

**Center of Colorado Water Conservancy District
Meeting of the Board of Directors
February 14, 2018**

The monthly meeting of the Center of Colorado Water Conservancy District was held on Wednesday, February 14, 2018 in the water district offices at 548 Front Street, Fairplay, CO 80440. Board President Briggs Cunningham called the meeting to order at 3:01 PM.

Members of the Board present in the office were Briggs Cunningham and Chris Fuller. Attending by telephone conference was Craig Steinmetz, Lisa McVicker, and Geri Salsig. Also present at the offices were Dan Drucker and Nola Knudsen.

APPROVAL OF THE AGENDA AND MINUTES

Geri Salsig moved to approve the agenda as presented. Lisa McVicker seconded and the motion carried unanimously. Chris Fuller moved to accept the January minutes as amended with a couple of spelling corrections. Geri Salsig seconded and the motion carried unanimously.

ADMINISTRATIVE MATTERS

2.1 Administrator's report on accounts – Nola Knudsen reviewed the monthly warrants with the Board. Warrants and invoices totaled \$18,499.82.

Nola advised the Board the web-site has been updated but the Accomplishments category could be updated.

Craig Erickson will send an engagement letter to Craig Steinmetz for any services that might be requested during the year.

2.2 Treasurer's Review – Craig Steinmetz asked about the disposition of the CD. Nola Knudsen told him all signatures were received and High Country Bank is in the process of disbursing funds.

2.3 Approval of Invoices and Warrants – Geri Salsig moved to approve the invoices as presented. Lisa McVicker seconded and the motion carried unanimously.

OPERATIONS MANAGER'S REPORT

3.1 Update on Indian Mtn. Augmentation Storage: Dan Drucker emailed an Operations Managers report to Board members prior to the meeting. Briggs Cunningham asked about who the parties were that were involved in the estimating.

3.2 Update on the Chatfield Reallocation Project: The judge decided not to allow an injunction in the appeal. The construction will continue.

OLD BUSINESS

4.1 Update on Lininger Lake – There is nothing new to update the Board with at this time.

4.2 Update on Div. 2 Guffey-area Augmentation Plan – Geri Salsig said she is aware the fire department is circulating a petition to see if they can ask the Land, Water, and Trust Board for some money.

4.3 Update on Indian Mountain subdivision water issues – David Shohet said HASP has retained TZA to design, spec, oversee, and build a storage vessel for Indian Mountain. The preliminary cost estimate is approximately \$100,000. The HASP board met and agreed HASP would pay 40% of TZA’s cost and Indian Mountain will pay 60% of these cost with the agreement to pay back the 60% over a 5-year period. An informal meeting was held to discuss the cost. There will be a special HASP meeting to see if something else can be done in terms of the cost and/or the payback period. Two potential locations for this project have been identified. One is Out-lot A that lies within Indian Mountain. Out-lot A has a geographic problem; it doesn’t allow repayment of the depletions with that storage vessel. There was discussion about trying to pipe the water elsewhere but it seems to be more complicated and expensive going across neighboring lands. The Cline ranch may be a potential second site for the vessel and appears to be a better option.

NEW BUSINESS

5.1 None

UPDATE ON LEGAL ISSUES

David Shohet sent an update of legal issues to the Board to review.

Case 08CW268 (Opposer) – Park County Augmentation Plan. In this case, Park County seeks a plan for augmentation for road and bridge purposes. CCWCD is an opposer to this case through HASP. The 5 acre feel of Randall water CCWCD provided to the County in the JTR 1041 process has been named as a source of augmentation water in this case. There are no pending deadlines in this case at this time. Dave Shohet said he said a letter was sent out regarding the use of the Randall water but has received nothing back.

Regarding pages 2 & 3 of the legal report, there is nothing new to report. In those cases, where the Center is an Opposer, he is just providing comments where appropriate.

17CW3168 (Opposer) – Mountain Mutual Water and Sanitation District (MWSD). MWSD is southeast of Staunton State Park. They are seeking to amend its existing augmentation plan on Elk Creek, tributary to the North Fork. David said there are no deadlines pending in this case at this time.

Parmalee and Flume Ditch Measurement – The Division Engineer sent out a letter stating that HASP along with several other water users on Deer Creek must install a measurement device on Deer Creek. If the measuring device is not installed this spring, the Division Engineer intends to file a motion with the Court to force the installation of the measuring device.

David Shohet reviewed some of the history of this case with the Board. The Parmalee and Flume was changed by Lone Rock H2O. We purchased those rights and changed it for our uses. In the District documents, there was similar language saying no device was required. However, the state claims the general statutory authority of the State Engineer is trumping language in the decree. Lisa McVicker asked what the cost might be for placing a measuring device, after acquiring easements, installation and cellular service at \$100 per month. The estimate is approximately \$100,000. In the decree, the Center gets consumptive use credit if the water is available in the creek. If the device is put in the creek, there is a possible cost to HASP of losing

consumptive water. Lisa McVicker is concerned that fighting this option can cause ill-will with several parties. Lisa requested Dave Shohet and Madoline Wallace-Gross prepare a report outlining why this is egregious and should be fought legally. When the measuring device first became an issues 16 months ago, David sent a detailed report to the Boards to review. At that time, the Boards decided it was appropriate to fight the installation of the measuring device. David and Madoline will prepare an additional report for review.

Liens – Leadville JV. David Shohet reminded the Board members that the Center received a judgement against Leadville JV in 2008 for approximately \$150,000. Since then, someone has purchased the tax certificates. David received notices from the Treasurer's office and contacted them regarding the deeds. Subject to Chapter 11 bankruptcy proceeding. David was directed by the Board to get some estimates for the cost of getting an attorney to represent CCW in their proceeding.

DIRECTORS ISSUES

None

Chris Fuller moved to adjourn at 4:07 PM. The motion was seconded by Geri Salsig and carried unanimously.

Nola Knudsen, District Administrator