

**Joint Meeting of the
Center of Colorado Water Conservancy District
Upper South Platte Water Conservancy District
Headwater Authority of the South Platte
February 14, 2024**

The quarterly joint meeting of the Upper South Platte Water Conservancy District, the Center of Colorado Water Conservancy District, and the Headwater Authority of the South Platte was held on Wednesday, February 14, 2024 at the water district offices at 548 Front Street, Fairplay, CO. Dave Wissel called the meeting to order at 2:11 PM.

The members present at the office from CCWCD were Lisa McVicker, Lynne Buchanan, Craig Steinmetz, Chris Fuller and Dan Drucker. Members from the Upper South Platte Water Conservancy District at the office were Jon Rice, Dave Wissel, Bob Slagle, and Lynda James. Representing HASP at the office was Dave Wissel, Jon Rice, Lisa McVicker and Lynne Buchanan. HASP Operations Manager John Matteson was present. Legal counsel David Shohet, Sedona Chavez and Alison Gorsevski were present. Also attending was Nola Knudsen, CCWCD Administrator and CCWCD Operations Manager Lisa Barden Brown.

Also attending were Patrons Garver Brown, Jarra Johnson, and Elaine Campbell. Mikala Vondi from Aurora was present.

APPROVAL OF THE AGENDA

Bob Slagel moved to approve the agenda as presented. Lisa McVicker seconded and the motion carried unanimously.

APPROVAL OF THE MINUTES

Lisa McVicker moved to approve the minutes as presented. Chris Fuller seconded and the motion carried unanimously.

ADMINISTRATIVE MATTERS

Treasurer's Report: John Matteson said the accounts are balanced and reconciled and have been sent out to the HASP board members. All invoices were sent out for approval. There is no further action needed for January services. As of January 31st, the HASP checking account balance was \$84,391.73; the Deer Creek Gage savings account balance was \$7,947.54; the Colotrust Account balance was \$1,991,172.53

Water remaining in the 02 plan is 12.552af and in the 12 plan there is 60.203af. A side note is we added 23af from Chatfield provided for in the 12 plan. David Shohet said we had a term and condition to allow this once Chatfield came on line, to add the Chatfield water to the plan. At the time we didn't have Chatfield on line. Some opposers said once Chatfield is on-line, then you can boost that number up.

Accounts:

Chakola – (HASP #0033) purchased the property from another individual and decided to add a dwelling and some irrigation. We filed an amended notice of application to show the request for additional water. We closed 1/31st.

Gold Tamers – (HASP #0096) -This is a mining operation. Their lease is technically expired. They originally said they would renew it but six weeks has gone by with no action taken. John is in a process of telling him to let us know one way or another. If they ceased operations we need to reflect lag obligations and if he plans to renew, he needs to make payment.

OPERATIONS MANAGERS REPORT

Update on Doro-on (Tesla application – HASP #0146) Tesla filed an application for approximately 3.4af. Then the State noticed on the plans there was a leach field and some recycling proposed. Matt Loose (Wheeler) is now estimating up to 4.72af. The applicant said she was sending more information to John which came yesterday but is a hard copy of the plan she emailed before. The 4.72af requires board approval to file a new notice. John sent her a follow-up email today acknowledging receipt of the map. He has 4.72af set aside in the 12 plan since she provided a deposit.

Rodman (HASP #0151) is an in-house use only residence that closed Jan 31st.

Braun (HASP #0153) is an in-house use only in Indian Mountain. We have a number of Indian Mountain residents coming directly to us now because Indian Mountain has a moratorium and can't add any more to their water supply plan. Dave Wissel said he and Jon Rice were contacted by Indian Mountain and they had litigation with Bar Star. Part of their agreement was they needed to stop using the HASP water from whenever they settled that. The alternative is that people are coming directly to us rather than wait until the 2026 moratorium expires.

Ryan (HASP #0154) This application is for a 3-lot subdivision application with two residences. They are having trouble with the county but they are working on it.

Kammerer (HASP #0155) An Indian Mountain resident that closed 12/20/23.

Rosini (HASP #0156) This is a new application. John just got his notarized application.

Fitzpatrick (HASP #0157) is another Indian Mountain resident.

ACC (HASP #T034) has a CDOT project in Fairplay. This year they a need10af of spot water.

John Matteson has signed an engagement letter with Hoelting and Co. for them to complete the 2023 audit.

Jon Rice made a motion to increase the cost of spot water in the October 2023 meeting. John Matteson recalled the price increase was \$665 but the minutes stated \$655. The Board agreed to correct the minutes to read \$665 for spot water.

Lynda James asked why the water price was increased. John said we had not increased our price since 2006. Inflation has made costs rise and we have to be able to sustain it.

OLD BUSINESS

1. Will O' the Wisp pond augmentation: David Shohet said they have a couple of ponds. They have to have augmentation water by April but we are unable to get them water with our pond moratorium in place. David Spoke about options with their attorney. They are going to file an application to pull Mountain Mutual shares from their current augmentation plan to augment their ponds. He believes this is the best organization to work with. Jon Rice said he thought counsel would approach them that we could handle their needs and they would trade mountain mutual shares to us as an exchange. David Shohet said they would still have to go to water court to pull those shares out of their augmentation plan.

Their current depletions are less than 2af. They have a lot of surplus of consumable water sitting there. Perhaps there could be a partnership where we pick up some of their mountain mutual shares. Dave Wissel said they have some shares that will never be used. It makes good sense to Dave Wissel to be able to trade shares.

Jon Rice said it does add to our portfolio. Dave Shohet said part of Will O' the Wisp's heartburn, is when a they did a site specific evaluation, their total depletions are about 3af. When you come into the HASP plan, our presumptive numbers are about 6af of depletions whereas theirs is 3. This is more than what their site specific plan would allow them to do. Bob Sagle said they don't recognize the hammer is going to drop and he doesn't see them moving as fast as they might.

Lynda James asked if these ponds are for recreation or the water system. Dave Wissel said they have two ponds. The larger pond was probably the original ranch pond. The smaller one is mostly for esthetics.

2. Update on Harris Park: Alison Gorsevski said in early January, we sent a letter to Harris Park Metropolitan District regarding HASP's concept of dredging and in exchange would keep some of storage space. She heard from a board member in preparation for their January Board meeting. She initially wasn't interested in the proposal but came around to understand this could be mutually beneficial to both entities. They are going through significant issues regarding dam repair that may involve litigation. She thought there would be some opportunity for continued discussions. Jon Rice said the biggest resistance came from the idea we were trying to steal water from them. David said as an FYI, the president of Harris Park made an open records request on Center and asked for a record of the lease for Lininger.

Lynda James said how easy would it be if we wanted to take their water and add storage there to be able to do it. Alison had a discussion with her about reservoir accounting and how releases work. She understood we would be releasing ours and leaving theirs.

Dave Wissel said there is a chunk of water to pursue. Jon Rice said Lininger is less reliable these days; could we exchange that water into Harris park? If we were kicked out of Lininger, there are options.

Dave Wissel said when we looked at it years ago, he thinks it is decreed at 110af. They have had to do some work with gages and inlets. They are in compliance for a gage station. They received money from the Land and Water Trust Board.

Jon Rice had breakfast with Jimmy Grand who said at that time they had a budget for dredging of \$250k.

Update from the Water Commissioner: Garver Brown said the news is mostly big snow. About a week into January we were looking at 8th percentile, after that we had two pretty good snow events. As of 14th the Upper South Platte Water equivalent is 97% of normal and 53% to our median peak. We Can expect 47% of the snow needed to reach the full amount will still come. We have 72 days of accumulating snow pack. Now we're at the 56th percentile so that's good news with that. Locally, Michigan Creek is at 103%. Hoosier Pass is at 101%. Buckskin Joe is at 97% and Rough and Tumble is at 79 %.

We are trending ahead of all of the rest of the South Platte. I looked at several years that were similar to this year on this date. All of those years were about the same. Those years turned out near average in the end.

Garver said at the eleven-mile canyon dam removal project, stakeholders are trying to limit high water release out of Spinney and down to Eleven mile to 300CSF or less. He is predicting the flow management plan will be blown away.

Legal Issues Update Open session

Rosalie Change Case: Alison Gorsevski said we have responses to opposers comments that are due Friday. She is working with Matt Loose to get those prepared.

Chatfield: David Shohet said Center has a conditional water right for Chatfield that we filled under free river this spring. We decided to make that portion that we filled under free river conditions absolute. We filed an application and received a statement of opposition from Denver Water. They want to monitor the case. We just entered into a stipulation with that case, hope to have wrapped up in 60 days.

Alison Gorsevski said she has filed an application on behalf of HASP for Lone Rock exchanges for diligence and to make part of those exchanges absolute. The statement of opposition period is done. We received one statement of opposition from the State Land board based on what their concern about use of the city reservoir because they own property there. This doesn't appear to be about our case as the property issue. Before the end of the statement of opposition period. David Shohet and Alison Gorsevski received an email from counsel from McGowan. They wanted interested in this application only because it mentioned the Silver Tips complex. They wanted some straight forward text to say we wouldn't use the reservoir without permission.

HASP has an upcoming diligence case in March for CR 59 pump we adjudicated. To get water to Division 2.

McGowan – David Shohet said the HASP Board authorized legal counsel to stipulate and part of that agreement was they would stipulate out of the Rosalie case. David sent their counsel comments telling them we were willing to stipulate out of their augmentation plan if they were prepared to stipulate out of the Rosalie case. We are waiting to hear back and we expect to stipulate out of each other's cases.

Johns case – Alison said we are continuing to plug along. We received their latest revised decree at the end of December. We have until the later part of April to respond. The initial review we received from them is good information.

David Shohet wanted to ask Garver Brown about the CPW case where they filed for 3csf to irrigate 600 acres. Garver could not speak to the number but said that is a pretty large field. It is the Teter Ranch and it was the Demic Ditch that was transferred into Teter. They asked to open the head gate under free river conditions. They installed a head gate and a measuring coil and diverted 2 cfs one year and next year 3csf. They are not allowed to irrigate under that water right but can under new appropriation.

Adjourn to Executive Session for Legal Advice

Lisa McVicker made a motion to adjourn to executive session pursuant to Section 24-6-402(4)(b) C.R.S. for the purpose of obtaining direction on four legal cases:

1. Lost Park Water
2. Pond Augmentation Guidelines
3. Rosalie Change Case
4. Lone Rock Diligence/Make Absolute Case
5. Buy Back Policies.

The motion was seconded by Bob Slagel and the Board entered executive session at 3:06 PM. The Board resumed regular session at 3:56 PM. The Board received advice from legal counsel and made no decisions.

Chris Fuller made a motion to authorize both legal counsels, law firms of HASP, to go forward filing statements of opposition in the four cases identified in the December resume, with counsels judiciously deciding what firm would handle what elements of the cases. The motion was seconded by Bob Slagle and carried unanimously.

Lynda James said there is a lot of talk about counsel being given to HASP board members. Lisa McVicker is secretary of HASP and will be sure all board members receive reports from Alison Gorsevski and David Shohet.

Bob Slagel moved to adjourn. Chris Fuller seconded and the meeting adjourned at 3:56 PM.