

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

1. Call to Order:

Steven Davis called the meeting to order at 1:00 pm

2. PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was led by Steven

3. ROLL CALL:

Steven Davis- Present

Chris Smith – Present

Carolyn Rominger - Present

Dona Taylor – Present at 1:04 p.m.

Hollis (Buzz) Ginn -Present

Staff present: Terry Sykes & Julia Shrout

Visitors present: NONE

4. Approval of January 14th, 2026 Regular Board Meeting Agenda:

Steven asked if there were changes or additions to today's agenda. The year for the meeting minutes was incorrect. It was changed from 2024 to 2025.

Carolyn Rominger made a motion to approve the January 14th, 2026 Regular Board meeting agenda with changes to the year from 2024 to 2025 concerning the minutes dates. Chris Smith seconded the motion. All in favor. Motion carried, 4/0.

5. Approval of December 10th, 2025 Regular Board Meeting Minutes:

The Board reviewed the December 10th, 2025 Regular Board Meeting Minutes prior to today's meeting. Steven asked if there were any changes or additions. There were none.

Carolyn Rominger made a motion to approve the January 14th, 2026 Regular Board Meeting Minutes as presented. Chris Smith seconded the motion. All in favor. Motion carried, 4/0.

6. MINUTES APPROVAL: December 29th, 2025 Budget (2025) Amendment Hearing Minutes:

The Board reviewed the December 29th, 2025 Budget (2025) Amendment Hearing Meeting Minutes prior to today's meeting. Steven asked if there were any changes or additions. There were none.

Carolyn Rominger made a motion to approve the December 29th, 2025 Budget (2025) Amendment Hearing Meeting Minutes as presented. Hollis (Buzz) Ginn seconded the motion. All in favor. Motion carried, 5/0.

7. Treasurer's Report -Review & Approval of December 2025 Treasurer's Report (TR):

Carolyn provided a brief update and reviewed operating income, operating expenditures, capital expenditures and the CSWD debt reserve account standings through December 31st, 2025. Carolyn talked about the service revenues were lower than expected. This continues to be a little off, by about \$4-\$5K, but she and Julia are continuing to look into the service fees. The billing changeover might be causing some of the variances. She will report back to the Board once the analysis is complete. Total revenue for the year is \$987,000, that compares to \$992,000 in the amended budget. The salary expense was originally budgeted for the year at \$312,000 but the amended budget was at \$332,000. That amount does include the bonuses that were paid in December 2025. There will be an accrual made for the payroll items that were paid in January 2026 but should have been included in the 2025 year. The total operating expenses for the year were budgeted at \$906k and the amended 2025 Budget is \$924K. Carolyn referred to the operating expenses report that was included in the board packets to get a detail of the operating expenses for December 2025. She talked about 3 large expenses for the month. One was the locator/camera that was

purchased from Frontier Precision, an annual service renewal fee for Hach Company and Front Range Winwater for 50 new meters. The district collected \$90k in water and sewer taps in the month of December 2025. Some customers were wanting to buy them before the rates increased beginning the first of January 2026. The increase in tap fees and the interest were included in the amended budget for 2025. The total amount received for 2025 in tap fees was \$125k. The total capital expenditures for the month was \$65k. Julia provided a separate report that shows what the capital expenditures were for the 2025 year. There were 3 capital expenditure payments in December, one to GMS and Carrigan for the new Baker Creek Water Treatment Plant and one to Front Range Winwater for 50 new water meters. The district ended the month in the black thanks to the tap fees and for the year a positive amount of \$270,000. There will be some adjustments when the accruals are made in preparation for the audit. The trend chart provided in the packet shows everything looking good. The one thing that jumps out is the checking account balance going from \$162k to \$71k. That was because of the transfer of tap fees from the checking account to a ColoTrust investment account. Carolyn thanked Terry for pointing out that the district needed to transfer those funds. Carolyn stated that everything looks good and healthy. **Chris Smith made a motion to approve the December 2025 Treasurer Report as presented. Donna Taylor seconded the motion. All in favor. Motion carried, 5/0.**

**8. Public Forum:
Nothing to Report**

9. REPORTS OF OFFICERS, COMMITTEES PROFESSIONAL CONSULTANTS and STAFF:

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

Terry provided information regarding happenings in the field. He provided the water production data for December 2025 and said they made 1.3 Million gallons. The highest day was 84k gallons with an average of 41k gallons per day. Moving forward he will probably only do the water usage report quarterly. The new line locator is here and the camera should be here on Friday. Terry explained to the Board how the locator/camera will inspect, trace and pinpoint lines. It has a transmitter and a receiver that work together to find the lines. He will do a demonstration for the Board at a later date. The annual backflow testing has been done for the year. They have had problems with the return pumps at the Wastewater Treatment Plant. One of the two pumps is going to need to be replaced at a cost of about \$15k. Terry is working with CDPHE to formally decommission the Dodgeton Creek Water Plant. There were no violations in water or sewer for the year 2025.
- b. Administrator Report: Reported by Business Administrator Julia Shrout**

Julia reported that she got the 2025 Amended Budget filed with Dola as well as the Mill Levy certification. She did receive notification from DOLA that the 2025 Amended Budget was accepted. The Property and Liability invoice, as well as the Workers' Comp invoice, were both paid on January 2, 2026, for the year. The tap fees for the year were transferred to an interest-bearing account at ColoTrust in the amount of \$125,000 as required. Carolyn and Julia have begun looking at the year-end journal entries that will need to be done before the audit. They will have the CPA look over the books before the audit begins. Julia did sign the Engagement Letter for Haynie & Company for the 2025 audit.
- c. Water Stewardship Committee Report:**

There was nothing to report. Terry asked if the Huerfano County Conservancy District posted their meetings online. If so, he suggested monitoring those minutes to see if anything applied to CSWSD. Julia said she would check to see if those minutes are posted online.
- d. Legal Case Updates:**

Board members reviewed a status email from water attorney Stuart Corbridge of BHGR. There were no new applications included in the November Resume that were filed in (or which otherwise impact) Huerfano County and/or the District's water rights and operations. As such, there is nothing new for the Board to review or take action on this month. Regarding the City of Walsenburg Case No. 25CW3052 – the initial telephone status conference is scheduled for the end of January. Stuart anticipates the case management deadlines will be set at that time. He also anticipates Walsenburg's attorneys will provide a decree to support the case in the next month or so. Stuart reported that shortly after the November 30 deadline for statements of opposition, the City of Walsenburg submitted a request to the State Engineer's Office for approval of a Substitute Water Supply Plan (SWSP). The request was for temporary approval to use half of its Walsenburg Ditch (Priority No. 5) shares in its existing plan for augmentation for the proposed change in use of augmentation. Walsenburg included an engineering analysis in the SWSP request for the Walsenburg Ditch shares. Stuart reported in speaking with Matt Bliss at DeNatale there

were no immediate red flags that required comments from CDWD. On this year's SWSP submittal. However, Stuart suggested having DiNatale look at Walsenburg's full engineering report for the claims. No other new water matters were pending that needed direction from the Board.

e. Executive Committee Calendar:

Hollis (Buzz) Ginn will be the rotating member for the Executive Committee and will be available from January 14th, 2026 through February 11th, 2026.

f. Information Technology:

Chris Smith reported that he had contacted Hayden about the foreign emails he was getting. Whatever Hayden did has worked. Julia said she would follow up with Hayden to see if the Dir1@cuchara.org email had been changed over and set up for Hollis (Buzz) Ginn to start receiving district emails.

g. Reports of Officers:

Nothing to Report

10. OLD BUSINESS:

• **Baker Creek Plant Project Update:**

Terry reported everything is pretty much on schedule. The skids and tanks are in place, and they will be hooking up the inlet this morning. Filter Tech will be here the end of the month or the beginning of next month. The training will take several weeks. The process controls are being installed on the skids. Terry has been working with CDPHE on the startup logistics and requirements for the Baker Creek Water Plant.

• **CSWD Other Policies and Approvals Plan:**

Steven will go back and look at the list that Kristan had to see again which policies need approval. He will pick one that has been modified but not officially approved and bring it to next month's meeting.

11. New Business:

• **Resolution 2026-01: A Resolution for Posting Regular Board Meetings pursuant to §24-6-402(2)©, C.R.**

Steven Davis read the full resolution.

Chris Smith made a motion to approve Resolution 2026-01 as presented. Carolyn Rominger seconded the motion. All in favor. Motion carried, 5/0.

• **Wastewater Treatment Plant Headworks Project:**

Terry explained to the Board that Element Engineering has said this is going to be a lengthy process. The prequalification meeting is set for February 3rd, 2026. This meeting will discuss the steps that will take place for the project. Terry referred to the handout that was provided to the Board in their packets. Steven explained if CSWD is approved for the grant they will receive a Planning grant of \$10,000. The District will be required to spend \$2,500 as a match. Element will then put together the Project Needs Assessment (PNA) document to justify why this project is needed. If the document is approved, then they will give us the full grant for the engineering. Once the engineer's drawings are done then the District will go back to CDPHE and tell them what the project is going to cost. Then the project goes out to bid. Element's estimate was for \$1,092,000. The CDPHE wastewater grants are for up to \$500,000. DOLA has 50/50 grants where they give us 50% and we put up 50%.

12. Executive Session pursuant to C.R.S.

Executive Session was not entered

13. Adjournment:

Chris Smith made a motion for an adjournment of today's meeting. Hollis (Buzz) Ginn seconded the motion. All in favor. Motion carried, 5/0. The meeting was adjourned at 2:19 pm. The next regular board meeting will be held on February 11th, 2026 at 1:00pm.

Hollis (Buzz) Ginn – Director At Large

Carolyn Rominger – Treasurer

Dona Taylor - Secretary