

**Board of Director's Meeting  
Headwater Authority of the South Platte  
December 12, 2025**

The monthly meeting of the Headwater Authority of the South Platte was held at the water district offices at 548 Front Street, Fairplay, Colorado on Friday, December 12, 2025 by video conferencing. The meeting was called to order at 10:01 AM by Dave Wissel.

Members present by telephone conference were Jon Rice and Dave Wissel from the Upper South Platte Water Conservancy District, Lisa McVicker and Lynne Buchanan, Directors from the Center of Colorado Water Conservancy District, and Lisa Brown, Center of Colorado Water Conservancy District Operations Manager. Also present by telephone conference was John Matteson, HASP Operations Manager and legal counsel Alison Gorsevski and David Shohet. Present at the office was Nola Knudsen, Administrator.

**APPROVAL OF AGENDA**

Jon Rice moves to accept the agenda as presented. The motion was seconded by Lisa McVicker and carried unanimously.

**APPROVAL OF MINUTES**

Jon Rice moved to table approval of the September minutes to the next meeting. Lisa McVicker seconded and the motion carried unanimously.

**ADMINISTRATIVE MATTERS**

1. Treasurers Report: John Matteson sent out reconciled bank statements as of November 30<sup>th</sup>. The checking balance as of today is \$77,802.22. Colorado Trust is \$2,142,251.78 and the Deer Creek Gage account balance is \$16,269.14.

2. Invoices and Warrants: John said he believes all bills have been received and/or routed for approval or put into the bank for check request. Jon Rice asked for annual interest income from Colotrust. Jon Matteson reported HASP received interest earnings from Colotrust for the year 2025 in the amount of \$85,284.70. In November, the balance was \$7,180.69. It is trending down a little each month as interest rates have been going down.

Lisa McVicker moved to adopt the treasurer's report as presented. Lynne Buchanan seconded and the motion carried unanimously.

**OPERATIONS MANAGER'S REPORT**

1. Jon Matteson reported the lease billings went out. We do all of our administrative billings on October 1<sup>st</sup>. The lease billings drag a little because he has accounts that very right close to what they are allowed; he has to see if there are any overages. The total amount of the billings for this year is \$147,306.62. John will be pursuing accounts receivable for the next month or two. Lynne Buchanan made a motion to adopt the treasurers report as presented. Lisa McVicker seconded and the motion carried unanimously.

2. Request Engagement Letter from Hoelting: John Matteson was seeking approval from the Board to request an engagement letter from Hoelting and Company for the 2025 audit. Lisa McVicker moved to continue with our engagement with Hoelting and Company for our annual audit. Lynne Buchanan seconded and the motion carried unanimously.

Dave Wissel asked if we were required to change auditors every five years. David Shohet said there may be something that suggests we do so. The board agreed to continue with Hoelting and Company this year.

3. WSP IM 6<sup>th</sup> tranche: John Matteson said we will close on this on the end of this month; an additional 2.0114af will bring us to a total of 14.291af which will support 521 residences. At closing we will collect \$84,560.00.

### **OLD BUSINESS**

1. Approve 2026 Budget and Budget Resolution: John Matteson sent all the board members an updated budget primarily for the fact we dropped in the year-to-date through October 31st and he updated the annualized numbers. John also adjusted application fees and water sales up a little to \$25,000 and \$40,000. He tweaked a couple of expense items and our net after those adjustments is \$770.00. Dave Wissel said this is a good road map of where we think we will go. John said we have not spent anything in the last three years on Currant Creek and we're still carrying forward a \$45,000 proposed capital expenditure. Lisa McVicker thinks we need to leave that and put it in our focus for what steps we take in Division 2 in the 2026 year. It's been status quo for a long time and it will motivate us to have a presence about it in 2026. Jon Rice asked it be put on joint meeting under old business. Jon Rice moved to accept the budget as presented with the caveat of last-minute changes. Dave Wissel seconded and the motion carried unanimously.

John Matteson said three items need to be approved separately. Jon Rice moved to approved the budget message for 2026. Lisa McVicker seconded and the motion carried unanimously. Dave Wissel moved to approve the Resolution to Adopt and Certify the 2026 Budget. Lynne Buchanan seconded and the motion carried unanimously. Lisa McVicker moved to approve the Resolution to Appropriate Sums of Money. Jon Rice seconded and the motion carried unanimously.

2. Maddox Reservoir: John Matteson said in his absence, the HASP board approved offering Blatchley \$25K for storage. John received a curt email back saying he declined the offer. John wanted to discuss that we have other connections to Blatchley through the Deer Creek gage. Do we want to respond and keep a warm relationship with him or just drop it. Jon asked what Blatchley was asking for the acre feet. John said it was something in the \$40's. Jon asked board members if we want to adjust our offer or take a pause. David Shohet said Blatchley's email was harsh. Blatchley said this is the third time HASP has offered us a loss, below the cost of finding sealed space in that amount. David said was worried about whether we need to make another offer or send Blatchley something to sooth him a little to preserve any relationship with him. Dave read his reply as being very curt. Lisa said we declined it because it is too much. Is there a

because? David said we could tell him we have done some market research and had some comps pulled and we think this is fair market value and what the space is going for. He is going to say I want \$40K. David doesn't feel he will accept anything unless we get much closer to his number. Lynne Buchanan suggested a letter to Blatchley explaining why we chose the number offered and thank him for allowing us to make an offer. Lisa McVicker is in agreement, reminding him that we represent the citizens and this is why the offer was what it was. Something conciliatory response is in order.

Jon Rice said Blatchley always thinks we are trying to rip him off. Dave said he has one of the few games in town. He doesn't blame him. John said in his email that Blatchley said his price was a 22% discount; in his mind, he has already provided a discount.

### **NEW BUSINESS**

1. Indian Mountain Customers – solicit interest to move to IM WSP? John Matteson said at the Joint meeting, the boards voted to use the buyback policy for Spangler who is an Indian Mountain customer that came originally directly under HASP for augmentation. He now wants to move to the Indian Mountain Water Service Program. We agreed to handle that. A question came from Jackie at Indian Mountain who asked if HASP is going to contact all of the Indian Mountain residents that might want to participate in the buyback program. Do we want to send a notice of some type to these people saying they have the opportunity to move under the IM WSP or stay with HASP or do we wait for them to come to us individually? Dave Wissel said there are only about 10 of them so it wouldn't be insurmountable to send these people a note offering that. Lynne Buchanan and Lisa McVicker both responded to agreeing with that. Dave asked John to take a look at it and when he gets some numbers to send the board members an email with an update on specifics.

### **LEGAL ISSUES**

None

### **DIRECTORS ISSUES**

Jon Rice wanted to inform the board that Lynda James received a Friend of the South Platte at the South Platte Forum. He doesn't know if it will be put in the HASP office or kept it with her. Jon said there is a gentleman named Shawn Kelly from Hydro Source who sent an offer for the purchase of the Twin Lakes Shares. Mr. Kelly was told the shares were not for sale but he sent an offer anyway. He is trying to find water for his supermarket in Pueblo. He offered \$60,000 per share. David said we paid \$40K or \$41K per share. They were acquired so we would have standing in the Arkansas, Division 2. Jon asked the board whether to send back an email. Lisa McVicker said we were also talking about Currant Creek and the \$40,000 and in February we were going to redirect our attention to Division 2. She said we should layer this on top of our focus for Division 2 whether it is Currant Creek or the Twin Lake shares. Now is not the time to sell those.

As a response to the offer, Lisa said we could respond we are not prepared to make a transaction now and will revisit it in the new year. David Shohet looked up the original cost of the Twin Lake shares and found the shares were purchased at \$29,000 each. Jon Rice said he will send a Letter saying we are not interested at this time.

Jon Rice moved to adjourn. Lisa McVicker seconded and the board adjourned at 10:35PM.