Carpentry: monthly website admin	\$250.00
Doug Brgoch: monthly water consultant contract	\$500.00
Applegate Group: aug plan acctg/projection/admin, bd mtg, FRR, Thorne, ballast repairs	\$6,590.00
Mace Water & Land: SMAF operations March 2026 + Rotork replacement battery	\$1,087.39
Sadie Wardell: Wm Craig water operations, maintenance, sanding, ditch cleaning 2 mo	\$1,035.00
Walsenburg Housing Authority: meeting room for 2026 (13 mtgs)	\$130.00
American Express: Ark Basin Water Forum registration & hotel, Lonnie Brown	\$593.62
San Isabel Electric: monthly usage at SMAF (EFT)	\$192.65
Spanish Peaks Library: monthly rent	\$65.00

At 8:13, there was a Brown/Mace **motion**, approved by the board, to go into executive session, joined by attorney Farr, consultant Brgoch and engineer Smith, to discuss a response to water case 25CW3052, including 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). On a Brown/Steffan **motion**, approved by the board, the executive session was closed at 8:56 pm, and the regular session reconvened. There being no further business, the meeting adjourned at 8:56 pm.