

**Board of Director's Meeting
Headwater Authority of the South Platte
March 13, 2026**

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, March 13, 2026 by video conferencing. The meeting was called to order at 9:31 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 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 February 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 February 28th. The checking balance at BMO Bank as of today is \$65, 292.24. ColoTrust is \$2,303,504.82 and the Deer Creek Gage account balance is \$16,269.54.
2. Invoices and Warrants: Invoices are paid as they come in. Everything is current.

OPERATIONS MANAGER'S REPORT

1. John Matteson said he had positive news regarding the Notice to Remove for Weldon. He actually came through and hand delivered at check for \$2,662.50 and is paid in full.

On our annual billing this year, we billed \$147,479. We collected all but \$2,887 and \$2,320 of it is the Kokanee payment plan. John has an agreement from another individual, a minor subdivision that they have a check for \$230.00 on the way. There is one other individual that has actually sent him a check for \$337.00 but it was returned. The individual is trying to resolve issues with his bank. We are down to three accounts and a manageable number. Billings for this year look good.

2. The audit is progressing. John spoke with the auditors and they are waiting for partner's review. The Deer Creek gage has an annual operations meeting/budget required and we got that out by email. Lone Rock and Mountain Mutual have both paid their share of the budget for this

year. Dave Wissel asked if Park County had paid. John Matteson said Park County does not pay. They contributed land and they are supposed to maintain the road approaching the meter.

Lisa McVicker said CCWCD is a sponsor for the Arkansas River Basin Water Forum this year. Lisa Brown said with our sponsorship we have two complimentary registrations for in-person attendance for the two-day Forum. It is April 22nd and 23rd. None of our board members are able to attend in person. Lisa Brown is attending and there is one extra registration available and would be complimentary to anyone interested in attending. It is in Salida this year. Lisa McVicker said it has a virtual presentation also and she will register for that. If anyone is interested in that option, Lisa Brown will forward any needed information.

OLD BUSINESS

None

NEW BUSINESS

1. Stipulation authority in the Park County case: David Shohet said we have a diligence application for exchanges going from Deer Creek exchanging into Spinney. The State Land Board go into that case and said Park County couldn't store water because the agreement between Aurora and the State Land Board doesn't allow that. They did the same thing in the Park County case. We filed a statement of opposition in the Park County case simply to monitor that State Land Board situation. Park County has since worked out an agreement although David does not know yet what that agreement is. David doesn't think it is much of an agreement other than Park County is recognizing that the State Land Board owns some of the land underlying Spinney Mountain Reservoir; that is all the decree says. Park County is stipulating with the State Land Board. They provided us with a proposed ruling and decree. Alison Gorsevski has reviewed it and is recommending HASP stipulate out of Park County's case. Alison wants to add the same language that Park County added to their decree to get the State Land Board out of Park County's case for Upper's and Center's case where we have the exchange from Deer Creek to Spinney.

Lisa McVicker said it makes sense within the public trust doctrine. She said it is very little language and it was discussed in the CCWCD meeting already. Lisa McVicker moves to authorize counsel to stipulate with the same language that Park County has. The motion was seconded by Lynne Buchanan and carried unanimously.

2. Water broker contact with Jon, Lisa and Alison about 49 MMRC shares for sale: David Shohet said the water brokers that were talked to previously at the time when the board was looking at possibly retaining one, sent an offer sheet to Alison. There was no price indicated and David thinks they are looking for someone to provide a price for them. They have extra Mountain Mutual shares that are currently tied to an augmentation plan over on Turkey Creek and Bear Creek on the other side, north of North Fork. These shares are just general Mountain Mutual shares that include rights on the main stem and North Fork. The theory is we would purchase these shares, remove them from existing augmentation plan and then fold them into our augmentation plan. David said he talked to Matt Loose about it. The Upper South Platte has 21 ½ Mountain Mutual shares already and we don't really use them. We are going to try to figure out a better way to use the existing 21 ½ shares from an operations standpoint, Mountain Mutual

shares are easy because it includes storage, we don't have to deal with dry up, we have to do return flows or deal with any of the structures.

If we are going to look at this, price will be the main factor here. Dave Wissel said we should at what sort of remuneration they are looking for on their side. Jon Rice said there are 59 shares being offered at \$2.36 million for 1.77af. (\$40,000 per share) in house use. He is not interested in the offer at all. This is the area of Tiny Town and Turkey Creek. Lisa McVicker doesn't agree with the price or location plus the legal fees to put into our augmentation plan. Jon Rice will speak with Alison Gorsevski and have her relay to Shaun Flannigan that we are not interested in this offer.

3. County 1041 revisions: The county has their 1041 regulations in place but they haven't been updated in quite a while. The county is going through a process where they are soliciting public input. They are going to have a public hearing to go over the revised 1041 regulations. They published their proposed 1041 regulations in early February, and there has been a series of rounds of ability for the public to provide written comments and they will take oral public comments at some point. David filed a brief comment to the county on behalf of CCW not knowing exactly what HASP wanted to do. David and Alison have been chatting and green lighted some comments on behalf of HASP to the county. He submitted those earlier this week to the county administrator, Lucis Meyer. David sent out an email yesterday with a three-page comment letter requesting the county to consider some different factors. From HASP's standpoint there is concern about the cost and pricing going forward as we continue to look at doing projects in the county. There is some ability of the county administrator to make "findings of no significant impact" (FONSI). With smaller projects, they don't need to go through the 1041 process, but there certainly be projects that HASP is doing that will require a 1041 permit. We would like the county to consider (1) there might be opportunities for IGAs to be entered into, particularly local governments in lieu of the whole 1041 process and (2) consider which projects are truly FONSI projects and try to give us some guidance so applicants and county administrator know what may or may not qualify and (3) suggest the county enumerate certain de minimis projects that don't even need to go through the FONSI finding. We are hoping we get to work with the county and they will consider our requests.

Lisa McVicker thinks the letter is clear and the suggestions make sense. David said at some point there will be public comments but he doesn't know when. Dave Wissel said it is scheduled on March 17th. Lisa thinks it would be good for David or Alison in person at the public hearing. Dave said they have had other points of public discussion. We have until April 30 to allow some more lag time for comment and discussion and proposals and maybe redrafts. Our concerns are more local and more of scale and the FONSI is a good idea as well as the IGAs from a practical point. Dave Wissel said he thinks the process will work and likely will make amendments to address some of those things. David Shohet said one of the things he would like to see is some sort of scaling. He is unsure of how they would do it but to scale the requirements the applicants need to go through based on the size and scope of the project. Dave Wissel said he thinks that would be taken under consideration.

LEGAL ISSUES UPDATE

None

DIRECTORS ISSUES

Jon Rice said when speaking with John Matteson, the last offer price for storage in Maddox Reservoir was \$40,816 per af, 24 ½ af which comes out to \$8.00 short of a million dollars. Jon Rice wants John Matteson to get back in touch with Bill Blatchley. Mr. Blatchley had said he would be willing to sell and allow us to pay over time. Jon wants to know that time period is. Lisa McVicker concurs. John Matteson said at the last meeting he was instructed to send Mr. Blatchley a letter saying we were interested in the offer but we weren't interested in his price. Dave Wissel said we have our 10.6af of the Rosalie that we need to store somewhere. Jon Rice said the Upper South Platte is acquiring the storage right in Rosalie 4 and Rosalie 6. We are under contract right now and that secures our water better coming down the Rosalie. We own the water already but we are better able to make releases with the storage right with Rosalie 4 and 6. We are in our 60-day diligence period now. Maddox is off channel but it is right there on the North Fork. It is the pond that sits across from Platte Canyon High School. Jon thinks it would fit nicely in our plans. He and Dave Wissel were discussing that it won't get any cheaper if we wait to find storage. Dave said we have one of the biggest droughts in front of us and who knows how long, how bad it will be or when it will break. Storage is the key to our survival. The price is 'kind of a choker'. Dave said the Upper had made an offer for storage rights up on the Rosalie but it had not gone anywhere, when they finally said okay and agreed to the sale. It saves us from building a pipeline. Dave said it is an investment for us now rather than later but if we are going to look at phase three of our blanket plan, as we acquire assets, then we have some place to store it. John Matteson sent an email on February 18th, based on the February board meeting, saying the HASP board met last week and appreciates the offer of set terms. The board feels that the \$25,000 per acre feet is still their best offer. John thinks we probably need to address that if he is going to ask him what sort of terms he is willing to accept. Dave suggests Jon Rice reach out as an individual. That way we don't have to put HASP in to this. Lisa McVicker agrees with having Jon Rice follow-up with a call to Blatchley. We need to learn what the term of the installments will be. Jon said he doesn't like the price but is asking the board to re-look at this. Lisa McVicker said we don't have land to build another storage area at this time and said she agrees with all of the points made.

ADJOURNMENT

Jon Rice moves to adjourn. Lynne Buchanan seconded the motion and the board adjourned at 10:02am.