

**Center of Colorado Water Conservancy District**  
**Meeting of the Board of Directors**  
**January 11, 2023**

The monthly meeting of the Center of Colorado Water Conservancy District was held on Wednesday, December 14, 2022 at the water district offices located at 548 Front Street in Fairplay. Briggs Cunningham, Board Chairman, called the meeting to order at 1:05 PM.

The members present in the office were Briggs Cunningham, Chris Fuller, and Lynne Buchanan. Lisa McVicker and Craig Steinmetz were present by teleconference. Nola Knudsen, Administration, Dan Drucker, Operations Manager, and Lisa Barden Brown, Operations Manager's Assistant were present in the office. David Shoet, legal counsel was present via teleconference.

**APPROVAL OF THE AGENDA**

Lynne Buchanan moved to approve the agenda as presented. The motion was seconded by Chris Fuller and carried unanimously.

**APPROVAL OF THE MINUTES**

Briggs Cunningham made a motion to approve the minutes as amended. Lynne Buchanan seconded and the motion carried unanimously.

**ADMINISTRATIVE MATTERS**

2.1 Administrator's report on Accounts: Nola Knudsen reviewed the check register with the Board. Expenses for January totaled \$30,122.41. Nola explained that a check in the amount of \$2400 for Synergy environmental was never cashed and they are requesting a replacement. Two board members agreed to stay after the meeting to sign a new check. Nola will request a stop payment at the bank for the former check. The total cash assets after bills have been paid and the building purchase was complete is \$1,455,394.51.

2.2 Treasurer's Review: Lynne Buchanan reported the deposits for the month include property tax receipts in the amount of \$4,915.85 and interest income for \$5,489.98.

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

**OPERATIONS MANAGER'S REPORT**

Prior to the meeting, Lisa Brown emailed the Operations Manager's report to all Board members. She highlighted some of the items. The Chatfield Board meeting was held on December 6<sup>th</sup>. They discussed member assessments and new share certificates. Lisa has received the accounting from Wheeler regarding storage. The spreadsheet will be adjusted to reflect the current 141 shares rather than the former 131 shares CCWCD owns.

Lisa shared storage amounts in both reservoirs. She has received a copy of the proposal for the dam and reservoir monitoring. The total amount is \$27,600 of which CCWCD would pay half. The related documents were attached to Lisa Brown's operations manager's report for all board members.

Lisa Brown said there is very thick ice of more than a foot on the reservoir. Set met with Tim Zingler who will be doing plowing for us on an as needed basis. Lisa will ask him to provide a W-9 for CCWCD. He has already done a first plow for use. He will help keep an eye on the reservoir as he lives a little over a month away. Lisa did say the ice dam she has been monitoring has stabilized and the road does not appear to be in danger of flooding. This is another thing Tim will help to keep an eye on.

South Platte Forum – Lisa Brown attended this all-day event with a schedule full of speakers. She took extensive notes she is willing to share with anyone interested.

David Shohet followed up on the information regarding the James Tingle Reservoir. He said the contract with Schnabel (formerly Deer and Ault) is an annual requirement because the JTR is considered a high hazard dam. The Center is responsible for 50% of the cost. Lisa McVicker moved the board approves paying the JTR reservoir dam embankment monitoring and safety report that will be split with Centennial Water and Sanitation District. The motion was seconded by Lynne Buchanan and carried unanimously.

## **OLD BUSINESS**

4.1 Big Timbers Building Future Plans: David Shohet said there are a couple of issues to separate. Lisa Brown was working on insurance coverage. She has a certificate in hand saying we are covered through Gallagher; we are waiting to get the policy written by the underwriter. They will send out an invoice this week. She will back date the coverage. Our insurance terms on February 10th and there is a proposal from them for going forward. The annual cost for coverage on the building will be \$1,534.00. Lisa Brown is still working on getting additional quotes. Chris Fuller suggested checking with Nationwide Insurance. David said when we get the quotes by the 8<sup>th</sup> next month, the board can vote at the monthly meeting to determine which direction it wants to go. Lisa Brown said there is bridge coverage for 90 days for purchase of new property.

Operations and Maintenance: Nola provided an email to the Board members prior to the board meeting to outline monthly responsibilities for a maintenance manager. Nola outlined what she found regarding insurance for property management services. It was very expensive and appeared excessive for the work to be done. She was unable to find a commercial property manager in Fairplay. Nola suggested taking the fiduciary requirement out of the responsibilities and adding a rental income line item to the annual budget. She can then bank checks in the same manner as she does for CCWCD income presently. Secondly, if there are maintenance repair costs, Nola will make certain they are insurance and seek approval by a board member. Lisa Brown checked with Gallagher. Lisa said she checked with them and their insurance would then cover if something happened that could be a liability. David Shohet said the agreement would be CCWCD would still pay Nola to perform the maintenance for the building. She would have the bills paid for by the Board at the regular monthly meeting. If it was an emergency, Nola would get approval by the Board for the service. If payment is needed immediately, Nola agrees to pay for those services and will get reimbursed by the Board at the next meeting.

Dan Drucker agrees it would be good to contact the Operations Manager for approval. Dan said he was authorized up to \$500 without Board approval. He suggests raising the limit.

Lisa made a motion that Nola will place all bills for building maintenance with CCWCD's monthly invoices and warrants for approval at the monthly board meeting of the District. If payment is needed immediately, Nola will pay for maintenance needs of small amounts and present receipts to the Board for reimbursement. The Operations Manager, Lisa Brown will approve any maintenance cost up to \$1,000 the maintenance manager would request. Chris Fuller seconded and the motion carried unanimously.

The last component was the monthly starting fee for Nola Knudsen to perform the general maintenance. Lisa suggests starting at \$400 per month and sub-contracting snow removal.

Lisa McVicker moves to approve \$400 per month for building maintenance plus payment for the previous December. David will adjust the service contract to be for six months. Lynne Buchanan seconded and the motion carried unanimously.

David said he received a couple responses of how to make space work from everyone in the building. David Shohet from HASP and CCW side they would need some work space. He said he had not heard back from USPWCD. David Shohet said while CCWCD owns the building, he believes we should treat them as tenants and give them a say so.

Lisa McVicker said everyone needs office space. Lisa Brown needs a small work space. In terms of the two conference room, Lisa is in favor of hiring an architect to design the good use of the space. If USP believes they need space and the whole conference room they need to pay for that. Chris Fuller said we need a list of needs for all tenants. We can then hire a professional for design for us.

Lisa said when the inspection was done, such as repairs to the roof, we need to come back to those needs and discuss. That will require hiring subs.

Dan Drucker suggested until we get needs of all the tenants, there is no need to get an architect. He suggests waiting a year and live in the space before making decisions. He suggests installing a downspout at the canopy and pave there. He suggests compartmentalizing the spaces; the kitchen is off limits to everybody. The door that services the bathroom is common area. HASP's office and the fireproof room, archive room and Center's offices remain and general conference remain for private meetings with the public. HASP could become USP's office and the archive room can get cleaned out with items that don't need to be in a fire proof room. Leave the former carpet area for the joint meetings, CCWCD meetings, USPs meetings etc. The public and see our meetings and come in. Beyond working on other things, let's find out what we need and want before we go out and contact another professional. They will ask our wants and needs, and we will need to figure it out then. Dan Drucker has learned from HASP that every offer to lease or sell water is a different item and there is no consistency and we should be prepared to deal with what every comes along.

Chris Fuller said we need a central person to gather all these needs. David Shohet suggests Lisa Brown. Lisa McVicker suggests putting it on the agenda for the February meeting. The Board

agreed that Nola Knudsen will extend the lease to include the conference room with the additional cost. The monthly fee will now be \$1,000.

Craig Steinmetz said we paid for a phase one inspection report. There is a list of work to be done in May or June. He will put that list together and send to everyone. We need to come to an understanding about what will or will not be done.

4.2 Budget for 2023. No action needed. It was done earlier.

4.3 CRMC Assessment: Approval has been made.

## **NEW BUSINESS**

5.1 Possible Statement of Opposition to Case No. 22CW3185, Application of City of Aurora – the Johns Change Case:

David said we have known this was a long time coming. Aurora purchased the John's Ranch. This is on Tarryall Creek above the confluence of Michigan Creek and Tarryall Creek. They have a couple of senior water rights. They filed a water court application in November to change these water rights. There are some exchange components of these water rights as well on the main stem of the South Platte up to Spinney. It is David's recommendation that Center file a Statement of Opposition to this case. He believes Center needs to be in this case whether we do it with HASP or the Center incurs the legal fees. The Board decided they will let HASP file a Statement of Opposition. The end of January is the deadline to file.

5.2 Discussion of USPWCD's change of the Rosalie Ditch, Case 22CW3200. The USPWCD acquired the Rosalie Ditch and had it for 5-6 years. The USP filed a water court application in December seeking to change it for augmentation purposes. In that application, they named every storage structure. We don't have to do anything. Statements of Opposition are due the end of February. In the application, Center's reservoirs were named as places of storage. Dave Wissel asked us not to file a Statement of Opposition to his case. Briggs Cunningham asked how it affects the Center's water. David said the application asks to store in our facility. That could affect our agreement with Centennial. There isn't an injury to our water but could affect our contractual agreement with other parties.

Lisa McVicker thinks it would be interesting to know why they are doing this now. A conversation with Swithin Dick would be good. It would be important to find if there are any possible injuries to us. David said at the joint meeting, the USP wants to make this a joint HASP application. Lisa McVicker asked if there would be more water for HASP and David said yes. It will be discussed at the joint meeting. Briggs Cunningham wants to know if there is any potential damage to our water rights. Lisa McVicker suggests David gets this information together. David will be out of town and Ryan Farr will be briefed and attend in his place.

Briggs asked if there would be problems mixing the three entities water. David said no, the JTR accounting would have different column; we break it down and there are no legal ramifications.

## **UPDATE ON LEGAL ISSUES**

Case 21CW3224 -HASP has stipulated out of this case but will continue to monitor.

**Case 21CW3081** – This is the Mills application. They had an adjudicated water right, however, it was never formally adjudicated. They have requested to dismiss this application. HASP has to determine whether to agree to dismiss it. Madoline has not heard yet from Dave

**Case 22CW3042-** The Water Judge entered a final decree in this case. Our conditional exchanges are continued until January, 2029. At that time, we will have to file something else

**Case 22CW3014 Will-O-Wisp** – WOW entered into a letter agreement that allows CCWCD to review any final ruling and provide comments to WOW on the ruling. David has provided comments back to applicant and did not see any issues of concern regarding the conditional water rights.

**HASP Operations** – HASP has received one new application for domestic water supply for a small parcel for a guest house in Pine. We do have a large potential applicant coming through. It would be for a large RV park near Spinney. They are trying to make it a science and technology RV themed park. There could be several hundred RV spots and we are discussing with them the possibility of providing augmentation for that RV park.

**HASP Operations** – Wheeler's report was just received and is being forwarded to the Board members.

Briggs Cunningham commented on Will-O-Wisp. Briggs said they lost their 1041 water 5-10 years ago because they did not do anything to replace that water to allow them to use it. One way to simplify objections would be to put the water back in the ditch.

#### **DIRECTOR'S ISSUES**

None

Chris Fuller moved to adjourn. Lynne Buchanan seconded and the Board adjourned at 2:38 PM.