

HUERFANO COUNTY WATER CONSERVANCY DISTRICT

Minutes of Board Meeting February 28, 2022

The monthly meeting of the Huerfano County Water Conservancy District, which had been properly noticed and was available for public participation, was called to order by President Scott King in person at Walsenburg Housing Authority, 220 Russell St, Walsenburg on February 28, 2022 at 6:00 pm.

Directors: Scott King, Kent Mace, Lonnie Brown, Beaver Edmundson, Sandy White.

Secretary: Carol Dunn; **Attorney** Ryan Farr; **Engineer** (by Zoom) Steve Smith.

Guests: Doug Brgoch, Rick Dunn, Ron Jameson, John Davis, John Galusha, David Vucetich, Della Duran, Travis Nelson, Charles Bryant, Carl Young, Adrienne Casadas, Amos Mace, Jim Alt, RRD (property owner, unreadable signature), and Kent Holsinger by Zoom.

The meeting agenda was approved on a White/Mace **motion**.

MINUTES – The minutes for the December 13, 2021 board meeting were approved as presented on a White/Mace **motion**. There was no January meeting.

FINANCIAL REPORTS – There was a White/Brown **motion** to accept the financial reports. Board approved. Dunn summarized the cash flow and grant information reports.

OLD BUSINESS – None.

NEW BUSINESS –

Water case 2021CW17 Elk View LLC + David Shifrin – app for absolute underground water right for exempt well, River Ridge Ranch lot 120.

Water case 2021CW3084 – Huajatolla Valley Estates, La Veta – an augmentation plan has been decreed. They are drilling another well in case their spring goes dry because of the drought.

There was a White/Edmundson **motion** that the Board take no action on either case. Board approved. On a White/Edmundson **motion** the board voted to waive any conflict of Monson, Cummins, Shohet & Farr for working on case 2021CW3084. Brown abstained on both of these water case votes.

River reports: Doug Brgoch explained the situation with the flows in both rivers.

Huerfano River is on a bypass call, satisfying # 1 and 9 rights, which are taking all the water. On the Cucharas, Walsenburg has been taking four cfs in diversions, with the remainder going into Holita. Maria-Stevens was filled at the end of January.

Thorne Ranch – John Galusha reported that, on March 14, Huerfano County will be closing on the purchase of Thorne Ranch. The County is paying cash, then applying for a CWCB loan to replace its reserves. There was a White/Mace **motion** to invite Galusha and Carl Young to participate in the executive session at the end of the meeting. Board approved.

Holita Reservoir – John Davis reported that Brett Corsentino would like to sell his share (93%) of Holita Reservoir, structures and water rights. He gave a short summary. There was a White/Edmundson **motion** to turn discussions with Corsentino over to Ryan Farr and Monson, Cummins, Shohet & Farr, and find out the asking price.

Sheep Mountain Augmentation Facility Phase 5 – Mace reported the Upper Huerfano Fire Protection District (UHFPD) burned the weeds along the fence at SMAF. The insurance check to repair/replace the fence and the big sign at the entrance has been received. There was a White/Brown **motion** to pay up to \$350 extra to use heavier t-posts for the fence. Board approved. Mace said the fence will be repaired when the snow melts and the mud dries up enough to work onsite. The new sign will have steel posts instead of wood. He said a stilling well will be installed this spring to cut down on mud in the wet well. Amos Mace will check on electric use for heating at pumphouse since the electric bill seems a bit high. Bruce Bacon at Hydrologik is working on getting the Pass Creek emergency flood warning gage to report to Mace.

Collaborative Storage Phase 5: Steve Smith, Applegate Group, participated by Zoom to report that 50% design on MSRE will be finished in June. Applegate is developing an estimate for 90% design on Bruce Canyon Reservoir (BCR). The initial estimate is about \$240,000. White suggested he, Smith and Lonnie Brown have a conference call regarding funding BCR before the next meeting.

Farr said a Collaborative Storage operations committee meeting should be held by mid-March in order to determine the water needs of the collaborative members.

Infrastructure improvements project: The last monitoring well is the final piece in the improvements of administering water rights. The best option was to place it in the silt bed of the former Cucharas #5 reservoir. The Board encouraged Farr to talk with the newest landowner about their objection to this and whether it is possible to install the well before the grant funding expires in June 2022. Two agreements are needed: one for access and one for installing the piezometer well.

Huerfano Augmentation Plan: Smith reported Division of Water Resources (DWR) Division 2 comments have been received on the Singing River Ranch (SRR) augmentation water application. He suggested the Board will not want to be involved in the pond operations; the onus should be on SRR to operate their ponds themselves. Smith will be meeting with Division 2 staff and SRR to discuss the comments, reporting, accounting, and to coordinate on UTM location data.

Mace said UHFPD is interested in using the pumphouse to fill fire trucks faster. This was discussed. Doug Brgoch clarified that the reason the trucks are filled at 60 gpm is because of an agreement the County has with DWR to not exceed that rate in order to not affect senior water rights down river.

New augmentation applications and fees have been received from: Aspen River Ranch: 2 ponds for 1.2 af (tier 2); Bear Bottom Investments: 6 ponds for 1.65 af (tier 1) + 3 af (tier 2). The Board accepted both applications and referred them to legal and engineering. As of this date, 26.5 af have been allocated, including SRR.

Farr commented on Colorado SB114, legislation to allow fire suppression pond rights if they had water in them before 1975. It would be the responsibility of County Commissioners to determine which ponds would be needed.

Guest comments: Travis Nelson handed out a copy of a special warranty deed (with water rights) between Elena Coppola (grantor) and Douglas Brgoch (grantee). He told White he brought this because at the November meeting, “You attacked me and you threatened me saying that was slanderous. So I wanted to bring you the document. I incorporate the recording of it. Here it is Sandy.” When White suggested he sit down to talk about it, Nelson protested but did finally sit down and said, “I’m just frustrated. It’s very concerning. Especially how quick you threatened me that it was slanderous. His rights and he owned them his whole life. And if you didn’t know about this sale, you shouldn’t be on this board!” White reminded Nelson, “What I said was that you need to be careful of defamation.” [*Secretary note: I did verify this wording by White from the November 22, 2021 meeting recording.*] After starts, stops and interruptions in the discussion several times, White informed Nelson, “If you’re going to speak here, you’re going to play by our rules.” Nelson became agitated, said he was done, got up to leave, then said he had “one last thing to say,” but White told him to either “sit down or leave.” Nelson began to leave the meeting while telling the board, “See you in the County Commissioner meeting tomorrow. Got the news cameras coming.” He also commented to Amos Mace about a Facebook post.

After Nelson’s departure, King said, “This is a professional meeting, and he was not professional in it. He threatened you (White). That’s enough.” White said, “His behavior in front of the board was unacceptable.” White then made a **motion**, which Edmundson seconded, that Travis Nelson will be welcome to attend board meetings as a member of the public and submit written statements, but based on his past behavior, he should be precluded from making any oral presentations to the board. Board approved.

In Nelson’s information request he asked the board to waive the statutory fees for gathering the requested information, much of which covers 50 years of records. The board decided to discuss this in executive session to understand the legal options available to the board.

BILLS – On a Mace/White **motion**, board authorized the transfer of \$32,000 to ColoTrust savings and approved paying the February bills, which total \$15,648.02:

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|---|-------------|
| Mountain States Financial group: bookkeeping | \$170.00 |
| Monson, Cummins, Shohet & Farr: exch storg, aug plan & applicants, MSRE, misc | \$2,788.73 |
| Dunn Write: contract, supplies, mileage | \$1,911.60 |
| Admin SCF recovery strategic analysis | \$731.00 |
| La Veta Carpentry: Water analyst for diversion & website maintenance | \$350.00 |
| Bar 7, LLC: fence repair at SMAF | \$4,330.00 |
| Applegate Group: water eng’g, water rights admin, tier 2 water, aug plan apps | \$4,792.50 |
| Colo Water Conservation Board: Loan IDC interest, due 2/28 | \$56,374.35 |
| Pinnacol Assurance: Workers Comp premium | \$189.00 |
| San Isabel Electric: monthly usage + access fee at SMAF | \$316.20 |
| CDPHE Air Pollution Control Division: Annual emission fee at SMAF | \$3.99 |
| Spanish Peaks Library: February rent | \$65.00 |

The following payments made on January 27, 2022, totaling \$21,207.34, plus the transfer of \$19,000 from ColoTrust into the checking account, were also ratified by the board under the same **motion**:

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|---|----------------|
| Mountain States Financial Group: bookkeeping | \$170.00 |
| Monson, Cummins, Shohet & Farr: SMAF, aug plan & applicants, MSR mtg, misc | \$7,088.10 |
| Dunn Write: contract, supplies, mileage | \$1,922.96 |
| Admin SCF recovery strategic analysis | \$193.50 |
| La Veta Carpentry: Water analyst for diversion & website maintenance | \$350.00 |
| Walsenburg Housing Authority: meeting room rental for 2022 | \$120.00 |
| Johnson Properties LLC: 2022 Twin Lakes water lease, 6.1 af (8.15 shares) | \$1,069.00 |
| Applegate Group: 2 mo, water eng'g, aug plan & applicants, water rights admin | \$9,991.82 |
| San Isabel Electric: monthly usage + access fee at SMAF | \$166.96 |
| Postmaster: La Veta PO box annual rental fee | \$70.00 |
| <u>Spanish Peaks Library: January rent</u> | <u>\$65.00</u> |

King called a break at 7:33; meeting reconvened at 7:48, when there was a **motion** by White, seconded by Edmundson and approved by the board, to go into executive session to discuss matters involving Thorne Ranch and the Nelson information request. Discussion included 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).

On a White/Edmundson **motion**, the executive session was closed at 8:52, and the regular session was reconvened. There was a White/Edmundson **motion** on advice of counsel to handle the Nelson information request as discussed in executive session. Board approved.

There being no further business, meeting adjourned at 9:02 pm.

Scott King, President

Carol Dunn, Secretary