**CUCHARAS SANITATION AND WATER DISTRICT (CSWD)**
**16925 STATE HIGHWAY 12**
**CUCHARA, COLORADO 81055**
**Minutes of the Board of Directors Regular Meeting**
**February 11th, 2026**

1. **Call to Order:**
   Steven Davis called the meeting to order at 1:01 pm

2. **PLEDGE OF ALLEGIANCE:**
   The Pledge of Allegiance was led by Steven Davis.

3. **ROLL CALL:**
   Steven Davis- Present
   Chris Smith – Absent (Excused)
   Carolyn Rominger - Present
   Dona Taylor – Present
   Hollis "Buzz" Ginn -Present

   **Staff present:** Terry Sykes & Julia Shrout

   **Visitors present:** Larry Dasenbrock, Michael (last name not shared), both via Zoom

4. **Approval of February 11th, 2026 Regular Board Meeting Agenda:**
   Steven asked if there were changes or additions to today's agenda. There were none.
   **Carolyn Rominger made a motion to approve the February 11th, 2026 Regular Board meeting agenda as presented. "Buzz" Ginn seconded the motion. All in favor. Motion carried, 4/0.**

5. **Approval of January 14th, 2026 Regular Board Meeting Minutes:**
   The Board reviewed the January 14th, 2026 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. Dona Taylor seconded the motion. All in favor. Motion carried, 4/0.**

6. **Treasurer's Report -Review & Approval of January 2026 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 January 31st, 2026. Carolyn talked about the service revenues came in about $2,000 higher than budgeted. She believes that there is a better understanding of how the accounts are being billed. The fluctuations that will be seen will be mostly in commercial service fees. The total income line was roughly a $2,500 variant to budget. The District was in good shape on the top line. The operating expenses the salary expenses were $41,000 as compared to $30,000 budgeted. This was due to there being 3 pay periods in January 2026. All payroll items were up due to the 3 pay dates. Nothing was spent on chemicals and another favorable expense was professional services was minimal. Overall the operating expenses were unfavorable by roughly $7,000 which is mostly from the payroll expenses this month. With the $117,000 operating expenses compared to the $77,000 in operating income the district had a net loss of $39,903.94. There were grant proceeds and interest capital income of $212,445. Capital Expenditures were $215,772.67 for Baker Creek and $4,804 of other Capital Expenses. That brings the district to a loss for the month of January of $52,839.65. The January Operating Expense report shows the largest item not related to capital expense is payroll. There was $35,000 paid for Propety & Liability Insurance Expense and $8,117 for Workers' Comp that we are prepaying for the year. The total disbursements were high but if you take out the capital expenditures the true operating expenses were $112, 564. The Capital Expenses report shows the payments to Meyer & Sams, Carrigan Excavating, and Electrical Systems for Baker Creek. The payment to Electrical Systems Professionals is an expense that the District is paying for out of pocket and is not included in the Baker Creek loan/grant. There was also the camera that was the second piece to the locator that was bought in December 2026 that was also not grant-funded. The Trend Chart shows in January 26 the operating income of $77,238, the Operating Expenses of $117,142 and thus the negative $40,000 cash flow. The checking account jumps out at an all time high for the end of January of $185,768. Money was moved from reserves to the checking account to cover some of

the big one-time expenses like the Property and Liability insurance and the Workers' Comp. The month-end reserve balance is $936,000.

**Dona Taylor made a motion to approve the January 2026 Treasurer Report as presented. "Buzz" Ginn seconded the motion. All in favor. Motion carried, 4/0.**

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

8. **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 January 2026 and said they made 1.5 million gallons. The peak day was 105k gallons with an average of 49k gallons per day. There has been a lot of work on meter change-outs and he is learning meter manipulation. Muni-Link learning is ongoing and the office is encouraging customers to pay online. Julia added the pay by phone option to the website. The office is pursuing leads for the receptionist position. An account has been set up with Workforce. There are some promising people. Tanner Sporcich tested for his B Water Treatment. He didn't pass but he was close. Terry mentioned last month about the wastewater treatment issues with the chemical pumps. The district is waiting on replacement parts and are expecting that next week. There have been some band-aid repairing on the headworks until it can be permanently replaced. Terry is working on the annual biosolids report which is due later in the month. It is an assessment of what we have land applied. Snowmaking has gone well. So far this season they have used 12.5 acre-feet which is about 4 million gallons.

   b. **Administrator Report: Reported by Business Administrator Julia Shrout**
   Julia reported she and Carolyn are continuing to look over the 2025 books. They have made a lot of progress and have made several end of year journal entries that are needed before the 2025 audit. There is still no date for when the audit will begin. Julia and Terry have been learning a lot with Muni-Link. They got meters read and billing done with Hayden's help. Terry has been entering in the payments that have been received. There have been a few issues with the ACH payments posting to Muni-Link but she believes the problems have been fixed. Julia reported that the district is no longer paying Caselle! The 1099s and the W-2s were mailed out on January 20, 2026. Julia gave the Board an update for the ColoTrust Accounts. Mac Langford called and spoke with Julia about moving money from the Edge accounts to the more secure Plus+ accounts. He also suggested having the monthly property tax revenue deposited into a Plus+ account since the District doesn't usually transfers that money out to the business checking account.
   **Carolyn Rominger made a motion to go with the ColoTrust recommendation and transfer 2/3 of the EDGE money into the PLUS+ account and have 1/3 remaining in the EDGE account and to have the Huerfano County Property Tax money deposited into a PLUS+ account. Dona Taylor seconded the motion. All in favor. Motion carried, 4/0.**

   **Water Stewardship Committee Report:**
   Steven and Julia read the latest minutes, dated December 8, 2025, on the Huerfano County Conservancy District website. There was no mention of anything that would affect CSWD. They will continue to monitor the online minutes.

   c. **Legal Case Updates:**
   Board members reviewed a status email from water attorney Stuart Corbridge of BHGR. There were no new applications included in the December 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 with the Referee was on January 27, 2026. Walsenburg will be providing its initial engineering report and proposed decree on March 13. The first round of opposer comments are due by May 27. Stuart will be looking at the materials provided by the Applicant and will follow up with the Board if he thinks they need to get DiNatale involved for engineering/technical review. No other new water matters were pending that needed direction from the Board.

   d. **Executive Committee Calendar:**
   Chris Smith will be the rotating member for the Executive Committee and will be available from February 11th, 2026 through March 11th, 2026.

   e. **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.

f. **Reports of Officers:**
Nothing to Report

9. **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.

10. **New Business:**
    Nothing to report.

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

12. **Adjournment:**
    **Dona Taylor made a motion for an adjournment of today's meeting. Hollis "Buzz" Ginn seconded the motion. All in favor. Motion carried, 4/0. The meeting was adjourned at 2:31 pm. The next regular board meeting will be held on March 11th, 2026 at 1:00pm.**

Steven Davis – President

Chris Smith-Vice President

Hollis (Buzz) Ginn – Director at Large

Carolyn Rominger – Treasurer

Dona Taylor – Secretary