

CUCHARAS SANITATION AND WATER DISTRICT (CSWD)
16925 STATE HIGHWAY 12
CUCHARA, COLORADO 81055
Minutes of the Board of Directors Regular Meeting
July 8th, 2026

- **Call to Order:**

Steven Davis called the meeting to order at 1:21 pm

- **PLEDGE OF ALLEGIANCE:**

The Pledge of Allegiance was led by Steven Davis during the Special Board Meeting that was held before the Regular Board Meeting.

- **ROLL CALL:**

Steven Davis- Present

Chris Smith – Present

Carolyn Rominger – Present

Dona Taylor – Present

Hollis “Buzz” Ginn -Present

Staff present: Terry Sykes, Julia Shrout and Christina McCleary

Visitors present: Karl Stickley, Dave Barclay, Gary Edwards, Craig Williams, Perry Pelton, George Lankford, Marshall Moore. Via Zoom: Larry Dasenbrock, Rachel Zancanella, Ed, Michael Miller, Jerry Morgan, Joe C. DWR

- **Approval of July 8th, 2026 Regular Board Meeting Agenda:**

Steven mentioned the Employee Merit Increases needed to be added under New Business. The Board usually gives a salary increase in July.

Carolyn Rominger made a motion to approve the July 8, 2026 Regular Board Meeting agenda as amended. Chris Smith seconded the motion. All in favor. Motion carried, 5/0.

- **Approval of June 10th, 2026 Regular Board Meeting Minutes:**

The Board reviewed the June 10, 2026 Regular Board Meeting Minutes before today’s meeting. Steven asked if there were any changes or additions. There were none.

Carolyn Rominger made a motion to approve the June 10, 2026 Regular Board Meeting Minutes as presented. Dona Taylor seconded the motion. All in favor. Motion carried, 5/0.

- **Treasurer’s Report -Review & Approval of June 2026 Treasurer’s Report (TR):**

Carolyn Rominger reported on the Treasurer’s Report for June 2026. The service fees were \$71,500 compared to a budget of \$72K. We are running really close to budget. The income for the month was \$85,107 with a budget of \$86,265, so again that is running close to budget. For the first half of the year, the total revenue was \$568,539, and the budgeted amount was \$559,310, so we are over budget on the income by \$9,000. Salaries are running closer to budget because the District is now fully staffed. This item will remain under budget due to the vacancy that has gone unfilled for most of the first half of the year. We finally received a bill for legal fees. This is for the water attorney helping us with the Walsenburg filings. We expect we will be getting more of those bills. Professional Fees is another category that has a favorable difference. We budgeted for the CPA to help again with the audit, but we think we won’t need the CPA at all for the audit this year. There is also a favorable variance on the facility maintenance. Operating Expenses were \$61,000, and the budget was \$77,000, so that’s a favorable difference of roughly \$16,000. For year-to-date, the operating expenses were \$455,000 with a budgeted amount of \$531,000. So we’ve got a favorable difference of roughly \$76,000. The District hasn’t received any tap fees, but that can be hard to plan for. Interest continues to be a little above budget. The loan proceeds for Baker Creek were roughly \$75,000 and the same amount for CapEx, so those net out. If you look at the Trend Chart, it gives us a rolling 12-month view. The only thing that stands out is the checking account balance. The checking account balance was a little over \$300,000 at the end of June, and that’s just a timing difference with respect to loan proceeds coming in and checks for those CapEx not having cleared the bank. The next page is the OpEx. The first line shows what we paid to Carrigan and the third line shows what we paid to Meyer & Sams. Those two are taken out at the bottom, so the OpEx amount is \$62,123. We did make the first payment to the auditors of \$10,000 in June. The last report is the

CapEx. It shows all of the capital expenses for the first half of the year. To see what was spent for June, you'll look at the last couple of lines. You'll see Meyer & Sams and Carrigan. Those are broken out into Loan Forgiveness and the Loan.

Dona Taylor made a motion to approve the Treasurer's Report as presented. Chris Smith seconded it. All in favor. Motion carried, 5/0.

- **Public Forum:**

Marshall Moore of 144 Aspen Road spoke with Joe Crabb of the Division of Water Resources. He said that on October 24th he told 2 former board members and Terry Sykes that an influent and effluent gauge needed to be installed at the Brittan Ponds to remain in compliance with the decree. That still has not been done. The reason the District has the Brittan Ponds is to augment any shortfall in flow. Joe assured Marshall that the State would not completely cut off water to Cuchara. He asked the Board to consider prioritizing getting the Brittan Ponds to operate as they should. Joe Crabb said the most the State would do is impose a fine. Craig Williams of 97 Aspen Avenue asked what the fine would be. Marshall said Joe told him \$500/day. Marshall mentioned that he has previously offered, and is offering again, to give a piece of his property to the District for a 50-million-gallon reservoir, which has been approved by the Huerfano County Water Conservancy District. There were 3 different locations approved: Maria Steven on Hwy 10, Goemmer's Butte in La Veta, and his property. Steven has checked with Stuart, the District's water lawyer, and the District is not in violation. He agreed that the District needs to prioritize developing the Brittan Ponds. The State hasn't mandated that the District develop them, but it is the District's right to do so.

- **REPORTS OF OFFICERS, COMMITTEES, PROFESSIONAL CONSULTANTS, and STAFF:**

- a. **Operations Status Report: Operations items reported by General Manager (GM) Terry Sykes**

The main water production was 3 million gallons for June, with an average of 99K per day and the peak being 174K. Of the 3 million gallons produced, ½ million was produced at Baker Creek WTP. There are 45 meter change-outs year-to-date. There have been multiple on/off requests in June. We also have been doing multiple water turn-ons, checking for leaks, line locates, and more of the routine tasks. As mentioned last month, there are water and sewer taps pending. We will be doing two water taps and two sewer taps next week. Crews pumped out another septic tank. The contractor had to reschedule to inspect and rebuild as needed the Pressure Reducing Valves (PRV's). He is scheduled to be here later this month. There were some tours scheduled for the water and wastewater plants but that has been cancelled for now.

- b. **Administrator Report: Reported by Business Administrator Julia Shrout**

Julia reported that she heard from the auditors, Haynie & Co., and they will have the Financial Statements for us to review no later than July 13th. As soon as those statements are received, she will start working on the Management's Discussion and Analysis (MD&A). The 2025 Audit has to be filed with the state by July 31, 2026. June billing was the first month that Terry and Julia didn't need Hayden's help! SAM.gov was successfully renewed for another year. Julia spoke to Lauri at GMS. Filter Tech is still owed \$62,000 on their original contract. A final change order will need to be done once the freight cost is known for the extra pump. There are final invoices to close out the project, and the As-Built Record Drawings need to be prepared. The hope was to have around \$104k left over, but that isn't going to be the case.

- c. **Water Stewardship Committee Report:**

Steven reported the website has been updated with minutes from the March, April, and May meetings. He did not see anything in the minutes talking about water. Steven said he might try to talk to David Stefan if he sees him in Cuchara to see what has been going on in the meetings.

- d. **Legal Case Updates:**

Stuart has reviewed the May 2026 Division 2 Water Court Resume for cases of interest or concern to CSWD. There was one application filed in May that impacts Huerfano County. The application seeks findings of diligence on a spring right that is located on property just south of Hwy 160, a few miles to the west of Walsenburg and the turnoff to Hwy 12. He didn't see anything in the May Resume that requires action by the District. In Case No. 25CW3052 (City of Walsenburg) Stuart will be reaching out to Matt Bliss at DiNatale Water to get a cost estimate for his review in this case. We are waiting for responses from Walsenburg for the initial round of Opposer comments. Other than speaking with Matt, there are no new updates. Steven mentioned that he and Terry had talked to Stuart and if he can keep the amount of time spent talking directly to DiNatale to a minimum, they think he should talk to them

directly. We have received a draft of the diligence application for the 17CW3075 exchange rights from HCWCD's attorney. The District is putting together a summary list of CSWD activities since 2017 that Stuart will evaluate for inclusion in the application. We can then get some comments to HCWCD's attorney. Other than the Priority No. 1 call, Stuart doesn't know of any other specific water matter items that need his input or Board attention this month. He did ask the Board to decide on a date for him to come and do his yearly visit. Steven will email him and tell him the August Board meeting would be a good time for him to visit.

e. Executive Committee Calendar:

Carolyn Rominger will be the rotating member for the Executive Committee and will be available from July 8th, 2026 through August 12, 2026.

f. Personnel Committee Update: Nothing to report.

g. Information Technology:

Terry spoke to Hayden about the ongoing spam. He also spoke to Hayden about getting cameras put up at the new Baker Creek Water Treatment Plant.

h. Reports of Officers:

Dona Taylor is working on the Rules & Regulations. Carolyn Rominger mentioned she had asked Julia to have the auditors present the 2025 Audit at the board meeting in August.

• **OLD BUSINESS:**

a. Baker Creek Plant Project Update:

As mentioned earlier, Baker Creek produced ½ million gallons of water in 15 days. The reason it was only 15 days was it was only being used during the day when the crew was here to check on things. Dialing in the remote controls and the alarm system while someone was available to check on things. But it's been running in auto mode since July 1st. Hopefully, by next month we will know the final number for the closeout of the project. James Whitley of CDPHE is coming July 27th for an inspection of the project to make sure we put in what we said we put in the plant.

b. Wastewater Treatment Plant Headworks Project

The Wastewater Treatment Plant was talked about during the Special Board Meeting before the Regular Board Meeting. The only thing to add is Steven and Terry received an email from the State about the Engineering Grant. It had a long form attached and the Board will have to have a resolution done. Steven will make a draft of the language and then have Bart, our general attorney, look at it. The contract is multiple pages with 4 addendums that have to be filled out and Steven wants the attorney to look at it to understand the legal language. It is a loan application for the \$45,000 Engineering loan but it is 100% forgivable.

• **New Business:**

a. Water Restrictions & Curtailment orders from State Division 2 Engineer

Steven spoke about the water restrictions and curtailment and the Priority One call. He has not spoken with Joe Crabb (Division of Water Resources). If what Marshall Moore mentioned earlier is true, the District would only receive a fine for taking water out of the Cucharas River even after the Priority One call then that might be the best way to go. It would be cheaper than hauling in water for the residents of Cuchara. He would also like Joe to put it in writing.

b. La Veta Fire Protection District Auxiliary-August 8, 2026 Century Bike Ride, Use of CSWD Facilities

Steven explained that every year the District allows the LVFPD Auxiliary to use the District's facilities as a place for the Century Bike Ride to stop, get water, and use the bathrooms.

Chris Smith made a motion to allow the La Veta Fire Protection District Auxiliary to use the District facilities for the Century Bike Ride. Carolyn Rominger seconded the motion. All in favor. Motion carried, 5/0.

c. CSWD Employee Merit Increases – Discussion

Steven reminded the board that the District employees usually get a raise mid-year and then a bonus at the end of the year. The merit increase was missed at the last meeting so it needed to be discussed

and decided on this meeting. He suggested a flat raise across the board for all employees at the percentage that was budgeted.

Steven Davis made a motion to approve a merit increase for all employees at the budgeted rate.

Dona Taylor seconded the motion. All in favor. Motion carried, 5/0.

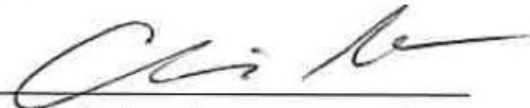
- **Executive Session pursuant to C.R.S.**

Executive Session was not entered

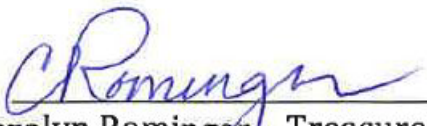
- **Adjournment:**

Dona Taylor made a motion for an adjournment of today's meeting. Chris Smith seconded the motion. All in favor. Motion carried, 5/0. The meeting was adjourned at 2:40 pm. The next regular board meeting will be held on August 12th, 2026 at 1:00 pm.


Steven Davis – President


Chris Smith-Vice President


Hollis (Buzz) Ginn – Director at Large


Carolyn Rominger – Treasurer


Dona Taylor – Secretary