

HUERFANO COUNTY WATER CONSERVANCY DISTRICT

Minutes of Board Meeting September 28, 2020

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 online with GoToMeeting on Monday, September 28, 2020 at 6:02 pm.

Directors participating: Lewis “Beaver” Edmundson, Michael “Sandy” White, Scott King, Lonnie Brown, Kent Mace.

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

Guests identified: David Steffan, Doug Winter, Bill Tyner, John Sakun, Keith Bouchard, Brian Lalander, Lori Lest, Greg Sund, Rachel Zancanella.

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

MINUTES – The minutes for the August 24, 2020 board meeting were approved as presented on a Brown/Edmundson **motion**.

FINANCIAL REPORTS – Dunn noted one change to the August 2020 financial reports: the bookkeeper mistakenly put Collaborative Storage Phase 5 admin fees under the project expenses. This will be corrected on the next financial reports. There was a White/Mace **motion** to accept the reports with that explanation. Dunn summarized the cash flow and the loan and grant information reports.

Dunn presented the draft 2021 budget to the board and noted the “assessed valuation” is pending. She requested comments and suggestions for changes before the October meeting.

OLD BUSINESS – Augmentation water: No more payments have been received from ACME Growers; default deadline is December 2, 2020. John Sakun, SCG Services, addressed the board requesting additional augmentation water (beyond the one acre-foot he opted for in August but has not paid for) for his marijuana growing business, which is expanding. Dunn said the admin fees invoices for augmentation plan participants will be mailed on September 30 and due November 1, 2020.

NEW BUSINESS –

White reported the Pass Creek flood emergency warning gage that was flooded out in late July has not been replaced. The gage mounting structure needs to be reinforced with heavy duty steel.

Bill Tyner, Division Engineer, gave the board a summary of a new undecreed pond enforcement initiative for the Huerfano and Cucharas River basins. He also reported that the final monitoring well under the Water Infrastructure Improvements grant project has not yet been installed in the sediment of the former Cucharas #5 reservoir because of issues with Two Rivers W&F.

Fire Remediation grant projects: On behalf of ARWC, Dave Steffan reported on 2019 Phase 3 progress. He’s been working with Paul Branson on choosing complementary County projects, possibly with NCCC crews. With the delays at the State level, it appears the 2020 project would actually begin about January 1, 2021 with stakeholder meetings.

Sheep Mountain Augmentation Facility Phase 4 – Faux reported Frontier Environmental work is progressing, and the first invoice has been submitted, which Lamp Rynearson approved. There have been two progress reports from Jared Walter. Mace and Faux reported there needs to be a better located access road along the bottom edge of the dam instead of over it. Faux

estimated the cost at about \$12,000, but HCWCD does not have the funds at this time. It may need to be part of Phase 5 in 2021.

Wm. Craig Ranch – Edmundson reported the ditch water is still off at the Ranch. The cattle will be moved off the Ranch on October 8. The most recent purchase offer will be discussed in executive session.

King called a break at 7:44; meeting resumed at 7:57.

BILLS – White **moved**, Brown seconded, and board approved making a \$4,100 transfer to ColoTrust and paying the following bills, which total \$128,345.49:

Mountain States Financial group: bookkeeping –	\$120.00
Monson, Cummins & Shoheit – legal	\$6,513.25
Applegate Group – Collaborative Storage Phase 5, Bruce Cyn	\$2,608.75
Dunn Write: contract, mileage –	\$1,728.53
Dunn Write: Collab storage Phase 5 Bruce grant admin –	\$409.50
Dunn Write: Collab storage Phase 5 MSRE grant admin –	\$766.50
Dunn Write: Spring Creek Fire Flood Mitigation grant admin –	\$1,732.50
La Veta Carpentry: water analyst, Ranch –	\$200.00
La Veta Carpentry: water analyst, SMAF, kickoff meeting –	\$300.00
La Veta Carpentry: website maintenance –	\$150.00
Century Link, September phone bill (autopay 10/1) –	\$63.90
Spanish Peaks Library, September rent –	\$65.00
Lamp Rynearson: SMAF Phase 4 & aug accounting –	\$14,301.46
CDPHE, Water Quality permit for SMAF site –	\$351.00
ARWC, Spring Creek Fire Remediation, Phase 3 –	\$99,035.10

Payables when grant funds are received: Lamp Rynearson \$8,246.06; Applegate Group \$5,780.25; Frontier Environmental \$97,941.60

At 8:05 there was a **motion** by Brown, seconded by White and approved by the board, to go into executive session to discuss matters involving the sale of HCWCD's Ranch, ACME Growers past due invoices, and a meeting with Maria Lakes Grazing Association: 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 9:00 pm, White **moved**, Brown seconded and board approved closing the executive session and returning to open session. The meeting was called back to regular session at 9:00 pm.

White **moved**, Mace seconded and board authorized the contract for sale of the district's William Craig Ranch to Sierra Grande Real Estate and further authorized Scott King, as President, to execute all documents necessary to convey the land and water rights of the William Craig Ranch to Sierra Grande Real Estate pursuant to the terms of said contract.

White moved, Brown seconded and board approved recommending to Judge McKisson that all three board members whose terms expire on September 30 be reappointed.

There being no further business, meeting adjourned at 9:05 pm.

Scott King, President

Carol Dunn, Secretary