

**ANNUAL MEETING OF THE BOARD OF MANAGERS  
OF SPECIAL IMPROVEMENT DISTRICT #2  
OF THE RIO GRANDE WATER CONSERVATION DISTRICT  
February 15, 2023, 9:00 a.m.  
Rio Grande Water Conservation District Conference Room  
Alamosa, CO 81101  
And by Zoom/Teleconference**

**Present:** Karla Shriver, President; Eric Hinton, Vice-President; Scot Schaefer, Secretary/Treasurer; Harold Stoeber, BOM; Michael Schaefer, BOM; Gerald Ziegler, BOM; Mark Deacon, BOM; and Greg Higel, Ex-Officio.

**Staff and Consultants:** Pete Ampe, Hill & Robbins P.C.; Amber Pacheco, Deputy General Manager; Angelo Bellah, Program Manager; Rose Vanderpool, Program Assistant; Linda Ramirez, Program Assistant; Clinton Phillips, Davis Engineering; Michael Carson, Database Administrator; Wylie Keller, Water Resource Specialist; Kylie Gregg, Office Manager; Trevor Harmon, Well Technician; and, April Mondragon, Administrative Assistant.

**Guests:** Deb Sarason, Michelle Lanzoni, Charles Stillings, Sally Wier, Steve Keller, Dee Greeman, Haydn Christensen, Matt Torres, Chad Cochran, William Myers, Rick Davie, Tyler Faucette.

**Meeting Called to Order**

President Shriver called the meeting to order at 9:10 a.m. A quorum was present. The Pledge of Allegiance was recited.

**Approval of the Agenda**

President Shriver announced the order of the agenda items may be moved around. She also added a discussion regarding 2023 forbearance agreement options to the agenda. She asked for any other amendments or approval of the agenda. A motion was made by Mark Deacon to approve the agenda as amended. The motion was seconded by Michael Schaefer and was unanimously approved.

**Approval of the Minutes**

President Shriver asked for approval of the following minutes:

- October 10, 2022-Special Meeting
- November 3, 2022-Quarterly Meeting
- November 3, 2022-Executive Session
- November 22, 2022-Special Meeting

A motion was made by Gerald Ziegler to approve the minutes as presented. The motion was seconded by Scot Schaefer and unanimously approved.

**Public Comment**

President Shriver asked for public comment. There was none.

**Election of Officers**

President Shriver asked for Election of Officers. Pete Ampe opened the floor for nominations including self-nominations for President or a motion to retain the officers as currently appointed. A motion was made by Mark Deacon to retain all of the current officers. No other nominations were made, the motion was seconded Gerald Ziegler and was unanimously approved.

**Attorney's Report**

President Shriver asked for the attorney's report. Pete Ampe update Board on the approval of the Plan of Water Management No. 4 by the Subdistrict No. 1 Board of Managers and the Board of Directors. He explained the next steps of the approval process and provided an update on the Texas vs. New Mexico litigation.

**Program Manager's Report**

President Shriver asked for the Program Manager's report.

- **Financial Report**

Amber Pacheco presented the financial report. She highlighted the formation costs and expenses. Ms. Pacheco presented the Profit and Loss Statement and the Balance Sheet. She provided the checking account balance, accounts to be collected and the total assets.

A motion was made by Mark Deacon to approve the financial report. The motion was seconded by Harold Stoeber and unanimously approved.

- Preliminary Water Report Update

Amber Pacheco reported working on the preliminary water report. She provided the date the report is due and the anticipation of lower groundwater withdrawals than predicted. Ms. Pacheco described a potential change to the well list to add a supplemental well.

- 2023 Annual Replacement Plan

Amber Pacheco provided the date the Annual Replacement Plan would become due. She highlighted the need to get forbearance agreements renewed and provided the reservoir water balances. President Shriver commented on a roundtable proposal for funding to do improvement work on Beaver Reservoir. Ms. Pacheco provided an update on the process to secure a new lease on the Parker water and reported on the agreement with Jan Rich.

- Consider 2023 Forbearance Bonus Resolution

Amber Pacheco presented the Forbearance Bonus Resolution. President Shriver reported on the reaction from members at the Commonwealth Irrigation Meeting to the ten (10) year term. She proposed adding a five (5) year \$500 bonus payment option for more flexibility.

A motion was made by Mark Deacon to add a fourth (4<sup>th</sup>) option of a five (5) year \$500 bonus to the Forbearance Bonus Resolution for contracts. The motion was seconded by Gerald Ziegler and unanimously approved.

- Consider Approval of Banking Resolution to Add Program Manager and Any New Officers

Amber Pacheco introduced the new Subdistrict Program Manager Angelo Bellah. Mr. Bellah thanked the Board of Managers for the opportunity to work with them. Ms. Pacheco explained the necessity of the Banking Resolution.

A motion was made to approve the Banking Resolution to add Angelo Bellah, Program Manager; Amber Pacheco, Deputy General Manager; Cleave Simpson, General Manager, Scot Schaefer, Secretary/Treasurer; Eric Hinton, Vice-President; and Karla Shriver, President of Subdistrict No. 2. The motion was seconded by Mark Deacon and unanimously approved.

### **Discussion with Colorado Open Lands Regarding Groundwater Conservation Easements-Sally Wier**

President Shriver asked for discussion with Colorado Open Land regarding Groundwater Conservation Easements. Sally Wier provided a handout and introduced herself. She described what the programs offer and highlighted the first in the Nation groundwater conservation easement closing in Subdistrict No. 4. Ms. Wier provided background information on conservation easements and how they work. She described a typical land conservation easement, the components of a groundwater conservation easement and the financial incentives with Colorado Open Lands. Discussion was held on the length of time it takes to close a groundwater conservation easement, associated costs, tax credit, how it would benefit/affect the Subdistrict and the revegetation process.

The Board paused for a break.

### **Review and Consider Inclusion Contract**

President Shriver asked for review and consider Inclusion Contract

- Peter McCatharn (for 2022 ARP)

Amber Pacheco explained the proposed inclusion agreement would not bring additional pumping or depletions to the Subdistrict, her recommendation was to approve.

A motion was made by Gerald Ziegler to approve the McCatharn inclusion contract for the 2022 ARP, the agreement would include \$500 inclusion agreement fee and annual fees. The motion was seconded by Michael Schaefer and unanimously approved. Harold Stoeber abstained.

### **Review and Consider Participation Contracts**

President Shriver asked for review and Consider Participation Contracts.

- James and Sherry Phillips (tabled from previous meeting)

President Shriver explained why the Participation Contract was tabled at the last meeting. Amber Pacheco described a letter submitted to the Board by the Phillips' requesting they not be assessed any back fees. Ms. Pacheco provided the background information on the well and her recommendation to assess back fees and require a meter be installed. President Shriver asked the Phillips' for any additional comments, they were not present to comment.

A motion was made by Scot Schaefer to approve the James and Sherry Phillips Participation Contract including back fees, fifteen (15) acre feet of use on five (5) acres as identified in the court ruling for the

well and to be assessed at the flood rate. The motion was seconded by Gerald Ziegler and unanimously approved.

The motion was amended by Scot Schaefer to assess the well at the sprinkler rate rather than flood rate. The motion was seconded by Gerald Ziegler and unanimously approved.

- Louis Gallegos

Amber Pacheco reported being contacted before the December 1<sup>st</sup> deadline on a request to include a new well to be added to the 2023 ARP. Ms. Pacheco highlighted the current inactive status of the irrigation/stock well and reported it was decreed for fifty (50) gallons per minute. Ms. Pacheco reported on a requirement to install a meter should they activate the well. She also reported on a request from the well owner to move water from a well owned near Monte Vista to the proposed well near Del Norte. Ms. Pacheco highlighted the Participation Contract would not approve the moving of the water, just to cover the well with its current legal use.

A motion was made by Mark Deacon to deny the Louis Gallegos Participation Contract request. The motion was seconded by Michael Schaefer and unanimously approved.

**William Myers-Request to Use Santa Maria Shares for Replacement Depletions to RG-1 for Well in Saguache Response Area Through MOU**

President Shriver asked William Myers to present his request to use Santa Maria shares for replacement depletions to RG-1 for a well in the Saguache Response area through an MOU. William Myers requested an MOU to cover his reach one (1) depletions using his Santa Maria shares on a well he operates in Subdistrict No. 5. Pete Ampe explained the request was for staff to administer a portion of his water. He also reported not knowing if they had legal authority to do so. President Shriver requested Mr. Myers submit his plan including the numbers on paper and reported further research would need to be done.

A motion was made by Mark Deacon to table the Willie Myers request. The motion was seconded by Scot Schaefer and unanimously approved.

**Executive Session to Receive Legal Advice Regarding Negotiations for the Lease/Purchase of Real Property**

President Shriver asked for a motion to enter into executive session to receive legal advice regarding negotiations for the lease/purchase of real property. A motion was made by Mark Deacon to enter into executive session. The motion was seconded by Harold Stoeber and unanimously approved.

Mr. Ampe stated the Board was entering into executive session pursuant to section 24-6-402(4)(a) to discuss a potential lease/purchase of real property. The Board would take no formal action or position during the executive session.

**Possible Action from Executive Session**

President Shriver asked for possible action from Executive Session. A motion was made by Gerald Ziegler to direct staff to move forward with negotiations on lease purchase contracts for real property. The motion was seconded by Scot Schaefer and unanimously approved.

A motion was made by Michael Schaefer to direct staff to proceed with negotiations with other Subdistricts on the use of water on any lease/purchase opportunities. The motion was seconded by Gerald Ziegler and unanimously approved.

A motion was made by Mark Deacon to direct staff to make an offer to Subdistrict No. 1 to purchase 1,000-acre feet of water for \$150 per acre foot. The motion was seconded by Harold Stoeber and unanimously approved.

**Next Meeting**


The next quarterly meeting is scheduled for May 2, 2023, at 9:00 a.m.

**Adjournment**

A motion was made by Gerald Ziegler to adjourn the meeting. The motion was seconded by Scot Schaefer and unanimously approved.

The meeting was adjourned at 12:36 p.m.

  
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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*

### RESOLUTION

Whereas, Special Improvement District No. 2 of the Rio Grande Water Conservation District wishes to do banking with local banks in the San Luis Valley, and


Whereas, Cleave Simpson, the General Manager of Rio Grande Water Conservation District, shall be a signatory on all bank accounts held by the Subdistrict, and


Whereas, the Board of Managers of Special Improvement District No. 2 of the Rio Grande Water Conservation District desire to have: Amber Pacheco, Deputy General Manager; Angelo Bellah, Program Manager; Karla Shriver, President; Eric Hinton, Vice-President; and, Scot Schaefer, Secretary/Treasurer, as signatories on all bank accounts held by the Subdistrict, and

Therefore, be it resolved, that Special Improvement District No. 2 Board of Managers requests the banks allow the General Manager, Deputy General Manager, Program Manager, President, Vice-President and Secretary/Treasurer to discharge the banking business of the Subdistrict.

Signed on this 15th day of February, 2023, at the annual meeting of Special Improvement District No. 2.

  
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President

  
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Vice-President

  
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Secretary/Treasurer

RESOLUTION OF SPECIAL IMPROVEMENT DISTRICT NO. 2 OF  
THE RIO GRANDE WATER CONSERVATION DISTRICT  
*(Regarding Forbearance Contracts)*

**RECITALS**

WHEREAS, Special Improvement District No. 2 of the Rio Grande Water Conservation District (“Subdistrict No. 2”) was created pursuant to section 37-48-108, C.R.S., and pursuant to section 37-48-101.3(1), C.R.S., is a body corporate under the laws of Colorado; and

WHEREAS, Subdistrict No. 2 was formed for the purpose of designing and implementing a cooperative plan for water management to assure the protection of senior surface water rights and promote the maximum beneficial and sustainable use of water resources; and

WHEREAS, Subdistrict No. 2 entered into numerous forbearance agreements with ditches whereby the Subdistrict was able to remedy injury to those ditches caused by groundwater withdrawals from Subdistrict Wells by means other than introducing water at the top of the affected reach; and

WHEREAS, such forbearance agreements allowed the Subdistrict to meet its goals of remedying injury to senior surface water rights at an economic cost which allows for the continued use of groundwater with the Subdistrict; and

WHEREAS, not all ditches that entered into forbearance agreements received a benefit because there was no forbearance due to those ditches during the ARP Year; and

WHEREAS, Subdistrict No. 2 wishes to thank all of those ditches who entered into forbearance agreements for ARP Years 2020, 2021 and 2022, and to encourage those and other ditches to enter into forbearance agreements for ARP Year 2023 and beyond; and

WHEREAS, Subdistrict No. 2 sees great value and increased efficiencies in working closely with other Subdistricts on entering into joint forbearance agreements.

**RESOLUTION**

NOW, THEREFORE, be it resolved by the Board of Managers, as follows:

1. Bonus Payment for ARP Year 2023. Subdistrict 2 will pay a one-time bonus of \$200.00 for each one-year forbearance agreement for ARP Year 2023 with Subdistrict 2. This bonus payment applies to every one-year forbearance agreement for ARP Year 2023 and is in addition to any payments due under a forbearance agreement.
2. Bonus Payment for a three-year forbearance agreement beginning in ARP Year 2023. Subdistrict 2 will pay a bonus of \$300.00 for each ARP Year for any three-year

forbearance agreement with Subdistrict 2. This bonus payment applies to every three-year forbearance agreement beginning with ARP Year 2023 and is in addition to any payments due under a forbearance agreement. Equal payments of \$300.00 will be made annually through the term of the forbearance agreement.

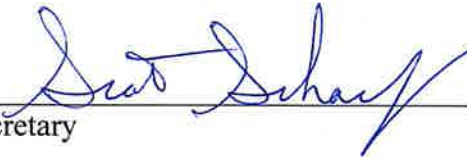
3. Bonus Payment for a five-year forbearance agreement beginning in ARP Year 2023. Subdistrict 2 will pay a bonus of \$500.00 for each ARP Year for any five-year forbearance agreement with Subdistrict 2. This bonus payment applies to every five-year forbearance agreement beginning with ARP Year 2023 and is in addition to any payments due under a forbearance agreement. Equal payments of \$500.00 will be made annually through the term of the forbearance agreement.

4. Bonus Payment for a ten-year forbearance agreement beginning in ARP Year 2023. Subdistrict 2 will pay a bonus of \$1,000.00 for each ARP Year for any ten-year forbearance agreement with Subdistrict 2. This bonus payment applies to every ten-year forbearance agreement beginning with ARP Year 2023 and is in addition to any payments due under a forbearance agreement. Equal payments of \$1,000.00 will be made annually through the term of the forbearance agreement.

RESOLVED this 15<sup>th</sup> day of February 2023.

ATTEST:

BOARD OF MANAGERS  
SPECIAL IMPROVEMENT DISTRICT NO. 2 OF  
THE RIO GRANDE WATER CONSERVATION  
DISTRICT

  
Secretary

  
President