

Center of Colorado Water Conservancy District

Meeting of the Board of Directors

December 9, 2020

The monthly meeting of the Center of Colorado Water Conservancy District was held on Wednesday, December 9, 2020 at the water district offices located at 548 Front Street in Fairplay. Board President Briggs Cunningham called the meeting to order at 3:03 PM.

The member present in the office was Briggs Cunningham. Members of the Board who were present by telephone conference were Chris Fuller, Lynne Buchanan, Lisa McVicker and Craig Steinmetz. Dan Drucker and Nola Knudsen were present in the office. Legal counsel David Shohet was present by telephone conference.

Lynne Buchanan moved to approve the agenda as presented. Chris Fuller seconded and the motion carried unanimously. Chris Fuller made a motion to approve the November minutes as presented. Lynne Buchanan seconded and the motion carried unanimously.

ADMINISTRATIVE MATTERS

2.1 Administrator's report on accounts: Nola Knudsen reviewed the month's expenses with the Board. December's warrants and invoices totaled \$9,149.38. Total cash assets after payment of December invoices is \$1,432,944.57.

2.2 Treasurer's Review: The Treasurer has reviewed all warrants/invoices and cash assets.

2.3 Approval of Invoices and Warrants: Craig Steinmetz moved to approve the invoices and warrants as presented. Chris Fuller seconded and the motion carried unanimously.

2.4 Ratification of the 2021 Budget: Budget Officer Craig Steinmetz sent all of the Board members of copy of the proposed final 2021 budget. Chris Fuller made a motion to approve the Center of Colorado Water Conservancy District's budget of 2021 to include the Message, Letter of Budget Transmittal, Resolution to Adopt the Budget, the budget itself, Certification of Tax Levies, and Resolution to Set Mill Levies and Resolution to Appropriate Sums of Money. The motion was seconded by Craig Steinmetz and carried unanimously.

OPERATIONS MANAGER'S REPORT

Prior to the meeting, Dan Drucker emailed the Operations Manager's Report to all Board members.

After the report had been sent to Board members, Dan received a call from Leanne Leach, daughter of Jan Leach in regards to providing a key to the new owners of the property she sold. It is the remainder of the properties subdivided when CCWCD purchased the SPR from Jan. It is approximately 44 acres. The new owners wanted a key to check on the property. She said she has retained her water rights and would consider selling them with another arrangement. The new owner is entitled by law to have a domestic well without any augmentation necessary. Leanne Leach can keep whatever waters Jan set aside to augment the remaining four properties and perhaps at some point sell that water to us. She is going to send information on the water to us. Dan Drucker and David Shohet will look into it and report back to the Board. There was some access required through the SPR. Dan Drucker said he didn't want to give access to additional property owners if it is not truly needed. Dan said we can look up the contract with Jan. He recalls there was an easement and there was an agreement the property owners could enter on our road. Leanna said the new owners would create their own road but Dan is not sure where that will originate.

NEW BUSINES

The Board all agreed to include a discussion on future CCWCD projects at the January Board of Director's meeting.

UPDATE ON LEGAL ISSUES

Case 16CW3184 Bureau of Land Management. David Shohet said he is still in negotiations with the BLM. The trial has been set for March 2021. We are waiting on BLM to get additional augmentation water from Aurora.

Case 19CW3034 Opposition to Bar Star Land LLC. Bar Star dismissed their application when they determined they could not recalculate the depletions associated with its entire augmentation plan. However, it appears the state will make them augment all the wells in Indian Mountain, even the ones HASP is augmenting. There is a double augmentation going on.

Case 19CW3154 Opposer Mountain Mutual. The applicant has provided HASP with a revised proposed ruling. HASP provided comments back.

Other Legal Matters. No update on the Storage of the County's 5 acre feet of Randall Water in the JTR. HASP received no new applications for water in the last 30 days.

HASP did go forward with an inclusion of a domestic well in Red Hill subdivision and a second application for a small pond located on a tributary of Deer Creek.

We also have been working with a problematic account where the land owner isn't renewing the lease with HASP. The HASP Board agreed to add the leasee to allow them to keep operating. David said we augment structures, not people. HASP is opening up a new account for Telluride Bud Company (TBC) and is refunding money to the landowner and the leasee will be able to continue his business with payment for all fees and costs associated with its water usage, including post-pumping depletions upfront.

Deer Creek Measurement Device. David Shohet said we are waiting to finalize an agreement with CPW. We hope for agreement within the next 60-90 days.

Adventure Placer. David Shohet provided the Board with a draft notice the Board had previously authorized for filing with Park County informing all lot owners within Adventure Placer that CCWCD provides the augmentation water for the wells in the subdivision. There was a recommendation for some of verbiage clarifying what the decree allows. Nola will set up an email account for CCWCD to be included in the notice.

Indian Mountain and Bar Star. A second meeting between HASP and IMMD representatives to discuss a fourth tranche and other matters was held on December 3rd. IMMD will discuss a proposed outline to amend the current IGA between IMMD and HASP to include a fourth tranche at IMMDs next Board meeting. David Shohet said he had been in contact with Bar Star's counsel and are exploring options regarding augmentation of the Indian Mountain wells.

Spinney Mountain. David Shohet's law firm is representing a party that offered to sell HASP 10 annual acre feet of water stored in Spinney Mountain Reservoir. Because David is representing the seller, he cannot answer questions regarding this possible transaction and said any questions about the matter would have to be referred to Madoline Wallace-Gross.

Silver Tip Lodge. Review of a potential future water usage associated with the Silver Tip Lodge is in preliminary discussions. David Shohet, Dan Drucker, and John Matteson walked the property and reviewed the ponds. The Lodge is currently for sale but the seller would like to

have the water issues resolved before the sale. David said this is already decreed as a place of storage for some of our water.

DIRECTORS ISSUES

None

With no further business brought before the Board, Chris Fuller made a motion to adjourn. Craig Steinmetz seconded, the motion carried unanimously and the Board adjourned at 3:54 PM.

Nola Knudsen, District Administrator