CUCHARAS SANITATION AND WATER DISTRICT (CSWD)
16925 STATE HIGHWAY 12
CUCHARA, COLORADO 81055
Minutes of the Board of Directors Regular Meeting
October 14th, 2026

- **Call to Order:**
  President, Steven Davis called the meeting to order at 1:04 pm.

- **PLEDGE OF ALLEGIANCE:**
  The Pledge of Allegiance was led by Vice President, Chris Smith.

- **ROLL CALL:**
  Steven Davis- Present, via Zoom
  Chris Smith – Present
  Carolyn Rominger – Present
  Dona Taylor – Present
  Hollis "Buzz" Ginn -Present

  Staff present: Terry Sykes, Julia Shrout, and Ashley Hall.

  Visitors present: Robert Stewart of 222 Black Bear Rd. Via Zoom: Larry Dasenbrock, Michael Miller

- **Approval of October 14th, 2026 Regular Board Meeting Agenda:**
  Carolyn Rominger moved to approve the October 14th, 2026 Regular Board Meeting agenda as presented. Dona Taylor seconded the motion. All in favor. Motion carried, 5/0.

- **Approval of September 9th, 2026 Regular Board Meeting Minutes:**
  The Board reviewed the September 9th, 2026 Regular Board Meeting Minutes before today's meeting. Steven asked if there were any changes or additions. There were none.
  Chris Smith motioned to approve the September 9th, 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 September 2026 Treasurer's Report (TR):**
  Carolyn Rominger discussed the Treasurer's Report. We are currently ahead on property tax by $7,600.00. Total income for September was $77,650. Carolyn also pointed out that legal expenses in the month of September were quite high. That was expected because our lawyers were involved with the Priority No. 1 Call on the Cucharas River. The total expenses for the month were $68,350, leaving a net income of $9,300. Our total tap fees for the year are $48,000.00 and have exceeded the $30K that was expected. The total Capital Expenses for September were $28,443. Those items are listed in detail in the Capital Expenses Report. On the Trend Chart, our Checking Account balance is at $213,897. The Month-end Reserve balance is at $ 992,530. Overall, September was another good month.
  Chris Smith made a motion to approve the Treasurer's Report as presented. Hollis "Buzz" Ginn seconded it. All in favor. Motion carried, 5/0.

- **Public Forum:**
  Robert Stewart spoke up to say he attended the meeting today to sort of observe at this point and hopefully in the future he can do something to help.
  Larry Dasenbrock said he was glad to see everyone & hear about the recent rain plus snow on the peaks. Larry was also curious about the consumption conversion & is worried that people are not doing their part and trying to reduce consumption.
  Terry responded: We did compare July with the restrictions in place versus July of 2025. And it was a million gallons less than the previous year. He thinks maybe people got a little lax prior to leaving in September, but overall, they did respond when the restrictions were implemented.

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

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

Terry Sykes outlined: September water production was 2.2 million gallons, averaging 74K per day. The peak day was 114K. Baker Creek is performing well, accounting for over 500K. We actually had a busy month. We completed a stand-alone connection at the Baker Creek diversion. The bypass was in a common collection area with the snow-making piping. We installed a direct connection to avoid conflict with snow-making operations. Now we have a better way and a dedicated line directly from the diversion to our drinking water.

Spray-in insulation was installed at Baker Creek & it turned out great! 4" on the ceiling and 3" on the walls, it is a real uniform job. We had budgeted $25K for the dropped ceiling which we didn't do, so the insulation was covered at $23,650.

Hayden installed security cameras at Baker Creek. He also replaced a failed router at BP1 pump station, which is at the end of the resort road. We continue to run once a month to ensure backup/operational status.

We submitted samples for out fall land application at the WWTP. We applied 24 loads, approx. 36K gallons.

We had effluent water meter calibrated at WWTP.

We noticed a discrepancy in GIS, so we had a survey done at the Dodgeton Plant which confirmed that the plant building is not on district property. We are pursuing options with the surveyor & awaiting an updated survey/plat map. Therefore we are working on a formal abandonment of the plant to satisfy state reporting requirements to get that off our books before winter gets here.

We completed a water tap & meter installation at 401 & Hwy 12 through a bore. It was difficult conditions. The main was 10' deep and had a terrible installation with no bedding, & large rocks directly on the pipe.

There is another water tap scheduled for the week of the 19th at Lake Rd, which is south of Ruby Lane.

b. Administrator Report: Reported by Business Administrator, Julia Shrout

Julia began by noting that we finally got our audit for 2025 finished. It was filed with the state on September 24th, so we met our deadline of September 30th. If anyone would like a copy, just let Julia know. The Workers' Comp info came back. It is going to be $8,363, which is believed to be a little less than last year.

Julia also noted we needed to come up with the public hearing date for the budget, which is believed to have been on the same date as the November meeting last year.

The CEBT (Employee Health Insurance) renewal for 2027 has been submitted. It did go up 16%. Vision didn't change, but dental went up by $2 per employee per month. The majority of the increase was on the health insurance.

Everyone thanked Julia for all her hard work!

c. Water Stewardship Committee Report & Water Storage Discussion:

Nothing new. Steven has asked David Steffens to let us know if anything comes up that directly impacts CSWD.

d. Legal Case Updates:

Steven discussed that Stuart is filing an opposition regarding the Maria Lakes Grazing Association. Filing now so we are in & it won't be more expensive later. Stuart acknowledges that we may be way over on our legal fees, but he doesn't think this one would kick in until 2027. Steven said it basically saves us around $3,000 if we decide later to be in the case.

e. Executive Committee Calendar:

Hollis "Buzz" Ginn was the rotating member for the Executive Committee and was available from September 9 through October 14, 2026. There was an executive committee meeting to discuss the CEBT & the insulation. Chris Smith is the next board member for the Executive Committee next month.

f. Personnel Committee Update: No updates this month.

g. Information Technology:
Terry already mentioned in his GM report that Hayden installed security cameras at Baker Creek and replaced a failed router at BP1 pump station.

h. Reports of Officers:
Nothing new to report at this time.

- **OLD BUSINESS:**

a. Wastewater Treatment Plant Headworks Project
It has been a busy month on the Wastewater Treatment Plant Headworks Project, The engineering and design loans are closed. The closing of the Engineering loan allowed Element to kick off on the design work. Sounds like they are close to starting the build-out. Steven is currently working on the paperwork and forms. A Bond Council is needed. We have used someone from Spencer Fane out of Denver. Steve spoke with her & she is open to doing it again. The loan is at a 2.5% payback. The baord may want to discuss a paying down the loan with sewer tap fees. A recommendation will be made at next month's meeting.
The good news is, it sounds like we can do the project, both parts, the screen and the grit removal, and get that finished sometime next year.

b. Priority No.1 Call and Show Cause Order Discussion
The Priority Call was rescinded October 1st, but we are still doing the ponds. Last month, we came up with an agreement with Walsenburg. 4-1, +10 hours of an engineer & lawyer. They wanted it amended for us to pay the fees, but the cap will most likely be 20 hours instead. They believe it will be less than 10, but just in case so we have flexibility. Possibly asking Stuart if we should propose 5-1.

c. Water Storage Discussion – Joe, Rachel, and Ed from the state are expected to come out next month. They are open to visiting however we want to meet. It will be sometime in early November.
Regarding the property Marshall wants us to use to create a pond. The Colorado State Board of Land Commissioners received a letter regarding the mineral rights. The received letter was about the mineral rights on Marshall's property & possibly not being able to use it. Stuart will look into it.

10. New Business:

a. **Preliminary draft for 2027 Budget**
Tax revenue is the big difference between the 2026 & 2027 preliminary proposals. We have included a 5% increase for staff, and, you know, that may sound generous, but it's barely keeping them a little bit ahead of inflation. We were also budgeting 30K for legal fees, but will need to bump it up due to the extra legal for this year.
We are also projecting healthy interest earnings on our invested funds, based on high interest rates and we expect there'll be another Federal increase before the end of the year, so we think that is reasonable. We also talked about Britton Pond. We've budgeted $60,000 for whatever might be done in 2027 for related to that.
A Proposed Budget meeting will take place prior to our next regular Board Meeting in November.

11. Executive Session pursuant to C.R.S.
Executive Session was not entered

12. Adjournment:
Carolyn Rominger moved to adjourn today's meeting. Chris Smith seconded the motion. All in favor. Motion carried, 5/0. The meeting was adjourned at 3:05 pm. The next regular board meeting will be held on November 10th, 2026 at 1:00 pm.

Steven Davis – President

Absent
Chris Smith - Vice President

Hollis (Buzz) Ginn – Director at Large

Carolyn Rominger – Treasurer

Dona Taylor – Secretary