

HUERFANO COUNTY WATER CONSERVANCY DISTRICT

Minutes of Board Meeting April 16, 2018

The monthly meeting of the Huerfano County Water Conservancy District was convened at the Spanish Peaks Library, Walsenburg, CO by President Scott King on Monday, April 16, 2018 at 6:00 pm.

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

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

Guests: Rick Dunn, Doug Brgoch, Jim Berg, Jim Alt, John Galusha, Marshall Moore, Jim Littlefield, Gail Terry, Larry Waide, Gerald Cisneros, Nathan Baker, Keith Bouchard, Ernest Hart.

White moved and Edmundson seconded to approve the agenda. Board approved.

MINUTES - White moved and Edmundson seconded to approve the March 26, 2018 minutes as presented. Board approved.

TREASURER REPORT – White moved and Vallejos seconded to approve the Treasurer's report. Board approved.

NEW BUSINESS – John Galusha, Huerfano County Administrator, presented photos of the gravel test holes at the Sheep Mountain augmentation facility site and said it is not commercially viable from this point, with only a couple weeks of gravel mining left. The site can't be expanded to the west, only east and northeast. John Faux estimated about 20% of the pit has been excavated, with 100,000 cubic yards remaining. Juan Vallejos was asked to inquire about interest from other operators, and King will negotiate finishing out the IGA.

Emerald Valley is the last grower that needs to be added as a participating diversion, but we're at an impasse since the State's position conflicts with that of TZA Water Engineers. Attorney Monson has contacted the Emerald Valley principals requesting they commit to paying the court costs to proceed, but they may decide to drill to the Dakota formation, so the matter is on hold.

River reports: Brgoch reported the streamflows are falling off, and we are not expecting much runoff this year. Cucharas call is #10 now but will change by end of the week to #3 and will be pro-rating. Walsenburg will sweep the reaches for the foreseeable future. The Huerfano was on #20 until today, changing to possibly #17 or #16.

Regarding the infrastructure improvements project, Brgoch reported 3 weirs have been installed and all instrumentation is in place. The rating table hasn't been established yet, but they are fully operational and being used for administration. Readings will become more accurate over time. Three monitoring wells have been installed on the lower Huerfano, and DWR has requested that HCWCD order the monitoring equipment for those. White moved and Edmundson seconded that HCWCD order and pay for the monitoring equipment and submit a grant reimbursement request. Board approved.

The Cucharas Storage Collaborative will meet on May 15 to discuss the geotechnical study of the five potential reservoir sites selected in phase 1 of the project. Applegate Group will work with Cesare, Inc. this summer on the project. White moved and Vallejos seconded to enter into a contract with Applegate Group by May 15 to do the geotechnical study as the next phase of the Cucharas Basin Collaborative Storage Study. Board approved.

Edmundson introduced Ernie Hart, lessee of the Ranch. Hart acknowledged that he is contracting with Owen Shroud to put up the hay and handle the water and irrigation. Hart has also sublet the house to a family that needed a place to live, which violated the lease. He said the family is supposed to clean the Ranch up, so he was asked to bring pictures to the next board meeting to show how it's been cleaned up. Hart was instructed to name HCWCD as an additional insured under his State Farm insurance policy and provide contact information for the family living in the house so HCWCD can generate written permission required under the lease.

Ark Basin Roundtable meeting – King reported that the Attorney General's office gave a presentation on the Colorado River Compact. At the meeting, it was announced that a small amount of drought disaster funds will soon be available.

Brgoch asked HCWCD to remind all lease holders with commercial wells that they need to report to the Groundwater Desk in Pueblo every month. Even if they're not using the well, they should report 0. Brgoch has the contact info. There is an information disconnect between the office Faux reports to and Groundwater.

GUEST COMMENTS: Bouchard gave HCWCD a copy of his new commercial well permit.

At 7:11 pm King called a recess. Meeting reconvened at 7:25 pm.

BILLS: Vallejos moved, Mace seconded and board approved paying the following bills, which total \$26,448.03. White moved and Vallejos seconded to transfer \$25,000 to ColoTrust. Board approved.

Mountain States Financial group, bookkeeping –	\$120.00
Monson, Cummins & Shohet: board mtg, SMAF, aug plan, Ranch, exchg storage	\$9,882.03
work for new participants/growers	\$3,496.05
Dunn Write, contract, mileage, postage –	\$1,640.60
Dunn Write, BIP Coordinator grant admin, 3/26/18 – 4/15/18	\$280.00
Dunn Write, Infrastructure improvements project, 3/26/18 – 4/15/18	\$271.25
Dunn Write, PRWCD grant admin, 3/26/18 – 4/15/18	\$175.00
Dunn Write, Phreatophyte control grant admin, 2/25/18 – 3/25/18	\$157.50
La Veta Carpentry: water analyst contract, April –	\$200.00
La Veta Carpentry: water analyst, SMAF Phase 1 inspect for TZA, 4/5/18	\$172.96
La Veta Carpentry: web site maintenance, April	\$150.00
TZA Water Engineers: water acctg, mining rec permit, aug leases, coordinate survey	\$3,755.50
Wachob & Wachob, re-survey SMAF excavation limits –	\$800.00
Garald Barber, BIP Coordinator invoice for March –	\$5,226.84
Century Link, April phone bill –	\$55.30
Spanish Peaks Library, April rent –	\$65.00
ColoTrust, transfer to savings –	\$25,000.00

At 7:26 pm, there was a motion by White, seconded by Edmundson, to go 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 8:34 pm, White moved, Edmundson seconded and board approved closing the executive session and returning to open session. The meeting was called back to regular session at 8:34 pm.

White moved and Vallejos seconded to authorize King to sign the IGA with City of Walsenburg after it is revised with the nonmaterial changes approved by Town of La Veta and Cucharas Sanitation & Water District. Monson will incorporate the changes and provide the IGA to Walsenburg by the end of the week. Board approved.

Dunn will contact local realtors and request proposals on how they would market the District's Ranch and what commission they would require.

There being no further business, meeting adjourned at 8:40 pm.

Scott King, President

Carol Dunn, Secretary