

**RIO GRANDE WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS QUARTERLY MEETING
January 21, 2025, at 10:00 A.M.
8805 Independence Way
Alamosa, CO 81101
And By Zoom Teleconference**

Present: Greg Higel, President; Armando Valdez, Vice-President; Zeke Ward, Secretary/ Treasurer; Cory Off, Director; Peggy Godfrey, Director; Mark Deacon, Director; Mike Kruse, Director; and, Doug Gunnels, Director.

Absent: Elliott Salazar, Director.

Staff and Consultants: David Robbins and Pete Ampe, Hill & Robbins, P.C.; Amber Pacheco, Deputy General Manager; Chris Ivers, Program Manager; Angelo Bellah, Program Manager; Quinton Norris, Program Manager; Clinton Phillips, Davis Engineering; Rose Vanderpool, Program Assistant; Linda Ramirez, Program Assistant; Crystal Benavidez, HCP Coordinator/Program Assistant; April Mondragon, Administrative Assistant; and, Michael Carson, Database Administrator.

Guests: Lawrence Crowther, Tony Aloia, Leroy Salazar, Steven Laver, Morgan Dingfelder, Cathy Garcia, Chris Lopez, Rio de la Vista, Paul Formisano, Monica McCafferty, Nate Reynolds, Deb Sarason, Jason Lorenz, Steve Keller, Michael Jones, Jason Ullmann, Craig Cotten, Mario Curto, Vern Heersink, Erin Minks, Sally Wier, Brian David, Willie Hoffner, Chris Schaefer, Jocelyn Catterson, Michelle Lanzoni, David Hofmann, Heather Greenwolf, Jake Burris, Wayne Schwab, Ryan Unterreiner, Taylor Applewhite

CALL TO ORDER

President Greg Higel called the meeting to order at 10:08 a.m. There was a quorum present for the meeting. The Pledge of Allegiance was recited.

INTRODUCTION OF STAFF AND GUESTS

President Higel welcomed all those present and asked for introductions.

APPROVE AGENDA

President Higel asked to amend the agenda to add a report from Cathy Garcia from Representative Hurd's office. He asked for any other changes or a motion to approve the agenda. A motion was made by Doug Gunnels to approve the agenda as amended. The motion was seconded by Cory Off and unanimously approved.

APPROVAL OF THE CONSENT AGENDA

President Higel asked for approval of the consent agenda items:

- December 4, 2024- Special Meeting
- December 13, 2024-Budget Hearing

A motion was made by Cory Off to approve the consent agenda as presented. The motion was seconded by Peggy Godfrey and was unanimously approved.

PUBLIC COMMENT

President Higel asked for public comment. Peggy Godfrey welcomed new Colorado State Engineer Jason Ullmann.

DISTRICT ENGINEER'S REPORT-CLINTON PHILLIPS

President Higel asked for the District Engineer's report. Clinton Phillips presented a map of the San Luis Valley's Unconfined Aquifer Storage Study area. He reported on the change for December 2024, the change between December 2023 and 2024, the current aquifer level, the current five-year average and the acre-feet needed to get to the -400,000 level. Mr. Phillips presented the study period graph showing the yearly difference.

JASON ULLMANN, STATE ENGINEER-DISCUSSION REGARDING AQUIFER SUSTAINABILITY

President Higel asked for the discussion with Jason Ullmann, State Engineer regarding aquifer sustainability. Jason Ullmann introduced himself, provided his background history and described some of his primary roles at the Division of Water Resources (DWR). Mr. Ullmann reported water administration, interstate compact compliance, public safety and rulemaking were among the primary responsibilities of DWR. He highlighted multiple challenges statewide surrounding water due to increased demand and decreased supply.

Mr. Ullmann presented the Average Annual Statewide Agriculture Gap Chart and the San Luis Valley Groundwater Sustainability Timeline. He explained the key components in connection with the development of the RGDSS model and the Groundwater Withdrawal Rules. Mr. Ullmann described the uniqueness of Division No. 3 and the continued decline of the five-year average in the unconfined aquifer. He presented the snow water equivalent graph and explained how the current Subdistrict No. 1 Plan of Water Management was not causing the aquifer to move closer to the sustainable target. Mr. Ullmann presented a graph showing the aquifer level change since operating under the Annual Replacement Plans. He went over the acre-foot amount of recovery that would be necessary to reach the minimum -400,000 level under the current Plan of Water Management.

Mr. Ullmann presented the new equation associated with the Fourth Amended Plan of Water Management. He explained how credits would be determined and reported being hopeful that if approved, the new plan will be a good way forward and a way to see aquifer recovery. Mike Kruse commented on how water credits are managed on Carnero and La Garita Creek. Craig Cotten described the tension and disagreements with recharge decrees. David Robbins commented on the way water is administered today as opposed to one hundred years ago.

Peggy Godfrey went over her understanding of the history of the Closed Basin Project. Mr. Robbins provided the history and facts in connection with the Closed Basin Project.

Mr. Ullmann described his appreciation for the District's effort on filing the new Plan of Water Management. Cory Off commented on enforcing accountability. Michael Jones stressed the importance of getting the new Plan of Water Management through court. Willie Hoffner commented on his Johnny Smith water right not making it to his weir.

FINANCIAL REPORT

President Higel asked for the financial report. Amber Pacheco presented the Profit and Loss Statement. She highlighted the current property tax revenue and the reimbursements for water storage expenses. Ms. Pacheco presented the Balance Sheet, she went over the checking account balance, accounts receivables, investments and current liabilities.

A motion was made by Doug Gunnels to approve the financial report as presented. The motion was seconded by Cory Off and unanimously approved.

MANAGER'S REPORT

President Higel asked for the Manager's report. Amber Pacheco reported on the resignation of the District's Well Technician and how Crystal Benavidez and Wylie Keller would be filling in. She provided an update on the construction of the garage, PRT monthly meetings, and other meetings and events she had attended. Ms. Pacheco reported on the notice received from the Bureau of Reclamation regarding IRA funding. She gave an update on the Master Irrigators program, State of the Basin Symposium, funds remaining from Senate Bill 028 and work being done to update the HR policy. Ms. Pacheco reported on the resignation of Subdistrict No. 1's Program Manager in November and the job offer and acceptance from Quinton Norris.

- *Announcement of expiring terms for the Board of Directors*

Amber Pacheco reported Mike Kruse, Cory Off and Doug Gunnels terms were set to expire in April of 2025. She explained the appointment process and stated letters would be sent out to the respective counties.

- *Request for funding for a portion of the Water Leader's Program Tuition for Jocelyn Catterson*

Amber Pacheco reported providing Jocelyn Catterson with a letter of support in connection with her application and selection to participate in the Water Leaders Program. She explained how the District traditionally funds a portion of the tuition for someone selected from the Valley. Jocelyn Catterson thanked Amber Pacheco, Nathan Coombs and Heather Dutton for their support.

A motion was made by Cory Off to approve a portion of the Water Leaders Program tuition for Jocelyn Catterson. The motion was seconded by Mark Deacon and unanimously approved.
The meeting recessed for lunch at 12:30 p.m. and resumed at 1:45 p.m.

PROGRAM MANAGER'S REPORTS

President Higel asked for Program Manager's reports.

- *Subdistrict No. 1-Amber Pacheco and Quinton Norris*

Amber Pacheco reported she is assisting Linda Ramirez with Subdistrict No. 1 items when needed. She gave an update on the recharge pit project, the lower pumping numbers this year and the change in the trend. President Higel asked the Board to schedule a trip to visit the recharge pit. Clinton Phillips provided an overview on the construction of the recharge pit. Linda Ramirez reported Farm Plans had been sent out and the One Year Fallow Program as well as the Well Purchase Program would both be implemented this year. Linda highlighted the large response of interest being received for both programs.

- *Subdistrict No. 's 2, 3, and 6-Angelo Bellah*

Angelo Bellah reported all Subdistricts continue to pursue opportunities to acquire water rights and work to secure Forbearance Agreements. He updated the Board on the negotiations with the Division of Water Resources (DWR) regarding the CU rates of fish wells and flood irrigation. Mr. Bellah gave an update on the Taos Valley No. 3 SWSP and the purchase of the Navajo Development Williams Creek Squaw Pass water right. Discussion was held on the projected amount of CU and the transition of ownership. Mr. Bellah reported on Subdistrict No. 3's request for RFPs to install fencing on the Alpha Hay Farms property. He explained the need to take the water through court and the need to determine if an augmentation station was going to be installed. Mr. Bellah highlighted Subdistrict No. 3's purchase of a fish well to assist with sustainability and Subdistrict No. 6's implementation of the Pumping Reduction Program.

- *Subdistrict No. 's 4 and 5-Chris Ivers*

Chris Ivers updated the Board on Subdistrict No. 4's Bowman property land transition plan. He reported the Subdistrict has been operating under Well Injury Payment Agreements and is looking to secure a source of water to remedy depletions on San Luis Creek. Mr. Ivers described the update to the RGDSS model and the potential for Subdistrict No. 4 to owe depletions to Saguache Creek. He highlighted a work session held with Subdistrict No. 5 and their agreement to combine efforts to remedy injurious depletions on San Luis and Saguache Creek. Mr. Ivers updated the Board on Subdistrict No. 5's current negotiations with the owner of North Star Farms to acquire additional quarters. He reported the purchase could provide enough water to remedy the stream depletions to Saguache Creek for Subdistrict No.'s 1, 4 and 5. He provided an update on the CWCB loan including the estimated yearly payment amount, interest rate and potential number of augmentation wells to be covered by the loan.

- *Consider approval of Purchase and Sale Agreement*

Chris Ivers explained the contingency in the Purchase and Sale Agreement.

A motion was made by Mark Deacon to approve the Purchase and Sale Agreement for North Star Farms by Subdistrict No. 5. The motion was seconded by Doug Gunnels and unanimously approved.

- *Approve Kit Caldon for Board of Manager Seat*

Chris Ivers reported Kit Caldon had been serving on Subdistrict No. 5 Board of Managers since formation and wishes to continue. Amber Pacheco reported receiving a letter from Case Vander Eyk asking Kit Caldon to continue as the representative of North Star Farms.

A motion was made by Doug Gunnels to approve Kit Caldon as a Subdistrict No. 5 Board of Manager. The motion was seconded by Zeke Ward and unanimously approved.

DISTRICT ATTORNEY'S REPORT-DAVID ROBBINS

President Higel asked for the District Attorney report. David Robbins gave a legislative update on the current and upcoming water court proceedings. He reported speaking to groups supported by the District regarding the Compact, Closed Basin Project, past efforts to export water and a variety of other topics. Mr. Robbins gave an update on the Rio Grande Compact Meeting to be held in Alamosa and reported working with Amber Pacheco and staff on completing the Law of the Rio Grande program. He stated Pete Ampe has remained busy with litigation activity.

SENATOR BENNET'S OFFICE-ERIN MINKS

President Higel asked for Senator Bennet's office report. Erin Minks updated the Board on the transition of administration and the executive orders signed by President Trump regarding the review of IRA funding. She reported some of the grants approved within the last few months may be on standby. Ms. Minks gave an update on the Farm Bill and announced the passing of the Good Samaritan Bill back in December.

DIVISION ENGINEER'S -CRAIG COTTEN

President Higel asked for the Division Engineer's report. Craig Cotten highlighted we are at 73% of average snowpack and have the potential to see some snow storms. He updated the Board on the new employees within his office and the new position taken on by David Hofmann. Mr. Cotten reported Colorado would be hosting the Compact meeting on April 25, 2025 at the District office, with a reception the night before. He provided the Board with a copy of the Compact Commission Report.

COLORADO LEGISLATIVE STRATEGIES-GARIN VORTHMANN

President Higel asked for Colorado Legislative Strategies. Garin Vorthmann gave a legislative update. A copy of her report is attached. President Higel suggested the District consider creating their own revegetation program.

COLORADO STATE PARKS AND WILDLIFE REPORT-RYAN UNTERREINER

President Higel asked for the Colorado State Parks and Wildlife report. Ryan Unterreiner updated the Board on a grant received for an investigation at Beaver Reservoir. He provided the reasons for the study and what they hope to learn. Mr. Unterreiner reported on a Home Lake project regarding the water delivery system.

U.S.F.S REPORT

President Higel asked for the U.S.F.S. report. Amber Lidell submitted a written report which is attached.

U.S.B.R. REPORT-NATE REYNOLDS

President Higel asked for the U.S.B.R. report. Nate Reynolds went over the 2024 Closed Basin Project production numbers and total amount of deliveries.

U.S.F. & W.S. REPORT-CHRIS SHAFFER

President Higel asked for the U.S.F. & W.S. report. Chris Shaffer described the plan to dry up the refuge at Monte Vista in order to continue with the habitat management plan and infrastructure repairs being done. He reported their projected groundwater withdrawals may be lower than projected.

U.S.B.L.M. REPORT -TAYLOR APPLEWHITE

President Higel asked for the U.S.B.L.M report. Taylor Applewhite gave an update on the ground and surface water deliveries on the Blanca Wetlands. He reported working through well redrill planning, water exchange cases and other water management efficiencies. Mr. Applewhite described the repairs at Shaw Reservoir and other water exchanges with partners throughout the Valley.

COLORADO OPEN LANDS-SALLY WIER

President Higel asked for Colorado Open Lands report. Sally Wier provided an update on the RCPP Program, traditional conservation easements and groundwater easements. She reported they hope to utilize a portion of the funds awarded from the Bureau of Reclamation for aquifer sustainability projects including groundwater easement components. Ms. Wier invited everyone to the annual Congreso de Acequias in San Luis in March being hosted by Colorado Open Lands and Sangre de Cristo Acequia Association. She also submitted a written report and a copy is attached.

RIO GRANDE HEADWATER RESTORATION PROJECT-DANIEL BOYES

President Higel asked for Rio Grande Headwater Restoration Project report. Daniel Boyes highlighted the projects under construction, the continued work on the Alamosa River Front Project and other projects in the pipeline. He also submitted a written report and the copy is attached.

CSU EXTENSION- STEVEN LAVER

President Higel asked for CSU Extension update. Steven Lauer provided the Board with a written report.

The quarterly meeting adjourned at 3:33 p.m.

SUPPLEMENTAL 2024 BUDGET HEARING

President Higel called the Supplemental 2024 Budget Hearing to order. He asked for public comment, there was none. Amber Pacheco presented the final 2024 Budget. She explained the supplemental budget process and why it was necessary.

A motion was made by Peggy Godfrey to approve the Resolution/Ordinance for Budgetary Transfers. The motion was seconded by Mark Deacon and unanimously approved.

A motion was made by Peggy Godfrey to approve the Resolution/Ordinance for Supplemental Budget and Appropriation. The motion was seconded by Mark Deacon and unanimously approved.

The Supplemental 2024 Budget Hearing was adjourned at 3:50 p.m.

OTHER DIRECTOR REPORTS

President Higel asked for other Director reports.

- *Consideration of the creation of a BOD Personnel Committee*

A motion was made by Mark Deacon to create a Board of Director Personnel Committee and to direct the President to appoint members of the committee. The motion was seconded by Doug Gunnels and unanimously approved.

Peggy Godfrey, Zeke Ward and Greg Higel volunteered to be a part of the Personnel Committee.

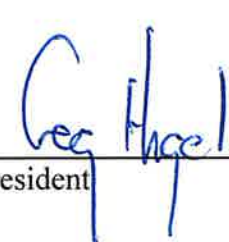
Amber Pacheco reported on a Roundtable presentation from the Colorado Department of Ag regarding an Ag Stewardship Tax Credit. She provided the webinar information for those who want to learn more.

President Higel reported on the request to Marianna King to provide additional facts in connection with her funding request/proposal. Amber Pacheco went over her request to Marianna King to provide additional proof of the concept. David Robbins explained how the burden of proof lies upon the claimant in order for the Board to be able to make a decision to approve or deny financial support. Zeke Ward requested any material with quotes from Judge Kuenhold and/or the Division of Water Resources have a letter attached with their signatures. Mr. Robbins continued to describes some of his concerns in connection with the proposal.

ADJOURN

The meeting was adjourned at 4:05 p.m.

The next quarterly meeting is scheduled for April 15, 2025.



President



Secretary/Treasurer

**RESOLUTION/ORDINANCE FOR SUPPLEMENTAL
BUDGET AND APPROPRIATION
(Pursuant to Section 29-1-109, C.R.S.)**

A RESOLUTION APPROPRIATING ADDITIONAL SUMS OF MONEY TO DEFRAY EXPENSES IN EXCESS OF AMOUNTS BUDGETED FOR THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO.

WHEREAS,

There is a need to transfer budgeted and appropriated monies from one fund to another fund.

WHEREAS,

At the time the 2024 budget was approved, Subdistrict No. 3 Special Revenue Fund had not appropriated funds in an amount necessary for a transfer of funds to the General Fund to cover the total expenditures related to a purchase of water rights for the benefits of Subdistrict No. 3. Subdistrict No.3 had sufficient unappropriated fund balance to cover this purchase of water rights. Subdistrict No. 3 will appropriate additional funds from its 2024 ending fund balance in an amount above what was budgeted to cover the purchase of water rights.

At the time the 2024 budget was approved, Subdistrict No.3 had not appropriated the necessary funds to cover all administrative costs that were incurred. Subdistrict No.3 received monies from a transfer from the General fund in an amount necessary to cover the additional expenditures for administrative costs. Subdistrict No. 3 will appropriate additional revenues received in an amount necessary to cover the additional administrative expenses.

At the time the 2024 budget was approved, Subdistrict No. 6 had not appropriated funds in the amount necessary to cover all administrative costs. Subdistrict No. 6 will appropriate additional funds from unbudgeted revenue received from interest income to cover the additional administrative expenses.

At the time the 2024 budget was approved, the General Fund had not appropriated funds in the amount necessary to cover the total purchases of land and water rights for Subdistrict No. 1, Subdistrict No. 3, and Subdistrict No. 5 Special Revenue Funds. The General funds received monies from the Special Revenue Funds and will appropriate these additional monies in an amount necessary to cover all expenditures related to the purchases of the land and water rights. The General Fund will appropriate an amount of the original appropriation to cover a transfer of monies to Subdistrict No. 3's Special Revenue Fund to cover the additional administrative expenditures in that fund.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO;

RESOLUTION/ORDINANCE FOR BUDGETARY TRANSFERS

(Pursuant to Section 29-1-109, C.R.S.)

A RESOLUTION APPROPRIATING ADDITIONAL SUMS OF MONEY TO DEFRAY EXPENSES IN EXCESS OF AMOUNTS BUDGETED FOR THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO.

WHEREAS,

There is a need to transfer budgeted and appropriated monies from one fund to another fund.

WHEREAS,

Subdistrict No. 1, Special Revenue Fund, Subdistrict No. 3 Special Revenue Fund, and Subdistrict No. 5 Special Revenue Fund have fund balances that can be appropriated to allow a transfer from these funds to the General Fund. The General Fund has a fund balance that can be appropriated to allow a transfer from this fund to Special Revenue District No. 3 to cover additional administrative expenditures.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO;

Section 1. That the sum of \$1,700,804.00 is hereby transferred from Subdistrict No. 1 Special Revenue Fund to the General Fund's fund balance.


Section 2. That the sum of \$800,416.50 is hereby transferred from Subdistrict No. 3 Special Revenue Fund to the General Fund's balance

Section 3. That the sum of \$2,545,415.00 is hereby transferred from Subdistrict No. 5 Special Revenue Fund to the General Fund's balance


Section 4. That the sum of \$25,800.00 is hereby transferred from the General Fund to Subdistrict No. 3 Special Revenue Fund

ADOPTED, this 21st day of January, A.D., 2025

Attest:



President



Secretary/Treasurer

Section 1. That the 2024 appropriation for the General Fund be hereby increased from \$29,292,893.14 to \$29,318,693.14 for expenditures related to the purchase of land and water for Subdistrict No. 1, Subdistrict No. 3, and Subdistrict No. 5 Special Revenue Funds and to transfer funds to Subdistrict No. 3 Special Revenue Fund to cover administrative expenses.

Section 2. That the 2024 Appropriation for the Subdistrict No.3 Special Revenue fund be hereby increased from \$2,880,766.00 to \$2,885,300.00.

Section 3. That the 2024 Appropriation for the Subdistrict No. 6 Special Revenue fund be hereby increased from \$2,701,780.00 to \$ 2,714,000.00

ADOPTED, this 21ST day of January, A.D., 2025.

Attest:



President



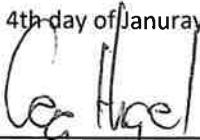
Secretary/Treasurer

Other expenses	\$2,550,000	\$3,576,816	\$2,503,384
Total Operating Expenses	\$3,275,077	\$4,172,151	\$3,392,681
Nonoperating Revenue			
Interest Revenue	\$4,117	\$1,290	\$0
Miscellaneous and CWCB loan	\$2,550,002	\$3,576,816	\$2,503,384
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$69,681	\$222,196	\$0

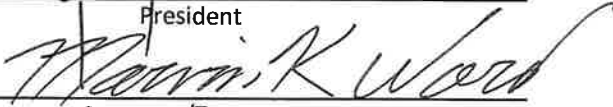
SUBDISTRICT #6 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$1,850,729	\$2,352,080	\$1,126,088
Operating Revenue			
Fees: Groundwater Withdrawal	\$1,230,482	\$1,782,667	\$1,975,000
Fees: Administrative	\$106,593	\$96,525	\$130,000
Fees: Contract Inclusion	\$2,100	\$1,200	\$1,000
Total Operating Revenue	\$1,339,174	\$1,880,392	\$2,106,000
Operating Expenses			
Water Management			
Water Lease and Storage	\$650,193	\$2,145,030	\$2,415,000
Administration	\$74,040	\$121,638	\$134,000
Professional Fees	\$111,999	\$94,912	\$155,000
Reimbursement to the General Fund	\$10,000	\$10,000	\$10,000
Other expenses - loan	\$0	\$742,269	\$0
Total Operating Expenses	\$846,233	\$3,113,849	\$2,714,000
Nonoperating Revenue			
Interest Revenue	\$8,409	\$7,464	\$20,429
Miscellaneous loan repayment	\$0	\$0	\$74,230
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$2,352,080	\$1,126,088	\$612,747

ADOPTED, this 4th day of January 2024



President



Secretary/Treasurer

CWCB loan	\$0	\$1,991,130	\$600,000
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$25,800
Miscellaneous Revenue	\$60,640	\$120,342	\$0
Other Financial Use			
Transfer out to Rio Grande Water Conservation District	\$0	\$0	\$800,417
ENDING FUND BALANCE	\$1,515,357	\$1,601,017	\$36,697

SUBDISTRICT #4 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$149,912	\$33,128	\$221,942
Operating Revenue			
Fees: Groundwater Withdrawal	\$153,896	\$250,730	\$225,328
Fees: Administrative	\$51,369	\$87,187	\$84,198
Fees: Lease Payment	\$0	\$135,000	\$90,000
Fees: Contract Inclusion	\$1,000	\$395	\$500
Total Operating Revenue	\$206,265	\$473,313	\$400,026
Operating Expenses			
Water Management			
Water Lease and Storage	\$352,895	\$332,402	\$356,710
Administration	\$63,718	\$67,114	\$68,000
Professional Fees	\$33,480	\$27,000	\$42,000
Reimbursement to the General Fund	\$13,000	\$13,000	\$13,000
Water Delivery Project	\$0	\$0	\$1,022,698
Total Operating Expenses	\$463,092	\$439,516	\$1,502,408
Nonoperating Revenue			
Interest Revenue	\$760	\$695	\$850
Miscellaneous and CWCB loan	\$0	\$12,138	\$880,514
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$139,282	\$0	\$0
ENDING FUND BALANCE	\$33,128	\$79,758	\$924

SUBDISTRICT #5 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$100,229	\$69,681	\$222,196
Operating Revenue			
Fees: Groundwater Withdrawal	\$528,743	\$597,588	\$533,706
Fees: Administrative	\$160,666	\$148,471	\$133,395
Fees: Contract Inclusion	\$1,000	\$500	\$0
Total Operating Revenue	\$690,409	\$746,560	\$667,101
Operating Expenses			
Water Management			
Water Lease and Storage	\$502,010	\$406,899	\$652,297
Administration	\$109,897	\$98,426	\$107,000
Professional Fees	\$74,054	\$65,010	\$105,000
Reimbursement to the General Fund	\$39,116	\$25,000	\$25,000

Total Operating Expenses	\$7,840,973	\$8,357,880	\$11,230,851
Nonoperating Revenue			
Interest Revenue	\$11,075	\$10,000	\$15,000
Miscellaneous Revenue	\$178,920	\$500,000	\$130,000
Other Financial Use			
Transfer out to Rio Grande Water Conservation District	\$0	\$0	\$1,700,804
ENDING FUND BALANCE	\$6,847,440	\$7,819,977	\$2,778,985

SUBDISTRICT #2 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$475,627	\$576,522	\$494,263
Operating Revenue			
Fees: Pumping	\$552,829	\$607,477	\$745,000
Fees: Administrative	\$76,566	\$79,697	\$87,000
Fees: Contract Inclusion	\$2,000	\$1,000	\$500
Total Operating Revenue	\$631,395	\$688,175	\$832,500
Operating Expenses			
Water Management			
Water Lease and Storage	\$439,876	\$652,088	\$1,125,000
Administration	\$57,408	\$68,629	\$71,838
Professional Fees	\$21,336	\$37,670	\$57,500
Reimbursement to the General Fund	\$12,500	\$12,500	\$12,500
Total Operating Expenses	\$531,120	\$770,887	\$1,266,838
Nonoperating Revenue			
Interest Revenue	\$619	\$453	\$1,000
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$576,522	\$494,263	\$60,925

SUBDISTRICT #3 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$1,240,354	\$1,515,357	\$1,601,017
Operating Revenue			
Fees: Groundwater Withdrawal	\$605,584	\$625,936	\$628,750
Fees: Administrative	\$70,414	\$49,230	\$63,630
Fees: Contract Inclusion	\$300	\$0	\$300
Total Operating Revenue	\$676,298	\$675,166	\$692,680
Operating Expenses			
Water Management			
Water Lease and Storage	\$367,413	\$385,119	\$1,869,803
Administration	\$47,207	\$64,235	\$95,080
Professional Fees	\$45,689	\$61,892	\$115,000
Reimbursement to the General Fund	\$5,000	\$5,000	\$5,000
Water right acquisition	\$0	\$2,187,210	\$0
Total Operating Expenses	\$465,309	\$2,703,456	\$2,084,883
Nonoperating Revenue			
Interest Revenue	\$3,374	\$2,478	\$2,500

FINAL 2024

RIO GRANDE WATER CONSERVATION DISTRICT

	PRIOR YEAR 2022	CURRENT YEAR 2023	ADOPTED YEAR 2024
GENERAL FUND			
Beginning Fund Balance	\$4,720,104	\$4,741,660	\$4,456,812
Revenues			
Taxes	\$1,238,819	\$1,317,259	\$1,261,631
Intergovernmental Revenue	\$76,539	\$4,644	\$0
Miscellaneous Revenue	\$548,598	\$3,825,235	\$27,044,212
Total Revenues	\$1,863,956	\$5,147,138	\$28,305,843
Expenditures			
Salaries and Fringe	\$470,661	\$615,575	\$624,634.95
Travel	\$17,768	\$18,427	\$20,500.00
Office Expense	\$84,719	\$136,906	\$139,748.93
Professional Services	\$303,952	\$1,138,692	\$1,320,000.00
Other General Government	\$272,290	\$131,872	\$106,000.00
Conservation of Natural Resources	\$569,041	\$118,030	\$212,095.00
Bureau of Reclamation Contract	\$79,744	\$4,645	\$0.00
Capital Outlay	\$2,844,225	\$9,955,052	\$26,869,914.26
Total Expenditures	\$4,642,400	\$12,119,197	\$29,292,893.14
Other Financing Sources			
Transfer in from Subdistrict #1,2,3,5,6 Special Revenue Fund	\$2,800,000	\$6,687,210	\$5,046,636
	\$0	\$0	\$0
	\$0	\$0	\$0
Other Financial Use			
Property acquisition for Subdistrict #1 Special Revenue Fund	\$0	\$0	\$1,700,804
Transfer money out to Subdistrict #2 Special Revenue Fund	\$0	\$0	\$0
Transfer money out to Subdistrict #3 Special Revenue Fund	\$0	\$0	\$25,800
Transfer money out to Subdistrict #4 Special Revenue Fund	\$0	\$0	\$0
Transfer money out to Subdistrict #5 Special Revenue Fund	\$0	\$0	\$0
Transfer money out to Subdistrict #6 Special Revenue Fund	\$0	\$0	\$0
TABOR RESERVE	\$32,807	\$55,000	\$55,000
Excess (Deficiency) of Revenues Over Expenditures	\$21,556	-\$284,848	\$2,332,981
ENDING FUND BALANCE	\$4,741,660	\$4,456,812	\$6,789,793

SUBDISTRICT #1 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$5,021,222	\$6,847,440	\$7,819,977
Operating Revenue			
Fees: Variable	\$7,039,900	\$8,325,480	\$7,326,612
Fees: Administrative	\$476,192	\$463,699	\$419,051
Fees: CREP	\$1,961,103	\$31,239	\$0
Fees: Contract Inclusion	\$0	\$0	\$0
Total Operating Revenue	\$9,477,195	\$8,820,418	\$7,745,663
Operating Expenses			
Water Management-Variable	\$6,548,575	\$6,983,744	\$8,602,151
Administrative	\$435,932	\$432,651	\$673,700
CREP	\$856,465	\$941,486	\$1,955,000

LETTER OF BUDGET TRANSMITTAL

**TO: DIVISION OF LOCAL GOVERNMENT
1313 SHERMAN ST., ROOM 521
DENVER, CO 80203**

DATE: January 31, 2025

Attached is a copy of the 2024 Supplemental budget for the Rio Grande Water Conservation District in Alamosa County, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on January 21, 2025. If there are any questions on the budget, please contact Cleave Simpson or Amber Pacheco at (719) 589-6301, and 8805 Independence Way, Alamosa, CO 81101.

I Amber Pacheco Deputy General Manager,
(name) (title)

hereby certify that the enclosed is a true and accurate copy of the 2024 adopted Supplemental Budget.

Rio Grande Water Conservation District 2024 Supplemental Budget Message

The Rio Grande Water Conservation District was created by HB No. 1536 by the Colorado Legislature during the 1967 legislative assembly. The District is governed by a board of nine directors, two each from Alamosa, Conejos, Rio Grande and Saguache Counties and one from Mineral County. Conserving water of the Rio Grande River Basin for beneficial use is the primary function of the District.

The accounting policies conform to generally accepted accounting principles as applicable to governments. The following is a summary of more significant policies:

A. Fund Accounting

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

General Fund-The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds-Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

All governmental funds are accounted for using the modified accrual basis of accounting.

The Rio Grande Water Conservation District follows procedures outlined in the Financial Management Manual-A Guide to Colorado Local Governments-when preparing annual budgets for each fund.

Budget procedures include:

- a.) Preparation of budget documents by administrative staff which shall be submitted to the Board no later than October 15 of each year
- b.) Publication of a notice stating that the budget is available for public inspection
- c.) Discussion of the budget in a meeting open to the public
- d.) Adoption of the budget in a public meeting by appropriate resolution

Formal budgetary integration is employed as a management control device for all funds of the District. The budget is adopted on a basis consistent with generally accepted accounting principles.

Special Revenue Fund #1

Late in 2011, the Colorado Supreme Court approved a Plan of Water Management for Special Improvement District #1 of the Rio Grande Water Conservation District (Subdistrict #1). The purpose of Subdistrict #1 is to recover the unconfined aquifer in the Closed Basin area of the San Luis Valley and balance the water use within the boundaries of the Subdistrict. Subdistrict #1 is governed by a Board of Managers that represent the Canal and Ditch Companies within the subdistrict.

Subdistrict #1 has set up a Water Activity Enterprise. The subdistrict will assess three different fees on those irrigators within the boundaries of the subdistrict that are benefited from the activities of Subdistrict #1. The fees are as follows:

Administrative Fee-this revenue is used to offset the cost of administering the Plan of Water Management.

Conservation Reserve Enhancement Program (C.R.E.P.) Fee-this revenue will provide a required match to the federal funds that are paid by the U.S.D.A. directly to those irrigators that have been approved for the C.R.E.P. program.

Variable Fee-this fee will be assessed per acre foot of groundwater pumped in excess of surface water an irrigator may own. This fee will be set every year by the Board of Managers in an amount necessary to purchase replacement water to offset injury to those senior water rights in the San Luis Valley affected by the groundwater pumping.

The fees are set by the Board of Managers and certified to the three counties that will collect these fees on their tax rolls. They include Alamosa, Rio Grande and Saguache counties.

Special Revenue Fund #2

In March 2016, Special Improvement District No. 2 (Subdistrict #2) of the Rio Grande Water Conservation District was approved by the Rio Grande County District Court. Subdistrict #2 includes landowners in both Rio Grande County and Alamosa County. The purpose of Subdistrict #2 is to replace injurious depletions to senior surface water rights caused by the withdrawal of groundwater from Subdistrict #2 wells. Subdistrict #2 is governed by a Board of Managers that are voted upon by landowners within Subdistrict #2.

Subdistrict #2 has set up a Water Activity Enterprise. The Subdistrict will assess two different fees on those landowners within the boundaries of the Subdistrict that are benefited from the activities of Subdistrict #2. The fees are as follows:

Administrative Fee-this fee is assessed to offset the cost of administering the Plan of Water Management.

Pumping Fee-this fee will be assessed per acre foot of groundwater withdrawn annually. This fee will be set every year by the Board of Managers in an amount necessary to purchase replacement water to offset injury to those senior water rights in the San Luis Valley affected by the groundwater pumping from Subdistrict #2 wells.

The fees are set by the Board of Managers and certified to the two counties that will collect these fees on their tax rolls. They include Alamosa and Rio Grande Counties.

Special Revenue Fund #3

In January 2017, Special Improvement District No. 3 (Subdistrict #3) of the Rio Grande Water Conservation District was approved by the Conejos County District Court. Subdistrict #3 includes landowners in Conejos County. The purpose of Subdistrict #3 is to replace injurious depletions to senior water and to conserve and stabilize the water supply and groundwater storage for existing irrigation and other beneficial uses within the boundaries of the Conejos Response Area. Subdistrict #3 is governed by a Board of Managers which are selected by the Rio Grande Water Conservation District's Board of Directors.

Subdistrict #3 has set up a Water Activity Enterprise. The Subdistrict will assess two different fees on those landowners within the boundaries of the Subdistrict that are benefited from the activities of Subdistrict #3. The fees are as follows:

Administrative Fee-this fee is assessed to offset the cost of administering the Plan of Water Management.

Groundwater Withdrawal Fee-this fee will be assessed per acre-foot of groundwater withdrawn annually. This fee will be set every year by the Board of Managers in an amount necessary to remedy the injury to those senior water rights in the San Luis Valley as a result of the groundwater withdrawals from Subdistrict #3 wells and to create and maintain a sustainable aquifer as required under the State of Colorado's Groundwater Rules for Water Division No. 3.

The fees are set by the Board of Managers and certified to one county, Conejos County, whom will collect these fees on their tax roll.

Special Revenue Fund # 4

In July 2017, Special Improvement District No. 4 (Subdistrict #4) of the Rio Grande Water Conservation District was approved by the Saguache County District Court. Subdistrict #4 includes landowners in Saguache County. The purpose of Subdistrict #4 is to replace injurious depletions to senior water and to conserve and stabilize the water supply and groundwater storage for existing irrigation and other beneficial uses within the boundaries of the San Luis Creek Response Area. Subdistrict #4 is governed by a Board of Managers which are selected by the Rio Grande Water Conservation District's Board of Directors.

Subdistrict #4 has set up a Water Activity Enterprise. The Subdistrict will assess two different fees on those landowners within the boundaries of the Subdistrict that are benefited from the activities of Subdistrict #4. The fees are as follows:

Administrative Fee-this fee is assessed to offset the cost of administering the Plan of Water Management.

Groundwater Withdrawal Fee-this fee will be assessed per acre-foot of groundwater withdrawn annually. This fee will be set every year by the Board of Managers in an amount necessary to remedy the injury to those senior water rights in the San Luis Valley as a result of the groundwater withdrawals from Subdistrict #4 wells and to create and maintain a sustainable aquifer as required under the State of Colorado's Groundwater Rules for Water Division No. 3.

The fees are set by the Board of Managers and certified to one county, Saguache County, whom will collect these fees on their tax roll.

Special Revenue Fund # 5

In December 2017, Special Improvement District No. 5 (Subdistrict #5) of the Rio Grande Water Conservation District was approved by the Saguache County District Court. Subdistrict #5 includes landowners in Saguache County. The purpose of Subdistrict #5 is to replace injurious depletions to senior water and to conserve and stabilize the water supply and groundwater storage for existing irrigation and other beneficial uses within the boundaries of the Saguache Response Area. Subdistrict #5 is governed by a Board of Managers which are selected by the Rio Grande Water Conservation District's Board of Directors.

Administrative Fee-this fee is assessed to offset the cost of administering the Plan of Water Management.

Groundwater Withdrawal Fee-this fee will be assessed per acre-foot of groundwater withdrawn annually. This fee will be set every year by the Board of Managers in an amount necessary to remedy the injury to those senior water rights in the San Luis Valley as a result of the groundwater withdrawals from Subdistrict #5 wells and to create and maintain a sustainable aquifer as required under the State of Colorado's Groundwater Rules for Water Division No. 3.

The fees are set by the Board of Managers and certified to one county, Saguache County, whom will collect these fees on their tax roll.

Special Revenue Fund # 6

In August 2018, Special Improvement District No. 6 (Subdistrict #6) of the Rio Grande Water Conservation District was approved by the Conejos County District Court. Subdistrict #6 includes landowners in Alamosa, Conejos and Rio Grande Counties. The purpose of Subdistrict #6 is to replace injurious depletions to senior water and to conserve and stabilize the water supply and groundwater storage for existing irrigation and other beneficial uses within the boundaries of the Alamosa-La Jara Response Area. Subdistrict #6 is governed by a Board of Managers which are selected by the Rio Grande Water Conservation District's Board of Directors.

The Subdistrict will assess two different fees on those landowners within the boundaries of the Subdistrict that are benefited from the activities of Subdistrict #6. The fees are as follows:

Administrative Fee-this fee is assessed to offset the cost of administering the Plan of Water Management.

Groundwater Withdrawal Fee-this fee will be assessed per acre-foot of groundwater withdrawn annually. This fee will be set every year by the Board of Managers in an amount necessary to remedy the injury to those senior water rights in the San Luis Valley as a result of the groundwater withdrawals from Subdistrict #6 wells and to create and maintain a sustainable aquifer as required under the State of Colorado's Groundwater Rules for Water Division No. 3.

The fees are set by the Board of Managers and certified to the three counties that will collect these fees on their tax rolls. They include Alamosa, Rio Grande and Conejos counties.

New Budget Changes:

At the time the 2024 budget was approved, Subdistrict No. 3 Special Revenue Fund had not appropriated funds in an amount necessary for a transfer of funds to the General Fund to cover the total expenditures related to a purchase of water rights for the benefits of Subdistrict No. 3. Subdistrict No.3 had sufficient unappropriated fund balance to cover this purchase of water rights. Subdistrict No. 3 will appropriate additional funds from its 2024 ending fund balance in an amount above what was budgeted to cover the purchase of water rights.

At the time the 2024 budget was approved, Subdistrict No.3 had not appropriated the necessary funds to cover all administrative costs that were incurred. Subdistrict No.3 received monies from a transfer from the General fund in an amount necessary to cover the additional expenditures for administrative costs. Subdistrict No. 3 will appropriate additional revenues received in an amount necessary to cover the additional administrative expenses.

At the time the 2024 budget was approved, Subdistrict No. 6 had not appropriated funds in the amount necessary to cover all administrative costs. Subdistrict No. 6 will appropriate additional funds from unbudgeted revenue received from interest income to cover the additional administrative expenses.

At the time the 2024 budget was approved, the General Fund had not appropriated funds in the amount necessary to cover the total purchases of land and water rights for Subdistrict No. 1, Subdistrict No. 3, and Subdistrict No. 5 Special Revenue Funds. The General funds received monies from the Special Revenue Funds and will appropriate these additional monies in an amount necessary to cover all expenditures related to the purchases of the land and water rights. The General Fund will appropriate an amount of the original appropriation to cover a transfer of monies to Subdistrict No. 3's Special Revenue Fund to cover the additional administrative expenditures in that fund.

**RESOLUTION/ORDINANCE FOR SUPPLEMENTAL
BUDGET AND APPROPRIATION
(Pursuant to Section 29-1-109, C.R.S.)**

A RESOLUTION APPROPRIATING ADDITIONAL SUMS OF MONEY TO DEFRAY EXPENSES IN EXCESS OF AMOUNTS BUDGETED FOR THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO.

WHEREAS,

There is a need to transfer budgeted and appropriated monies from one fund to another fund.

WHEREAS,

At the time the 2024 budget was approved, Subdistrict No. 3 Special Revenue Fund had not appropriated funds in an amount necessary for a transfer of funds to the General Fund to cover the total expenditures related to a purchase of water rights for the benefits of Subdistrict No. 3. Subdistrict No.3 had sufficient unappropriated fund balance to cover this purchase of water rights. Subdistrict No. 3 will appropriate additional funds from its 2024 ending fund balance in an amount above what was budgeted to cover the purchase of water rights.

At the time the 2024 budget was approved, Subdistrict No.3 had not appropriated the necessary funds to cover all administrative costs that were incurred. Subdistrict No.3 received monies from a transfer from the General fund in an amount necessary to cover the additional expenditures for administrative costs. Subdistrict No. 3 will appropriate additional revenues received in an amount necessary to cover the additional administrative expenses.

At the time the 2024 budget was approved, Subdistrict No. 6 had not appropriated funds in the amount necessary to cover all administrative costs. Subdistrict No. 6 will appropriate additional funds from unbudgeted revenue received from interest income to cover the additional administrative expenses.

At the time the 2024 budget was approved, the General Fund had not appropriated funds in the amount necessary to cover the total purchases of land and water rights for Subdistrict No. 1, Subdistrict No. 3, and Subdistrict No. 5 Special Revenue Funds. The General funds received monies from the Special Revenue Funds and will appropriate these additional monies in an amount necessary to cover all expenditures related to the purchases of the land and water rights. The General Fund will appropriate an amount of the original appropriation to cover a transfer of monies to Subdistrict No. 3's Special Revenue Fund to cover the additional administrative expenditures in that fund.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO;


Section 1. That the 2024 appropriation for the General Fund be hereby increased from \$29,292,893.14 to \$29,318,693.14 for expenditures related to the purchase of land and water for Subdistrict No. 1, Subdistrict No. 3, and Subdistrict No. 5 Special Revenue Funds and to transfer funds to Subdistrict No. 3 Special Revenue Fund to cover administrative expenses.

Section 2. That the 2024 Appropriation for the Subdistrict No.3 Special Revenue fund be hereby increased from \$2,880,766.00 to \$2,885,300.00.

Section 3. That the 2024 Appropriation for the Subdistrict No. 6 Special Revenue fund be hereby increased from \$2,701,780.00 to \$ 2,714,000.00

ADOPTED, this 21ST day of January, A.D., 2025.

Attest:



President



Secretary/Treasurer

RESOLUTION/ORDINANCE FOR BUDGETARY TRANSFERS

(Pursuant to Section 29-1-109, C.R.S.)

A RESOLUTION APPROPRIATING ADDITIONAL SUMS OF MONEY TO DEFRAY EXPENSES IN EXCESS OF AMOUNTS BUDGETED FOR THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO.

WHEREAS,

There is a need to transfer budgeted and appropriated monies from one fund to another fund.

WHEREAS,

Subdistrict No. 1, Special Revenue Fund, Subdistrict No. 3 Special Revenue Fund, and Subdistrict No. 5 Special Revenue Fund have fund balances that can be appropriated to allow a transfer from these funds to the General Fund. The General Fund has a fund balance that can be appropriated to allow a transfer from this fund to Special Revenue District No. 3 to cover additional administrative expenditures.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIO GRANDE WATER CONSERVATION DISTRICT, COLORADO;

Section 1. That the sum of \$1,700,804.00 is hereby transferred from Subdistrict No. 1 Special Revenue Fund to the General Fund's fund balance.

Section 2. That the sum of \$800,416.50 is hereby transferred from Subdistrict No. 3 Special Revenue Fund to the General Fund's balance

Section 3. That the sum of \$2,545,415.00 is hereby transferred from Subdistrict No. 5 Special Revenue Fund to the General Fund's balance

Section 4. That the sum of \$25,800.00 is hereby transferred from the General Fund to Subdistrict No. 3 Special Revenue Fund

ADOPTED, this 21st day of January, A.D., 2025

Attest:

President

Secretary/Treasurer

FINAL 2024

RIO GRANDE WATER CONSERVATION DISTRICT

	PRIOR YEAR 2022	CURRENT YEAR 2023	ADOPTED YEAR 2024
GENERAL FUND			
Beginning Fund Balance	\$4,720,104	\$4,741,660	\$4,456,812
Revenues			
Taxes	\$1,238,819	\$1,317,259	\$1,261,631
Intergovernmental Revenue	\$76,539	\$4,644	\$0
Miscellaneous Revenue	\$548,598	\$3,825,235	\$27,044,212
Total Revenues	\$1,863,956	\$5,147,138	\$28,305,843
Expenditures			
Salaries and Fringe	\$470,661	\$615,575	\$624,634.95
Travel	\$17,768	\$18,427	\$20,500.00
Office Expense	\$84,719	\$136,906	\$139,748.93
Professional Services	\$303,952	\$1,138,692	\$1,320,000.00
Other General Government	\$272,290	\$131,872	\$106,000.00
Conservation of Natural Resources	\$569,041	\$118,030	\$212,095.00
Bureau of Reclamation Contract	\$79,744	\$4,645	\$0.00
Capital Outlay	\$2,844,225	\$9,955,052	\$26,869,914.26
Total Expenditures	\$4,642,400	\$12,119,197	\$29,292,893.14
Other Financing Sources			
Transfer in from Subdistrict #1,3,5 Special Revenue Fund	\$2,800,000	\$6,687,210	\$5,046,636
	\$0	\$0	\$0
	\$0	\$0	\$0
Other Financial Use			
Property acquisition for Subdistrict #1 Special Revenue Fund	\$0	\$0	\$1,700,804
Transfer money out to Subdistrict #2 Special Revenue Fund	\$0	\$0	\$0
Transfer money out to Subdistrict #3 Special Revenue Fund	\$0	\$0	\$25,800
Transfer money out to Subdistrict #4 Special Revenue Fund	\$0	\$0	\$0
Transfer money out to Subdistrict #5 Special Revenue Fund	\$0	\$0	\$0
Transfer money out to Subdistrict #6 Special Revenue Fund	\$0	\$0	\$0
TABOR RESERVE	\$32,807	\$55,000	\$55,000
Excess (Deficiency) of Revenues Over Expenditures	\$21,556	-\$284,848	\$2,332,981
ENDING FUND BALANCE	\$4,741,660	\$4,456,812	\$6,789,793

SUBDISTRICT #1 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$5,021,222	\$6,847,440	\$7,819,977
Operating Revenue			
Fees: Variable	\$7,039,900	\$8,325,480	\$7,326,612
Fees: Administrative	\$476,192	\$463,699	\$419,051
Fees: CREP	\$1,961,103	\$31,239	\$0
Fees: Contract Inclusion	\$0	\$0	\$0
Total Operating Revenue	\$9,477,195	\$8,820,418	\$7,745,663
Operating Expenses			
Water Management-Variable	\$6,548,575	\$6,983,744	\$8,602,151
Administrative	\$435,932	\$432,651	\$673,700

CREP	\$856,465	\$941,486	\$1,955,000
Total Operating Expenses	\$7,840,973	\$8,357,880	\$11,230,851
Nonoperating Revenue			
Interest Revenue	\$11,075	\$10,000	\$15,000
Miscellaneous Revenue	\$178,920	\$500,000	\$130,000
Other Financial Use			
Transfer out to Rio Grande Water Conservation District	\$0	\$0	\$1,700,804
ENDING FUND BALANCE	\$6,847,440	\$7,819,977	\$2,778,985

SUBDISTRICT #2 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$475,627	\$576,522	\$494,263
Operating Revenue			
Fees: Pumping	\$552,829	\$607,477	\$745,000
Fees: Administrative	\$76,566	\$79,697	\$87,000
Fees: Contract Inclusion	\$2,000	\$1,000	\$500
Total Operating Revenue	\$631,395	\$688,175	\$832,500
Operating Expenses			
Water Management			
Water Lease and Storage	\$439,876	\$652,088	\$1,125,000
Administration	\$57,408	\$68,629	\$71,838
Professional Fees	\$21,336	\$37,670	\$57,500
Reimbursement to the General Fund	\$12,500	\$12,500	\$12,500
Total Operating Expenses	\$531,120	\$770,887	\$1,266,838
Nonoperating Revenue			
Interest Revenue	\$619	\$453	\$1,000
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$576,522	\$494,263	\$60,925

SUBDISTRICT #3 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$1,240,354	\$1,515,357	\$1,601,017
Operating Revenue			
Fees: Groundwater Withdrawal	\$605,584	\$625,936	\$628,750
Fees: Administrative	\$70,414	\$49,230	\$63,630
Fees: Contract Inclusion	\$300	\$0	\$300
Total Operating Revenue	\$676,298	\$675,166	\$692,680
Operating Expenses			
Water Management			
Water Lease and Storage	\$367,413	\$385,119	\$1,869,803
Administration	\$47,207	\$64,235	\$95,080
Professional Fees	\$45,689	\$61,892	\$115,000
Reimbursement to the General Fund	\$5,000	\$5,000	\$5,000
Water right acquisition	\$0	\$2,187,210	\$0
Total Operating Expenses	\$465,309	\$2,703,456	\$2,084,883

Nonoperating Revenue			
Interest Revenue	\$3,374	\$2,478	\$2,500
Owner Financed Loan	\$0	\$1,991,130	\$600,000
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$25,800
Miscellaneous Revenue	\$60,640	\$120,342	\$0
Other Financial Use			
Transfer out to Rio Grande Water Conservation District	\$0	\$0	\$800,417
ENDING FUND BALANCE	\$1,515,357	\$1,601,017	\$36,697

SUBDISTRICT #4 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$149,912	\$33,128	\$221,942
Operating Revenue			
Fees: Groundwater Withdrawal	\$153,896	\$250,730	\$225,328
Fees: Administrative	\$51,369	\$87,187	\$84,198
Fees: Lease Payment	\$0	\$135,000	\$90,000
Fees: Contract Inclusion	\$1,000	\$395	\$500
Total Operating Revenue	\$206,265	\$473,313	\$400,026
Operating Expenses			
Water Management			
Water Lease and Storage	\$352,895	\$332,402	\$356,710
Administration	\$63,718	\$67,114	\$68,000
Professional Fees	\$33,480	\$27,000	\$42,000
Reimbursement to the General Fund	\$13,000	\$13,000	\$13,000
Water Delivery Project	\$0	\$0	\$1,022,698
Total Operating Expenses	\$463,092	\$439,516	\$1,502,408
Nonoperating Revenue			
Interest Revenue	\$760	\$695	\$850
Miscellaneous and CWCB loan	\$0	\$12,138	\$880,514
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$139,282	\$0	\$0
ENDING FUND BALANCE	\$33,128	\$79,758	\$924

SUBDISTRICT #5 SPECIAL REVENUE FUND

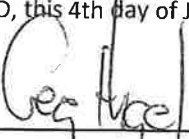
Beginning Fund Balance (cash basis)	\$100,229	\$69,681	\$222,196
Operating Revenue			
Fees: Groundwater Withdrawal	\$528,743	\$597,588	\$533,706
Fees: Administrative	\$160,666	\$148,471	\$133,395
Fees: Contract Inclusion	\$1,000	\$500	\$0
Total Operating Revenue	\$690,409	\$746,560	\$667,101
Operating Expenses			
Water Management			

Water Lease and Storage	\$502,010	\$406,899	\$652,297
Administration	\$109,897	\$98,426	\$107,000
Professional Fees	\$74,054	\$65,010	\$105,000
Reimbursement to the General Fund	\$39,116	\$25,000	\$25,000
Other expenses	\$2,550,000	\$3,576,816	\$2,503,384
Total Operating Expenses	\$3,275,077	\$4,172,151	\$3,392,681
Nonoperating Revenue			
Interest Revenue	\$4,117	\$1,290	\$0
Miscellaneous and CWCB loan	\$2,550,002	\$3,576,816	\$2,503,384
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$69,681	\$222,196	\$0

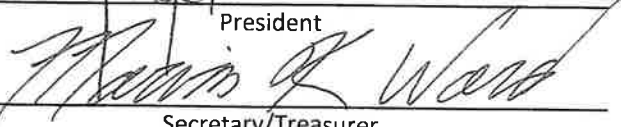
SUBDISTRICT #6 SPECIAL REVENUE FUND

Beginning Fund Balance (cash basis)	\$1,850,729	\$2,352,080	\$1,126,088
Operating Revenue			
Fees: Groundwater Withdrawal	\$1,230,482	\$1,782,667	\$1,975,000
Fees: Administrative	\$106,593	\$96,525	\$130,000
Fees: Contract Inclusion	\$2,100	\$1,200	\$1,000
Total Operating Revenue	\$1,339,174	\$1,880,392	\$2,106,000
Operating Expenses			
Water Management			
Water Lease and Storage	\$650,193	\$2,145,030	\$2,415,000
Administration	\$74,040	\$121,638	\$134,000
Professional Fees	\$111,999	\$94,912	\$155,000
Reimbursement to the General Fund	\$10,000	\$10,000	\$10,000
Other expenses - loan	\$0	\$742,269	\$0
Total Operating Expenses	\$846,233	\$3,113,849	\$2,714,000
Nonoperating Revenue			
Interest Revenue	\$8,409	\$7,464	\$20,429
Miscellaneous loan repayment	\$0	\$0	\$74,230
Other Financing Source			
Transfer in from Rio Grande Water Conservation District	\$0	\$0	\$0
ENDING FUND BALANCE	\$2,352,080	\$1,126,088	\$612,747

ADOPTED, this 4th day of January 2024



 President



 Secretary/Treasurer



Rio Grande Water Conservation District

8805 Independence Way • Alamosa, Colorado 81101

Phone: (719) 589-6301 • Fax: (719) 992-2026

Protecting & Conserving San Luis Valley Water

January 21, 2025

Water Education Colorado
Attn: Sabrina White
CSU Spur
4777 National Western Drive
Denver, CO 80216

Dear Sabrina,

On behalf of the Rio Grande Water Conservation District (RGWCD), I am pleased to express our enthusiastic support for Jocelyn Catterson's application to participate in Water Education Colorado's 2025 Water Leaders Program.

The Water Leaders Program presents a timely and valuable opportunity for Jocelyn to further enhance her leadership abilities. Jocelyn is a dedicated and collaborative professional who brings a wealth of knowledge and a steadfast commitment to the sustainable management of our water resources. Her participation in the program will not only advance her skills but also provide her cohort with unique insights and a thoughtful perspective on water issues in the Rio Grande Basin.

The RGWCD Board is committed to supporting Jocelyn's participation in the program. To that end, we have arranged for one-third of her tuition to be funded through a longstanding partnership among three water districts in the San Luis Valley, ensuring this opportunity is backed by our local water community.

Thank you for considering Jocelyn Catterson's application. We are confident that she will be an asset to the Water Leaders Program and an outstanding representative of the Rio Grande Basin's water community.

Sincerely,

Amber Pacheco, Deputy General Manager
Rio Grande Water Conservation District

Subdistrict No. 2, No. 3, and No. 6 Program Manager Notes for RGWCD Board of Directors Quarterly Meeting on 01/21/2025

Planned 2025 Activities

- All
 - Continue to look for opportunities to purchase and/or lease water rights to replace annual and post-plan injurious depletion obligations.
 - Work with the DWR/PRT to hone the Phase 7 RGDSS model, specifically how to integrate new agreed upon CU rates on certain wells into the model and what flood irrigation CU rate(s) should be used.
 - Changing CU rates **from 50%** on specific wells that feed the SLV Drain/La Jara Creek and the Parma Drain.
 - SLV Drain/La Jara Creek: Mr. Cotten has agreed to allow us to use a 37% CU rate on 3 wells in SD3 that provide water to the SLV Drain/La Jara Creek. This change was approved by Mr. Ullmann to be reflected in the 2024/2025 ARP year's depletion schedule starting on 11/1/2024.
 - Parma Drain: Mr. Cotten has agreed to allow us to use a 40% CU rate on 5 wells (4 in SD2 and 1 in SD6) that provide water to the Parma Drain.
 - Flood Irrigation CU rate: Utilizing engineering consultants BBA and working with DWR, we've proposed to the PRT that the model should reflect different CU rates for flood irrigation during certain historical time periods. After discussion, the consensus of the PRT was to create 3 types of irrigation practices: Sprinkler at a 85% efficiency rate, Flood at a 60% efficiency rate, and Wild Flood at a 40% efficiency rate. This should provide a significant reduction in the overall CU and stream depletions but how much of a reduction has yet TBD.
 - Phase 7 timeline: DWR's Goal is to have the Phase 7 Response Functions (RF) finalized by July 1, 2025 and ready to use by April 1, 2026. If the RFs are not finalized by July 1 then the SDs will use the Phase 6 RFs for the 2025/2026 ARPs.
 - Secure as many long-term Forbearance Agreements as possible.
 - With the Trinchera SD, participate in SLVIWO's Taos Valley No. 3 SWSP.
- Subdistrict No. 3 ("SD3") and Subdistrict No. 6 ("SD6"):
 - Both SDs continue to look for opportunities to purchase groundwater rights and/or implement programs to achieve/maintain a sustainable aquifer within their respective Subdistrict boundaries.
 - Working with Trinchera Subdistrict to operate a Lease/Fallow program on the Los Sauces ditch system for the 2025 ARP year.

Subdistrict No. 2 (SD2), Navajo's Williams Creek Squaw Pass Diversion water rights purchase: SD2 and Navajo are in the final stages of this purchase. The Court entered the final decree in the Navajo case on 12/27/24 and the next steps are as follows;

1. Navajo will supply the District/SD with a Water Rights report showing clear title,

2. Navajo will supply the District/SD with the total annual HCU that will be available to SD2. This amount times the \$15K/AF will determine the total price of this purchase.
3. Meet with Navajo and maybe the water commissioner to plan out how to run this water right for the benefit of SD2 and non-SD users.

SD3

- Alpha Hay Farms Fields 11 and 12 in Antonito
 - Property maintenance and improvements to maximize the operational efficiency of the well and recharge pond.
 - Rehabilitate the well.
 - Install a fence around Tract 1 (District managed property used for augmentation).
 - Contract annual recharge pond maintenance work.
 - Source and install
 - Entering 3rd year of SWSPs. Will need to take the water right through court in the next 2 years.
 - Continue to market and sell Tracts 4 - 7 @ \$2,000/acre..
- El Coda Ditch Shares: Negotiating a permanent forbearance agreement with the ditch shareholders.
- The Sowards well purchase (for sustainability purposes) was completed on 12/20/2024. SD3 will pay the remaining \$600,000 principal and \$42,000 interest over the next 15 years.

SD6

- Implemented the Pumping Reduction Program (PRP) again for the 2025 irrigation season.
 - The PRP will pay approved applicants \$180/acre-foot of verifiably reduced pumping based on their Farm Unit's 2019-2023 5-year pumping average.
 - The goal of the PRP is to compensate Subdistrict Members that reduce their groundwater withdrawals on Farm Unit basis to assist in maintaining the sustainability of the Confined Aquifer underlying SD6.
- Working on implementing a Collaborative Water Sharing Agreement on the Alamosa River for the 2025 irrigation season.
- Working on implementing the MVC SWSP again for the 2025 irrigation season.
- Run Rodney Reinhardt's Alamosa Creek Canal SWSP for a 3rd straight year.



April Mondragon <april@rgwcd.org>

COL update for BOD-Quarterly Meeting (1/21)

2 messages

Sally Wier <SWier@coloradoopenlands.org>
To: April Mondragon <april@rgwcd.org>

Thu, Jan 16, 2025 at 10:03 AM

Hi April,

Please use the below for a written update to the Board from Colorado Open Lands. Thanks!

Sally

Colorado Open Lands Update to the Board – 1/21/2025

In the last quarter, COL has worked with NRCS under our groundwater Regional Conservation Partnership Program (RCPP) grant to get an agreement approved that makes the RGWCD a partner on the grant, which allows us to award the RGWCD funds for their revegetation work on Peachwood Farms. We continue to collaborate with SD4 on revegetation of the property.

We also opened an RCPP funding round in the fall for proposals to support revegetation on lands being fallowed through groundwater conservation programs, or to support irrigation infrastructure projects that help landowners reduce their dependence on groundwater for agricultural operations. Applications are currently being reviewed and processed by the NRCS.

We are continuing to work on traditional conservation easements across the Valley. In December we conserved 698 acres in Conejos County along with groundwater and surface water rights. By the end of the week, we'll have conserved another 398 acres in Costilla County. We have another 11+ valley projects in the active pipeline.

Groundwater easements are returning as something of interest with two potentially very significant projects being explored in Saguache County which would positively impact SD1 and SD5.

The SLV was just awarded \$18 million from the Bureau of Reclamation, and we hope that we can utilize a portion of these funds for aquifer sustainability projects, which may include groundwater easement components.

COL and the Sangre de Cristo Acequia Association are hosting the annual Congreso de Acequias in San Luis on Saturday, March 8. We invite everyone to attend.

**SALLY WIER**

CONSERVATION PROJECT MANAGER

San Luis Valley Field Office

623 Fourth Street, Alamosa, CO 81101

719.480.8471

From: April Mondragon <april@rgwcd.org>
Sent: Friday, January 10, 2025 4:16 PM
To: RGWCD-BOD notice group <rgwcd_qm_reporters@rgwcd.org>
Cc: April Mondragon <april@rgwcd.org>
Subject: Re: BOD-Quarterly Meeting (1/21)

Good afternoon, please find attached the draft notice and agenda for the quarterly meeting.

Thank you.

On Thursday, January 9, 2025 at 8:57:41 AM UTC-7 April Mondragon wrote:

Hello, I hope you are all doing well. The Rio Grande Water Conservation District Board of Directors will hold their next quarterly meeting on January 21, 2025 at 10:00 a.m.

****Due to the large agenda, President Higel is requesting written reports be provided to the Board prior to the meeting rather than presenting at the meeting.**

Thank you!

April Mondragon
Rio Grande Water Conservation District
8805 independence Way
Alamosa, CO 81101
(719)589-6301
(719)992-2026 fax

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You received this message because you are subscribed to the Google Groups "RGWCD-BOD notice group" group.
To unsubscribe from this group and stop receiving emails from it, send an email to rgwcd_qm_reporters+unsubscribe@rgwcd.org.
To view this discussion visit https://groups.google.com/a/rgwcd.org/d/msgid/rgwcd_qm_reporters/40a066ff-a50b-4d7f-bfb2-9100df03c317n%40rgwcd.org.

April Mondragon <april@rgwcd.org>
To: Sally Wier <SWier@coloradoopenlands.org>

Thu, Jan 16, 2025 at 10:13 AM

Thank you Sally! Have a nice day.
[Quoted text hidden]

April Mondragon-Administrative Assistant
Rio Grande Water Conservation District
8805 Independence Way
Alamosa, CO 81101
april@rgwcd.org
(719)589-6301
(719)992-2026 fax

Board of Directors

RE: January 21, 2025 Board of Director's Subdistricts No. 4 and No. 5 Update

Board,

Here is a brief update on Subdistrict operations for Subdistrict No. 4 and Subdistrict No. 5.

Subdistrict No. 4

The main focus of Subdistrict No. 4 has been the Bowman property Land Transition Plan. The Land Transition Plan outlines the initial approach to revegetating the property. In 2025, three quarters are in the third year of revegetation, three quarters are in the second year of revegetation, and three more will begin the first year of revegetation. The three remaining quarters are being leased for forage crop production.

The elk have not been an issue thus far this winter. The Board of Managers has not taken any formal action to manage the elk with CPW.

In 2025, Subdistrict No. 4 will be looking to secure a source of water to remedy injurious depletions on San Luis Creek. They intend to use the water rights acquired through the purchase of the Bowman property as a source of augmentation water. The subdistrict is just now beginning to focus on this issue.

At a January 14th work session, both Subdistrict No. 4 and No. 5 agreed in principal that they should continue to work together to help both subdistricts remedy injurious depletions on San Luis and Saguache Creek. They recognize that it will reduce duplication of effort and prevent them from undermining each other's efforts to acquire sources of remedy. The subdistricts have been operating under a Memorandum of Understanding for injurious depletions to San Luis Creek, but have not formalized a new agreement. I anticipate that a more formal arrangement can be agreed to once we have final RGDSS Phase 7 Response Functions.

Subdistrict No. 5

The pending response function changes showed additional replacement water will be needed on Saguache Creek. Subdistrict No. 5 has approved entering into a contract to purchase the water rights to four North Star quarters. The total price is \$3,400,000.00 at \$850,000.00 per quarter. This is the same price the previous five quarters have been purchased for. If this transaction is completed, the subdistricts will have acquired nine quarters from North Star Farm. From what we know of the current model updates, this water, along with the Hazard water rights, should provide enough water to remedy the injurious stream depletions to Saguache Creek from Subdistrict No.'s 1, 4, and 5. The next challenge is securing enough capacity to deliver the higher rates of injurious depletions that occur in wet years.

Subdistrict No. 5 has applied for a CWCB loan totaling \$6,093,330.00 to cover the costs of acquiring the water rights and drilling up to three augmentation wells. The CWCB Board meets January 27th and 28th, this loan is scheduled to be reviewed at that meeting.

The easement on the Sheppard property was finalized in early January. Subdistrict No. 5 is now moving forward with the construction of the first augmentation well. The final number of augmentation wells

the subdistricts need will depend on the production capacity of the existing wells. This next well is designed to produce 2000 g.p.m.

I am always happy to address any questions you have whether at the meeting or not.

Sincerely,

Chris



PO Box 518 625 USFS Rd 504,1A
Creede, CO 81130
www.headwatersalliance.com

January 21, 2025

To the Rio Grande Water Conservation District Board of Directors

Re: Updates for Headwaters Alliance, Creede, CO

We are thrilled to share big news with the RGWCD Board of Directors regarding new awards and planned activities for Headwaters Alliance in 2025.

1. The biggest news first: On January 6, 2025, Headwaters Alliance was awarded \$2.4million from the Bureau of Reclamation WaterSMART Environmental Water Resources Program for Ecological Stream Restoration of North Creede. This award followed on the heels of the successful award of 25% match from the Colorado Water Conservation Board. This funding will allow HWA to bring the North Creede stream restoration and flood mitigation design completed by WaterVation through a community-driven, iterative process to construction in 2026 or 2027. We will now enter the phase of working through the federal process to bring the award to contract.

In a nutshell, this project will implement natural stream restoration on 3,300 lf of Willow Creek, incorporate 59 nature-based treatments within the stream channel and establish 2.2 acres of vegetated, connected floodplain. Ecological stream restoration will establish improved aquatic and riparian connectivity and habitat, improved water temperature and sediment transport capacity, and address long term climate change concerns particularly related to floods. While this project prioritizes natural stream restoration, it will offer multiple benefits related to infrastructure and integration with adjacent reaches, to include incorporating 100-year flood criteria, engineered interface with micro hydro-electric system, installation of a stream gage and consideration of recreational amenities.

2. Headwaters Alliance is near completion of a Water Efficiency Plan for the City of Creede by Wright Water Engineers. This will be completed by May of 2025. The report will hit many marks – including meeting all CWCB requirements for Water Efficiency Plans. At a foundational level, this report will serve to provide City management with a thorough description of systems and needs – something that currently does not exist in one location. The key water efficiency recommendations will aid the City in installing water meters throughout the community to aid in better management of water resources and potentially ease the burden on the waste water treatment system. We are working closely with the City to address an additional recommendation for Master Planning to consider future development, the limits of build out, and water resources.

3. We will continue of our ongoing community level work with the EPA Nelson Tunnel/Commodore Waste Rock Superfund Site team regarding the possible construction of a flowthrough bulkhead of a new adit adjacent to the collapsed Nelson Tunnel. There is a strong possibility this work will begin in fall 2025. Additionally, the EPA has recently located a source of clean water upstream of the contamination site within the tunnel system and are engaged in a number of water treatability studies that may lead to an eventual full remedy for alleviating acid mine contamination.
4. On November 1, 2024 Headwaters Alliance hosted its Annual Meeting. This was a four-hour working meeting with lively presentations and discussion with many of the key organizations and entities attending to the needs of the Rio Grande in the mountain headwaters of Mineral County, including HWA Board of Directors, City of Creede City Manager and Creede Trustees, Mineral County Admin and Commissioners, Rio Grande National Forest District Ranger, Colorado State Forest Service, Forest Stewards Guild and the 232 Partnership, Rio Grande Headwaters Land Trust, Colorado Parks and Wildlife, and local community members.

Discussion focused heavily on the intersection of forest health and river health; the ever-present concerns about when forest fire occurs – preparation, mitigation, recovery, etc.; recreational impacts on wildlife and waterways; and the loss of onsite USFS staff in Creede for Summer 2025, and more. The meeting has led to renewed communication and planning between and among the above entities to address identified concerns.

5. We will expand and improve our Willow Creek Speaker Series by hosting 6 events through July and August at the Creede Repertory Theatre's Ruth Theater. This will allow us increased marketing to a larger audience to continue with the vital work of education both our year-round residents and summer-seasonal visitors. We will keep the RGWCD Board informed to dates and opportunities and hope you will join us.

That's a lot for a local, community-based watershed organization! We are delighted. We feel a bit like a small child suddenly sprouting upward and in need of new shoes, or in non-profit parlance, the need for capacity and planning funds. As ever, the annual contribution from RGWCD directly enables this work from the ground-water level of our organization, from which all other good works grow.

Please let me know if you have further questions. We appreciate all of you.

Sincerely,



Heather Greenwolf
Executive Director
Headwaters Alliance, Creede, CO
Executivedirector@headwatersalliance.org

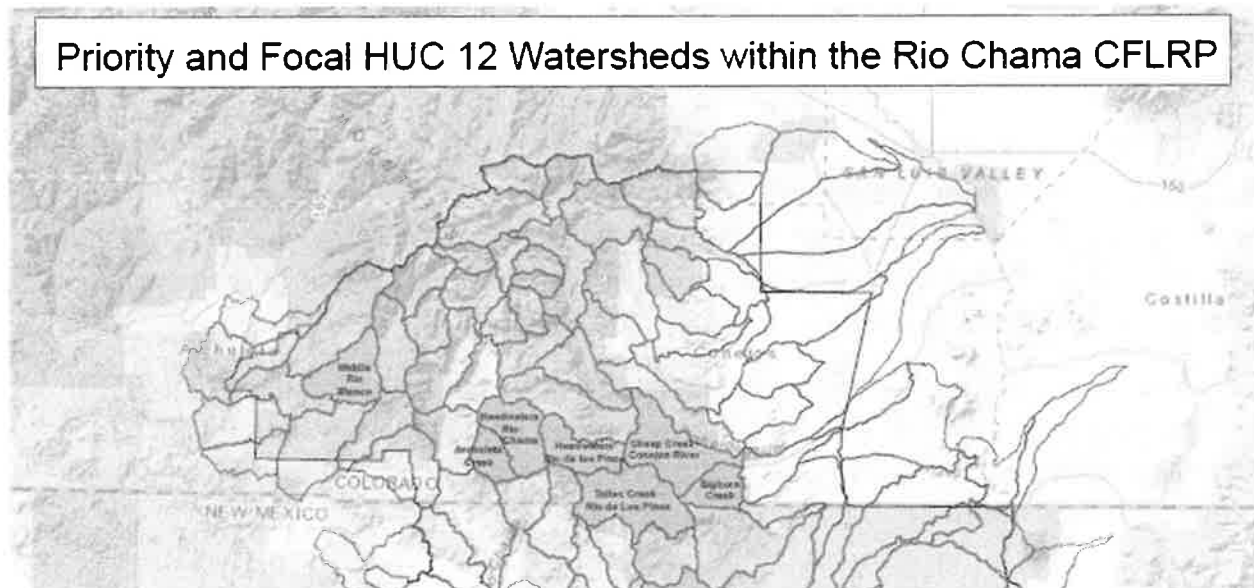
Rio Grande National Forest Report
for the Board of Directors January 2025 Quarterly Meeting

Amber Lidell, Hydrologist

This report serves as a July 2024 – January 2025 update for the board of directors.

Inflation Reduction Act (IRVM) funds have been received and allocated for the development and writing of two new Watershed Restoration Action Plans (WRAP) for two priority and two focal watersheds. Focal watersheds were identified as part of the Rio Chama Collaborative Forest Landscape Restoration Program (CFLRP) and are separate from priority watersheds. They are part of the monitoring plan created by the Two Watersheds-Three Rivers-Two States Cohesive Strategy Partnership (2-3-2 Partnership) to track change across the 2-3-2 Partnership footprint (see Map below). Focal watersheds are watersheds where work is planned over the next 10 years and therefore provide opportunity for monitoring pre and post treatment. Monitoring of the watersheds will be done using the Watershed Condition Framework as well as targeted monitoring above and below watershed projects.

Two of these watersheds (Toltec Creek-Rio de Los Pinos and Bighorn Creek, purple shading below) share land with both Colorado and New Mexico (both the Rio Grande National Forest (RGNF) and the Carson National Forest). These two watersheds will be developed in the same WRAP, while working with the Carson NF. The other two watersheds (Sheep Creek- Conejos River and Headwaters Rio de Los Pinos, teal shading below) lie on the Rio Grande National Forest and will be developed in another WRAP together.



One WRAP is currently being developed through March 2025. The second WRAP will be developed April through July 2025. Some associated planned projects for these watersheds include: the creation and maintenance of check dams for erosion control in the Osier Creek sub-watershed, installation of beaver dam analogs along Osier Creek (NEPA complete), an AOP on FSR 131/Rio de Los Pinos (NEPA complete), a crossing redesign on FSR 103.1c/Bighorn Creek (NEPA complete), and an AOP on Forest Service Road (FSR) 117/Cumbres Creek (NEPA complete).

In July 2024, two additional staff (Rosalee Reese and myself) on the RGNF attended the aquatic organism passage (AOP) training to prepare for future road-stream crossing projects. Later in 2024, FS WO staff Mark Weinhold and Erica Borum came to Conejos Peak Ranger District to streamline some AOP data collection and processing. The crossing at Cumbres Creek and FSR 117 was selected as the area of interest, and the data collected during their visit is currently being processed.

In 2024, IRA funds were received and allocated for John's Creek AOP project on the Saguache RD and for the Liberty Creek Road washout project on Saguache RD near Great Sand Dunes NP. The other AOP project completed was along FSR 675 at mile post 2.93.

The Over-Snow Travel Management mapping and analysis process has continued. Field work verifications for this analysis are planned for summer 2025.

Rat Creek and Elwood SNOTEL projects had NEPA completed in late summer 2024 and were implemented in fall 2024. Their data should now be live.

The RGNF is working on HUC 10 and/or HUC 8 watershed data acquisition prioritization for the 3D Hydrography Program (3DHP) that will be replacing the National Hydrography Dataset (NHD) over the next several years. The RGNF has been working with the USFS RO, USGS, and the WO Forest Service 3DHP working group to select priority HUCs for data acquisition to replace the NHD.

This topic will likely be presented to a roundtable in the coming months, as the RGNF is looking for partners for this work. **If other agencies or board members in the Rio Grande Basin also have interest in acquiring this data sooner than later, please contact Amber Lidell at amber.lidell@usda.gov**

CPW funds have been received from the 2024 CPW Wetland Grant for the Willow Creek Watershed Restoration Project. The Grant Agreement process has begun between the RGNF and our partner, E3 Sustainability Group. Other winter work for this project recently completed or underway:

1. A Volunteers for Outdoor Colorado (VOC) crew has been organized for early August to help implement much of the Wilcox Gulch Riparian work, including cutting dead/down wood and building post-assisted log structures (PALS) to aid sediment retention.
2. A discrete water sampling plan has been organized for Willow Creek and Copper Creek for the 2025 Water Year, to be analyzed by the R8 (Denver) EPA Metals Lab.
3. Historic mining and current mining claim research are complete for the Watershed.
4. Geologic and hydrogeologic mapping of the Watershed is underway.
5. Culvert at Willow Lake Trail and Wilcox Gulch crossing was found to be installed in 1992 and additional culvert research is underway.
6. Digital Elevation and Imagery Mapping of the Watershed is underway, including analysis of stream stats flow models of the watershed.
7. E3 Sustainability group has completed a reconnaissance of Willow Park BDA material availability (posts/poles) and in-situ water quality measurements. They are also working on organizing a local cutting crew for dead/down wood before the VOC crew begins their Wilcox Gulch work.

Earlier in 2024, on-the-ground field work included:

1. Wilcox Gulch uplands field trip with fire and silviculture staff.
2. Wilcox Gulch riparian and uplands boundary mapping.
3. Fish Survey at Willow Creek and Willow Park.
4. Longitudinal Survey at Wilcox Creek and Wilcox Gulch
5. Reconnaissance at Copper Creek and Copper Gulch

Finally, multiple Beaver Dam Analogue (BDA) structures have been installed at multiple locations across the forest. Beavers have also been reintroduced in multiple locations. This work has been completed with many partners, including Rio Grande Headwaters, Animal and Plant Health Inspection Service, and CPW. For more information or specifics on locations, please contact our Fisheries Biologist, Rosalee Reese Rosalee.Reese@usda.gov

Colorado Rio Grande Restoration Foundation
Rio Grande Headwaters Restoration Project
623 Fourth Street
Alamosa, CO 81101
(719) 589-2230



To the Rio Grande Water Conservation District Board of Directors,

Thank you for the opportunity to provide an update to you on our river restoration efforts. Since the October RGWCD meeting, the Rio Grande Headwaters Restoration Project (RGHRP) completed multiple projects (see photos below). Some of our major accomplishments include the following:

- Completed Phase 2 of the Conejos River Partnership Project. This project included multi-purpose river restoration and diversion infrastructure upgrades at the Las Mesitas and William Stewart Ditch, including headgate automation at the Las Mesitas.
- We are in the design and planning stage for Phase 3 of the Conejos River Partnership Project, which includes three sites (Angustura Ditch, Mill Ditch, and a 1-mile stretch of the Conejos River near Los Sauces).
- We continued working with Bird Conservancy of the Rockies on the *Conejos River Restoration Project*, which will result in restoration along a roughly 4-mile stretch of the river near Mogote. Restoration work is planned for Fall 2025. The RGWCD HCP Coordinator, Crystal Benavidez, enrolled a new landowner along this stretch of the river, resulting in an additional 64 acres of habitat being enrolled in the HCP's mitigation program.
- Completed substantial community outreach regarding the [Alamosa Riverfront Project](#). There will be an open house Thursday, February 6th (6-8pm) at the Rio Grande farm Park to look at the final designs for this project.
- Restoration work has commenced at the Independent #2 & Ehrowitz ditches along the Rio Grande near Silo Ranch. This work will result in improved diversion infrastructure which is capable of delivering water rights to the ditches throughout the irrigation season while also allowing for boat passage.
- Restoration work was completed at a portion of the *Farmers Union Multi-Benefit Project*. A severely eroding cut bank along the Rio Grande downstream of the Farmers Union diversion was restored with bank shaping and installation of rock stabilization structures and willow transplants.
- Restoration has commenced at the *Gunbarrel Rio Grande Restoration Project*. Roughly ¼ mile of the 1-mile restoration area was completed in January, 2025, and the remainder of the restoration is planned for Fall 2025.
- The RGHRP is working with Colorado State forest Service staff, Conejos County, Costilla County, and other partners to complete wildfire-ready action planning. Specifically, Community Wildfire Protection Plans will be completed in Conejos and Costilla counties.
- RGHRP staff continue coordinating public outreach and education on behalf of the Rio Grande Basin Roundtable.

Thank you for your continued support of the Rio Grande Headwaters Restoration Project.

Sincerely,

Daniel Boyes, RGHRP Executive Director



Legislative Update

January 22, 2025

The 2025 legislative session officially kicked off on January 8. The biggest issue this session is going to be the budget facing a possible billion-dollar deficit. This large deficit is mostly being driven by increased Medicaid spending. The Joint Budget Committee has been meeting since late 2024 to find as many cuts as possible to balance the budget. The main impact to water is proposed modifications to the Severance Tax Operational Fund reserve requirements and changes to how severance tax revenues are distributed. Below is a summary of the proposed changes:

- For FY 2025-26, the Operational Fund would receive 24.5 percent of severance tax revenues.
- For FY 2026-27 and FY 2027-28, the Operational Fund would receive 23.0 percent of severance tax revenues.
- The Perpetual Base Fund would receive in-kind increases of revenue. Current law requires 25.0 percent in all fiscal years for both funds.
- For FY 2025-26, the amount held in reserve in the Operational Fund would decrease to 150.0 percent of appropriations, and for FY 2026-27 and ongoing the amount held in reserve in the Operational Fund would decrease to 100.0 percent of appropriations. (*Current law requires a 200.0 percent reserve.*)
- For FY 2025-26 through FY 2027-28, the following core and discretionary programs would be funded through GF transfers and appropriations instead of severance tax revenues:
 - o Colorado Geological Survey;
 - o Avalanche Information Center;
 - o Species Conservation Trust Fund;
 - o Soil Conservation Grant Fund;
 - o Colorado Strategic Wildfire Action.
 - o Additionally, the Colorado Water Conservation Board (CWCB) would receive annual appropriations from the CWCB Construction Fund over the same time period.

There haven't been many bills introduced so far regarding water. [HB25-1014](#) modernizes statute regarding the Division of Water Resources. [HB25-1077](#) undoes legislation passed in 2024 that stipulated that only licensed plumbers could work on backflow prevention devices. [SB25-040](#) creates a task force to study the future of severance taxes and water funding. Please see the attached bill tracking list for more details. Finally, the Water Projects Eligibility List has also been introduced. Please see the attached resolution for more details.

Rio Grande Water Conservation District (RGWCD)

Bill Tracking List

January 20, 2025

Bills	Title	Position
HB 25-1009	<p>Vegetative Fuel Mitigation</p> <p>The bill allows a fire protection district or a metropolitan district providing fire protection services to create a program to mitigate the presence of dead or dry plant material that can burn and contribute to a fire on privately owned property within a district. A district that creates a vegetative fuel program is required to adopt policies consistent with the 2024 International Wildland-urban Interface Code or the standards and codes adopted or issued by the Colorado wildfire resiliency code board. A district that creates a vegetative fuel program may require an owner or occupier with an interest in private real property that contains vegetative fuel within the district to remove the vegetative fuel and assess a fine per incident of noncompliance. The bill sets forth notification requirements and timelines for compliance.</p>	
HB 25-1014	<p>Increasing Efficiency Division of Water Resources</p> <p>This bill makes several modifications to the operations of the Division of Water Resources. The bill includes general language cleanup and removal of obsolete provisions and changes some procedures for how conditional permit holders can obtain a permanent permit to appropriate groundwater.</p> <p>The changes include:</p> <ul style="list-style-type: none"> • increases from one to two years the deadline for the holder of a conditional permit to construct the well and apply the water to beneficial use; • increases from 30 to 35 days the time a conditional permit holder has to notify the division once a well has been constructed and water put to beneficial use from any bedrock aquifer; • increases from 30 to 35 days the time for filing written objections to notices made by the division; • reduces from \$60 to \$30 the fee required to reinstate an expired well permit if evidence is supplied that the well was constructed within two years; and • replaces a \$30 filing fee for late submittal of evidence of well completion with a \$30 filing fee for permit reinstatement. <p>Under current law, each water division engineer prepares a list of abandoned water rights every ten years. This bill staggers the preparation of the abandoned rights list, requiring that the Division Engineer prepare the next decennial list for Water Divisions 1, 2, and 3 by July 1, 2030, and for Water Divisions 4, 5, 6, and 7 by July 1, 2035, and then every ten years thereafter.</p>	
HB 25-1077	<p>Backflow Prevention Devices Requirements</p> <p>This bill specifies that inspection, testing, or repair of backflow prevention devices does not require plumbing occupational licensure from the Department of Regulatory Agencies.</p>	
HJR 25-1004	<p>Water Project Eligibility Lists</p> <p style="text-align: center;">See attached resolution for more details</p>	
SB 25-040	<p>Future of Severance Taxes & Water Funding Task Force</p> <p>This bill creates the Future of Severance Taxes and Water Funding Task Force DNR. The 9-member task force will hire a contractor to conduct a study and develop</p>	

	<p>while severance tax revenue is expected to decrease. Appointments to the task force must be made by September 1, 2025. A draft report to the task force by January 15, 2026, and a final report from the task force is due to the Water Resources and Agriculture Review committee by July 15, 2026.</p>	
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