

# HUERFANO COUNTY WATER CONSERVANCY DISTRICT

## Minutes of Board Meeting January 27, 2020

The monthly meeting of the Huerfano County Water Conservancy District was called to order by President Scott King at the Walsenburg Housing Authority activities room, 220 Russell Ave., Walsenburg, CO on Monday, January 27, 2020 at 6:02 pm.

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

Secretary: Carol Dunn; Attorney: Steve Monson

Guests: Doug Brgoch, John Stroh, Duane Helton, Amos Mace, Jim Alt, Pauline Adams, Mike Morgan, Paul Morgan, Ray Shaw.

On a White/Brown motion, the meeting agenda was approved with an addition to new business.

MINUTES – White moved and Brown seconded to approve the December 10, 2019 minutes as presented. Board approved.

FINANCIAL REPORTS – Both the November 2019 and December 2019 financial reports were reviewed. The December checkbook balance shows a negative because we are holding a check to Paul Morgan Excavating waiting for funds to cover it and the final inspection of SMAF Phase 3. Dunn reviewed the cash flow and the status of the CWCB loan and active grants. HCWCD used most of its savings in 2019. White moved and Brown seconded to accept the financial reports as presented. Board approved.

OLD BUSINESS – Regarding the Southway Corp augmentation water application, Monson reported he did file the motion to have the Southway location added as an additional participating diversion. It should go through in a month or so.

NEW BUSINESS – Water court cases:

2019CW3070 City of Walsenburg – referred to executive session; 2019CW3 Peralta; 2019CW3076 Echo Canyon Ranch; 2019CW3077 CWCB, Baker Creek; 2019CW3080 Redwing Ranch.

Brgoch reported that the Cucharas River flow varies during the day as thawing takes place. Maria Lakes shut off their diversions last week. Holita Reservoir then LaHoya Reservoir are both hoping to fill before the winter call goes off. On the Huerfano River there is no call by Welton or Huerfano Valley. Orlando is working on their diversion and flume/gages.

On a White/Edmundson motion, the board approved Resolution 2020-01-1, amendment 2 to the CWCB loan contract along with the amendment to the promissory note and amendment to the security agreement. King signed the amendments..

The final report for the Colorado Department of Public Health and Environment nonpoint source project was reviewed by the board. The grant money has been released by CDPHE but not yet received.

Burn scar grants status – We are still waiting for Chris Sturm at CWCB to issue a purchase order or contract for Phase 3 work on the 2019 Watershed Fire Restoration Project grant. The revised scope of

work and budget have been submitted. The 2020 grant was recommended to the CWCB board for the amount of \$500,000, rather than the \$668,566 we requested. We asked Sturm to assist with budget adjustments to accommodate the reduced amount.

Collaborative storage grants status – All three grant proposals have been recommended by the staff to go to the CWCB board for consideration at the March and May meetings.

The annual report to the District Court was reviewed and approved on a White/Brown motion.

Discussion on the Pueblo Board of Waterworks water lease was referred to executive session, as well as discussion on the final inspection of SMAF Phase 3.

White suggested we might budget in 2021 for help from a grant writer, when we will be searching for grants from three possible sources to build reservoirs.

Brgoch updated the board on the Infrastructure Improvements grant project – Although the Abercrombie location was selected for the monitoring well as an alternative to the Cucharas #5 reservoir, the profile is not conducive to giving the needed data because the site is too rocky. For the data DWR actually needs for futile call determinations, the well really needs to be on Rebecca Bowland’s Ranch or the Two Rivers property as originally planned. Mace volunteered to work with John Stroh to talk with Bowland about access.

White moved, Brown seconded and board approved writing a letter of commitment for \$1,000 as a local match for the Ark Basin fire, flood and BIP initiative grant that Ark River Watershed Collaborative is applying for.

Mace reported that cattle were in the SMAF pond on January 24. After chasing them out, Amos Mace put up a temporary electric fence, which will need to be maintained. Kent will get with Rick Dunn and Lonnie Brown about timing installation of a permanent fence considering the site restoration schedule.

John Stroh let the board know that he’s no longer connected or communicating with Two Rivers Water & Farming. He gave the board a map of the Crown Valley Ranch subdivision and reported that Orlando Reservoir will supply water to a portion of the properties. Colorado City Metro District is also involved. He reported that it’s possible bonds will be issued to repair the Cucharas #5 reservoir. Huerfano County Planning Commission gave PUD conditional approval and is awaiting a 1041 application.

There was a break from 7:40 until 7:50.

**BILLS** – White moved, Brown seconded, and board approved paying the following bills as the grant funding is received to cover them:

Applegate Group: Collaborative Storage Phase 3, November –	\$31,035.50
Applegate Group: Collaborative Storage Phase 3, December –	\$7,667.50
Applegate Group: Collaborative Storage Phase 4, December –	\$5,245.00
Applegate Group: Collaborative Storage Phase 3, January –	\$3,271.75
Applegate Group: Collaborative Storage Phase 4, January –	\$10,615.00
Arkansas River Watershed Collaborative: CDPHE fire response project –	\$79,050.00

White moved, Brown seconded, and board approved paying the following bills at this meeting, which total \$40,390.67:

Mountain States Financial group: bookkeeping –	\$120.00
Monson, Cummins & Shoet –	\$25,992.94
Dunn Write: contract, mileage, meetings, supplies –	\$1,937.24
Dunn Write: Early warning gages project admin –	\$517.23

American Express: GoTo Meeting Pro annual subscription renewal –	\$348.00
La Veta Carpentry: water analyst –	\$200.00
La Veta Carpentry: website maintenance –	\$150.00
La Veta Carpentry: water analyst for SMAF inspections –	\$300.00
Lamp Rynearson: Water acctg, Storage collab. case, Southway aug app –	\$2,135.00
ParsonsWater: share of Collab Storage Exchange legal case expenses –	\$1,880.00
Applegate Group: share of Collab Storage Exchange legal case expenses –	\$188.53
Wachob & Wachob: surveying as-built at SMAF pond –	\$1,800.00
Kent Mace: fence at SMAF pond to keep cattle out –	\$1,146.86
Walsenburg Insurance: bond for White –	\$100.00
Postmaster: annual post office box rental –	\$56.00
GPP: liability and property insurance –	\$2,711.00
Rocky Mtn LP Gas: refill propane tank at district's Ranch –	\$622.45
Pueblo Board of Water Works: bid for 7 af water lease @\$100/af –	\$700.00
Century Link: December phone bill (autopay 12/31) –	\$60.21
Century Link: January phone bill (autopay 1/31) –	\$60.21
Spanish Peaks Library: January rent –	\$65.00

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At 7:56 there was a motion by White, seconded by Edmundson and approved by the board, to go into executive session to discuss matters involving the SMAF and Cucharas Collaborative exchange case 17CW3075, 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 10:15 pm, White moved, Mace seconded and board approved closing the executive session and returning to open session. The meeting was called back to regular session at 10:15 pm.

There being no further business, meeting adjourned at 10:15 pm.

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Scott King, President

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Carol Dunn, Secretary