

# HUERFANO COUNTY WATER CONSERVANCY DISTRICT

Minutes of Board Meeting  
May 23, 2016

The monthly meeting of the Huerfano County Water Conservancy District Board of Directors was called to order by President Sandy White on Monday, May 23, 2016 at 6:00 pm at the Huerfano County ambulance building.

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

Secretary: Carol Dunn; Attorney: Steve Monson; Engineer: John Faux.

Guests: Doug Brgoch, Gerald Cisneros, Gerald Van Nort, Keith Bouchard, Dr. John Davis, Leslie Klusmire; John Stroh; Bill Knowles, Press.

The agenda was approved.

MINUTES – Under Old Business, the date the augmentation station went online was changed to April 15. King moved and Edmundson seconded to approve the April 25, 2016 minutes as amended. Board approved.

TREASURER'S REPORT – King moved and Mace seconded to accept the financial reports. Board approved.

OLD BUSINESS – Edmundson reported the Ranch lessee (Corsair) will be calling for water soon. There is some alfalfa growing on the dryup acreage with natural precipitation only. There was an Edmundson motion, with a Mace second, that the groundwater level is deep enough that the lessee can harvest the small crop of alfalfa, and then HCWCD will have it sprayed with a broadleaf herbicide to kill it but not the rest of the grass. Board approved.

Now that the upper sand gate is complete, HCWCD will send a required certificate of compliance to the Army Corps of Engineers notifying that this part of the 404 Nationwide Permit (permit #3, maintenance) is completed but not the Red Wing facility (permit #7, outfall structures).

Brgoch explained water case 2016CW3022 (Cucharas Sanitation & Water District), requesting an alternate point of diversion for a water right in order to augment 19 ponds; the Phase 1 use of the water is currently being used. In a "consultation," Division of Water Resources will specify seven requirements on this case, including limiting diversions to 0.2 cfs per pond. Each one will need a measuring device and staff gage. The State Engineer's office will not file a statement of opposition. The Board expressed no interest in opposing the case.

Faux reported the new footprint of the additional reservoir site on Sheep Mountain Ranch will enable it to be dug deeper and hold a larger volume. CTL Thompson will sieve the materials on site, and the test pits will be dug to 25 feet. The material appears to be 80% silt and fines, 20% of 2-4" cobble. A soils analysis will be done. As requested, Faux presented a TZA proposal to make the evaluation between the Sheep Mountain and the Growing Roots (Red Wing) sites, including: estimates for both sites; conceptual design; evaluation of need and cost for liner, plus pipe, pump station and diversions; and a recommendation for the most cost-effective site.

NEW BUSINESS – Faux estimated that there will be 10 acre-feet of supplemental water for lease for 10 days in June and 10 af for 10 days in July. Accurate measuring devices will be needed. Brgoch advised that an approved administrative exchange does not need a decreed site, so draws could be taken from the river. Board set a special meeting to consider bids on May 31 at 3 pm at the Spanish Peaks Library, Walsenburg.

There was a motion by Edmundson, seconded by Mace, to approve an additional contract of \$300 per month for the water analyst, La Veta Carpentry, to read the test pits at Sheep Mountain Ranch near Gardner. Board approved.

Brgoch reported that the Cucharas River is running 102 cfs, and the Huerfano River is running 119 cfs as of this date, but not much is flowing under I-25. There is still significant snowpack high in the watersheds.

King moved and Edmundson seconded to have White sign the contract for the CWCB infrastructure improvements grant. Board approved.

DIRECTOR COMMITTEE REPORTS— King asked Dunn to research the new special district banking rules and make sure HCWCD will be in compliance.

Ark Basin Roundtable report – Colorado may have overcharged \$90-100 million in severance taxes which will be refunded and may affect grant dollars.

DIRECTOR AND GUEST COMMENTS – None.

White called for a break at 7:14 pm; reconvened at 7:35 pm.

BILLS – There was a motion by King and Edmundson, seconded to pay the following bills, total \$32,098.70 and transfer \$85,000.00 to the ColoTrust account. Board approved.

Mountain States Financial Group – May bookkeeping \$120.00

Dunn Write – Contract, mileage, postage, recording fees, supplies \$1,728.49

Dunn Write – Cucharas Storage Collaborative admin work/grant match \$366.25

Huerfano World Journal – Legal ads for supplemental water \$77.52

Monson, Cummins & Shohet – SWSP, board mtg, loan extension, Aug plan, new applicants \$11,656.30

La Veta Carpentry – Read wells and report to Faux, May \$200.00

TZA Water Engineers – Aug plan, needs analysis, board meeting, new aug applicants \$5,883.64

Parsons Water – Collaborative storage demand supply, infrastructure assessment, cost est \$10,791.50

Century Link – May phone bill \$75.00

CS Woods – Pipe and parts for test wells at Sheep Mtn. Ranch – up to \$1,200.00

At 7:40 pm King moved, Vallejos 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 9:14 pm, King moved and Mace seconded closing the executive session and returning to regular session. Board approved. The meeting was called back to regular session at 9:14 pm.

Dunn was directed to obtain lease contracts from Monson, Cummins & Shohet and send them to the marijuana producers who have applied for augmentation water. Payment will be required when the lease documents are submitted to HCWCD.

Mace moved and Edmundson seconded to approve the TZA proposal for up to \$16,000 to prepare a comparison between the two potential augmentation facility sites as described under old business. Board approved.

There being no further business, meeting adjourned at 9:16 pm.

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Sandy White, President

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Carol Dunn, Secretary