

**RIO GRANDE WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS QUARTERLY MEETING
January 21, 2020 at 10:00 A.M.**

RIO GRANDE WATER CONSERVATION DISTRICT CONFERENCE ROOM

Present: Greg Higel, President; Brian David, Vice-President; Dwight Martin, Secretary/Treasurer; Peggy Godfrey, Director; Cory Off, Director; Mike McClure, Director; Bill McClure, Director; Armando Valdez, Director and Mike Kruse, Director.

Staff and Consultants: David Robbins, Hill & Robbins. P.C.; Pete Amp, Hill & Robbins (by telephone); Cleave Simpson, General Manager; Clinton Phillips, District Engineer; Allen Davey, District Engineer; Amber Pacheco, Program Manager; Marisa Fricke, Program Manager; Chris Ivers, Program Manager; Rose Vanderpool, Program Assistant; Linda Ramirez, Program Assistant; Tim Carden, HCP Coordinator/Program Assistant; Michael Carson, Database Administrator; and April Mondragon, Administrative Assistant.

Guests: Becky Brooks, Daniel Davis, Erin Minks, Daryl Kohut, Sean Tonner, Brenda Felmlee, Les Alderete, Tony Aloia, Pam Rice, Bethany Howell, Ernie Myers, Heather Dutton, Emma Reesor, Bob Kimbrough, Willie Hofnner, Nathan Coombs, Morgan Dingfelder, Mary Finnegan, Sheldon Rockey, Judy Lopez, Allen Law, George Whitten, Dale Bartee, Steve Vandiver, Daniel Cleveland, Miguel Diaz, Lawrence Crowther, Patrick O'Neil, Helen Sigmond, Charles Finnegan, Eric Hinton, Charles Stillings, Cathy Garcia, Michael Yohn, Kevin Terry, Daniel Boyce, Ray Miller, Richard Ruybal, Ryan Unterreiner, Willie Myers, John Slane, Craig Cotton, Jim Urliac, Vic Smith (via telephone) and Lisa Sigler (via telephone).

CALL TO ORDER

President Greg Higel called the meeting to order at 10:05 a.m. The Pledge of Allegiance was recited. There was a quorum present for the meeting.

INTRODUCTION OF STAFF AND GUESTS

President Greg Higel welcomed all those present and asked for introductions.

APPROVE AGENDA

President Higel asked to move item No. ten (10) to right before for item nine (9). Cleave Simpson requested to add the review and potential approval of a letter from the Terrace Irrigation District as well as review and possibly engage in a proposal from Siegler Communications. Mr. Simpson also requested to add the consideration of reappointment of Leroy Salazar, Sam Vance and Warren Crowther to Subdistrict No. 3 Board of Managers. A motion was made by Bill McClure to approve the agenda as amended. The motion was seconded by Dwight Martin and unanimously approved.

APPROVE THE CONSENT AGENDA ITEMS

President Higel asked for a motion to approve the consent agenda items:

- October 15, 2019-Quarterly Meeting & Executive Session Minutes
- November 21, 2019-Board of Director's Hearing Minutes
- December 9, 2019-Budget Hearing Minutes
- December 9, 2019-Special Meeting Minutes

A motion was made by Cory Off to approve the consent agenda items. The motion was seconded Brian David and unanimously approved.

PUBLIC COMMENT:

President Higel asked for public comment. Patrick O'Neil was present and thanked the Board for their contribution to the Mosca Hooper Conservation District's recharge sites project. Mr. O'Neil stated he would like to schedule a time to present the results from the project to the Board. Mr. O'Neil also thanked the Rio Grande Water Conservation District for the use of the facility during the ground water conflict consensus process.

Willie Hofner expressed his gratitude to the Rio Grande Water Conservation District Board of Directors, David Robbins, George Whitten and the Rio Grande Water Conservation District.

FINANCIAL REPORT

President Higel asked for the Financial report. Cleave Simpson presented the Board with the Profit and Loss Statement, Check Register and Balance Sheet for the Rio Grande Water Conservation District. Mr. Simpson also presented the Subdistrict's Balance Sheets and reported Subdistrict's 1-3 are operating with revenues and expenses.

A motion was made by Bill McClure to accept the Financial Report as presented. The motion was seconded by Cory Hill and unanimously approved.

MANAGER'S REPORT

President Higel asked for the Manager's report. Mr. Simpson reported on and presented the following:

- ***Consider RGWCD appointment to the Closed Basin Project Operating Committee-***

A motion was made by Dwight Martin to appoint George Whitten as the Rio Grande Water Conservation District representative on the Closed Basin Project operating committee. The motion was seconded by Bill McClure. The motion passed with all in favor with the exception of Peggy Godfrey who abstained.

Mr. Simpson reported on staff assignments and announced Chris Ivers has been promoted to Program Manager of Subdistrict's No. 4 and 5 and Amber Pacheco will remain the Program Manager of Subdistrict's No. 2, 3 and 6. Mr. Simpson reported on the current staff projects as well as potential challenges. He also updated the Board on the director seats that are up for reconsideration and stated he would be attending the county commissioners' meetings to provide updates.

- ***Review and possibly approve of a letter from the Terrace Irrigation District-***

Mr. Simpson reported on the funding request submitted from the Terrace Irrigation District. A motion was made by Peggy Godfrey to submit a letter of support for the Terrace Irrigation District on their project. The motion was seconded by Cory Off and unanimously approved.

Mr. Simpson reported Christine Arbogast was unable to attend, he read her report into record. (copy attached)

Mr. Simpson updated the Board on the status of the Salazar Center at Adams State University State of The Basin Symposium, the Rocky Mountain Agriculture Conference, the Monte Vista Crane Festival and the annual Water Leader's course.

- ***Review and possibly engage in a proposal from Sigler Communications-***

Mr. Simpson highlighted what Siegler Communications has to offer and stated he is seeking the Board's approval to move forward with the provided proposal. Lisa Sigler was available via telephone, she provided her history and explained what she has to offer the District.

A motion was made by Armando Valdez to approve the Sigler Communication proposal. The motion was seconded by Cory Off and unanimously approved.

- ***Subdistrict Letters of Interest to Serve on Board of Managers –***

Marisa Fricke reported on how the open position on the Subdistrict No. 1 Board of Manager's came about and reported receiving two (2) letters of interest to serve.

Les Alderete- (representing Victor Smith) - Mr. Smith introduced himself and stated why he is interested in having Les Alderete represent him on Subdistrict No. 1 Board of Managers. Les Alderete also introduced himself and expressed to the Board what he has to offer and contribute to the Subdistrict No. 1 Board of Managers. Discussion was held on the need to get a process in place to appoint a non-surface/ground water user individual to the Board of Managers.

Dale Bartee- Mr. Bartee introduced himself and stated he felt he was qualified for the Subdistrict No. 1 vacant Board of Manager seat as a non-surface water representative. Mr. Bartee stated after he read the By Laws of Subdistrict No. 1, he learned he would no longer be qualified for the position and withdrew his nomination.

Willie Hofnner thanked Jake Burris for his hard work on the Subdistrict No. 1 Board of Managers.

A motion was made by Mike Kruse to appoint Les Alderedi to represent Victor Smith as the Board of Managers of Subdistrict No. 1. The motion was seconded by Armando Valdez and unanimously approved.

President Higel thanked Mr. Simpson for his report.

PROGRAM MANAGER'S REPORTS

President Higel asked for the Program Manager's reports.

- ***Subdistrict No. 1- Marisa Fricke:*** Marisa Fricke presented a power point table of 2019 Subdistrict No. 1 pumping and an aquifer change data chart which showed the trend and amount of water gained. Ms. Fricke also presented the overall five (5) year average, the net pumping fee and the amount of surface water carry over. Ms. Fricke reported on the status of the annual reports, public outreach functions, 2020 replacement operations and a potential new Half Usage program. Subdistrict No. 1 continues to meet with producers regarding coverage of nonexempt wells.

President Higel thanked Ms. Fricke for her report.

The meeting recessed for lunch at 12:32 p.m. and resumed at 1:35 p.m.

- ***Subdistrict No.'s 2, 3, 4, 5 and 6-Chris Ivers:*** Chris Ivers provided the Board with an update on Subdistricts No. 2 and 3 and stated they are now operating. Mr. Ivers thanked Tony Aloia for working with the Subdistricts and stated three (3) Board of Managers of Subdistrict No. 3 were up for reappointment and requested they be reappointed. Mr. Ivers reported on the progress and challenges of Subdistricts No. 4 and 5 as well as some of the plans they have to restore and sustain the aquifer in those areas. Mr. Ivers said Subdistrict No. 6 assessed its first full year of fees and stated staff will continue to speak and meet with individuals regarding Subdistrict coverage of nonexempt wells and municipalities.

A motion was made by Brian David to reappoint Leroy Salazar, Sam Vance and Warren Crowther to Subdistrict No. 3 Board of Managers. The motion was seconded by Cory Off and unanimously approved.

President Higel thanked Mr. Ivers for his report.

DISTRICT ENGINEER'S REPORT

President Higel asked for the District engineer's report. Clinton Phillips presented the change in the unconfined and confined aquifer storage. Mr. Phillips provided the current five (5) year running average, the outlook of the confined aquifer and a table of the confined monitoring well measurements.

President Higel thanked Mr. Phillips for his report.

DISTRICT ATTORNEY'S REPORT

President Higel asked for the District attorney report. David Robbins updated the Board on two (2) applications submitted to water court and provided the process to occur. Mr. Robbins provided the status of the Meger appeal, the Texas vs. New Mexico case, S&T Farms case, the City of Alamosa case as well as the potential challenges of each. Mr. Robbins provided his recommendations to file a statement of opposition in the S&T case and the City of Alamosa case.

A motion was made by Dwight Martin to instruct legal counsel to file statements of opposition in the S&T Farm case as well as the City of Alamosa case. The motion was seconded by Brian David and unanimously approved.

President Higel thanked Mr. Robbins for his report.

STEALEY II-BECKY BROOKS

President Higel asked for the Stealey II report. Becky Brooks updated the Board on the water bills she has seen and the potential bills to come. Ms. Brooks reported on a potential bill to set up an anti-speculation committee and a bill dealing with issues around banning certain pesticides.

President Higel thanked Ms. Brooks for her report.

CONGRESSMAN TIPTON'S OFFICE-BRENDA FELMLEE

President Higel asked for Congressman Tipton's office report. Brenda Felmlee reported being pleased with the Texas vs. New Mexico case and encouraged the Board to reach out to her for assistance with the Bureau of Reclamation. Ms. Felmlee stated due to the Ground Rules and Regulations, they are beginning to hear what works and does not work for the hemp producers.

President Higel thanked Ms. Felmlee for her report.

SENATOR BENNET'S OFFICE-ERIN MINKS

President Higel asked for Senator Bennet's office report. Erin Minks reported on the bills her office is tracking and stated they will continue to watch and provide updates. Ms. Minks also reported that Mr. Bennet is on the finance committee and may be working on tax policies. Armando Valdez stated they District may want to consider weighing in on the Bureau of Reclamation budget.

President Higel thanked Ms. Minks for her report.

DIVISION (3) ENGINEER'S REPORT

President Higel asked for the Division (3) Engineer's Report. Craig Cotton presented a power point presentation which included the finalized compact, the annual flow at Del Norte, the annual flow on the Conejos river system and the obligation on each to the downstream states. Mr. Cotton provided the anticipated end of year status as well as an update on the Division 3 Ground Water Rules and compliance date. Mr. Cotton announced the name of the new water judge, provided the snowpack percentage as well as the snow water equivalent and precipitation forecast. Mr. Cotton concluded his report with an update on upcoming events.

President Higel thanked Mr. Cotton for his report.

COLORADO POTATO ADMINISTRATION COMMITTEE-BOB MATTIVE

President Higel asked for the Colorado Potato Administration Committee. Bob Mattive and Jim Urliac addressed the Board concerning potato storage wells regulations. The history of the wells was provided and stated they are seeking guidance. Discussion was held on potential exemption of the wells, the use of the wells, classification of the wells and methods of measuring the potato storage wells usage.

President Higel thanked the Board for their report.

USBR REPORT

President Higel asked for the USBR report. Morgan Garcia was not present; a copy of her report is attached.

GREAT SAND DUNES NATIONAL PARK AND PRESERVE REPORT

President Higel asked for the Great Sand Dunes National Park and Preserve Report. Pam Rice reported on the record-breaking year and number of visitors the park had. Ms. Rice also reported on the Park's congestion, infrastructure, elk management and the ground water right.

President Higel thanked Ms. Rice for her report.

U.S. FOREST SERVICE

President Higel asked for the U.S. Forest Service report. Daryl Kohut did not have much to report other than the forest service would be doing some burning on the forest Ground.

President Higel thanked Mr. Kohut for his report.

SAN LUIS VALLEY WATER CONSERVANCY DISTRICT/CWCB REPORTS

President Higel asked for the San Luis Valley Water Conservancy District and CWCB reports. Heather Dutton reported she reapplied for her board position on the Colorado Water Conservation Board and would appreciate a letter of support from the Rio Grande Water Conservation District. Ms. Dutton updated the Board on regular business as well as projects

around the valley, and stated they are considering a loan to the Town of South Fork in order to complete a municipal water project.

President Higel thanked Ms. Dutton for her report.

COLORADO STATE PARKS AND WILDLIFE REPORT

President Higel asked for the Colorado State Parks and Wildlife Report. Ryan Unterreiner provided an update on the fish wells and their plan to work with the Subdistricts in order to be in compliance with the Ground Water Rules and Regulations. Mr. Unterreiner reported on the ongoing meetings with the Bureau of Reclamation regarding Russell Lakes and the Closed Basin Project. He also updated the Board on Rito Hondo and Beaver Reservoir.

President Higel thanked Mr. Unterreiner for his report.

RIO GRANDE WATERSHED CONSERVATION & EDUCATION INITIATIVE

President Higel asked for the Rio Grande Watershed Conservation and Education Initiative report. Bethany Howell reported on the winter after school programs as well as the upcoming spring and summer programs.

President Higel thanked Ms. Howell for her report.

RIO GRANDE HEADWATERS RESTORATION PROJECT

President Higel asked for the Rio Grande Headwaters Restoration Project. Emma Reesor provided an update on the Stream Management project, the Del Norte River Front project and the Five (5) Ditches project. Ms. Reesor reported they are working on partnership projects with the Forest Service and stated the Water Leader's Course is coming up.

Daniel Boyce updated the Board on the Stream Management plans and other priority projects in order to meet river health and river function needs. Mr. Boyce reported on rehabs to the Conejos River, Saguache Creek diversion infrastructure and river restoration projects.

President Higel thanked Ms. Reesor and Mr. Boyce for their reports.

COLORADO OPEN LANDS AND RIO GRANDE HEADWATERS LAND TRUST/R.I.G.H. T

President Higel asked for the Colorado Open Lands and Rio Grande Headwaters Land Trust report. Judy Lopez and Allen Law provided an update on the ground water easement planning and development as well as an update on the outcome of the stakeholder meetings. Ms. Lopez reported on the Asecea and Culebra project and Mr. Law reported on a conservation easement that closed, he also mentioned the challenges they faced this past quarter.

Cory Off requested the Board memorialize Nancy Butler for the work she had done.

President Higel thanked Ms. Lopez and Mr. Law for the report.

DIRECTOR'S REPORTS

President Higel asked for Director reports. Peggy Godfrey made a motion to have the Rio Grande Water Conservation District Contract an independent engineering study commencing in the spring of 2020 to evaluate the effects of pumping Stages 4 and 5 of the Closed Basin Project to see how the pumping in these stages affects senior surface water rights on San Luis Creek and Saguache Creek watersheds. Based on that study, is it still practical to pay compact with waters drawn from Stages 4 and 5? This request is based on the fact that the last viable engineering study was done in 1967 and irrigation practices have changed dramatically from flood irrigation to more efficient center pivot sprinkler irrigation. The Closed Basin Project was intended to help offset compact obligations without injuring senior surface water rights. San Luis Creek and Saguache Creek have never had any compact obligations to the Rio Grande. San Luis Creek and Saguache Creek have never benefited from the compact agreement. (copy attached) The motion was seconded by Mike Kruse.

Cory Off stated he rather see a different motion, David Robbins explained how a substitute motion could be offered. Mike Kruse commented stated he felt the District Board did not need to pay for anymore studies. Dwight Martin reported a lot of data is already available. Armando

Valdez appreciated Peggy Godfrey's motion and stated they need to understand what phases 4 and 5 are doing, what the cost would be for a study.

A Substitute motion to Peggy Godfrey's motion was offered by Cory Off , to have Cleave Simpson, directed by the Board to discuss with engineers, engineering firms or hydrologist, the feasibility of undertaking a study of the impacts of stages 4 and 5 of the Closed Basin Project, associated costs and requirements to accomplish the study and if there is sufficient data, all prior to the next Board meeting. The motion was seconded by Armando Valdez, voted on and passed with all in favor except Mike Kruse.


George Whitten suggested the Board take advantage of the information and people already hired and collecting data from the project.

Michael Carson gave a presentation on the Radar. Cleave Simpson stated Alamosa County owns the radar, the District helps when issues arise.

ADJOURN

Meeting was adjourned at 4:32 p.m.

The next scheduled quarterly meeting will be held on April 21, 2020.



President

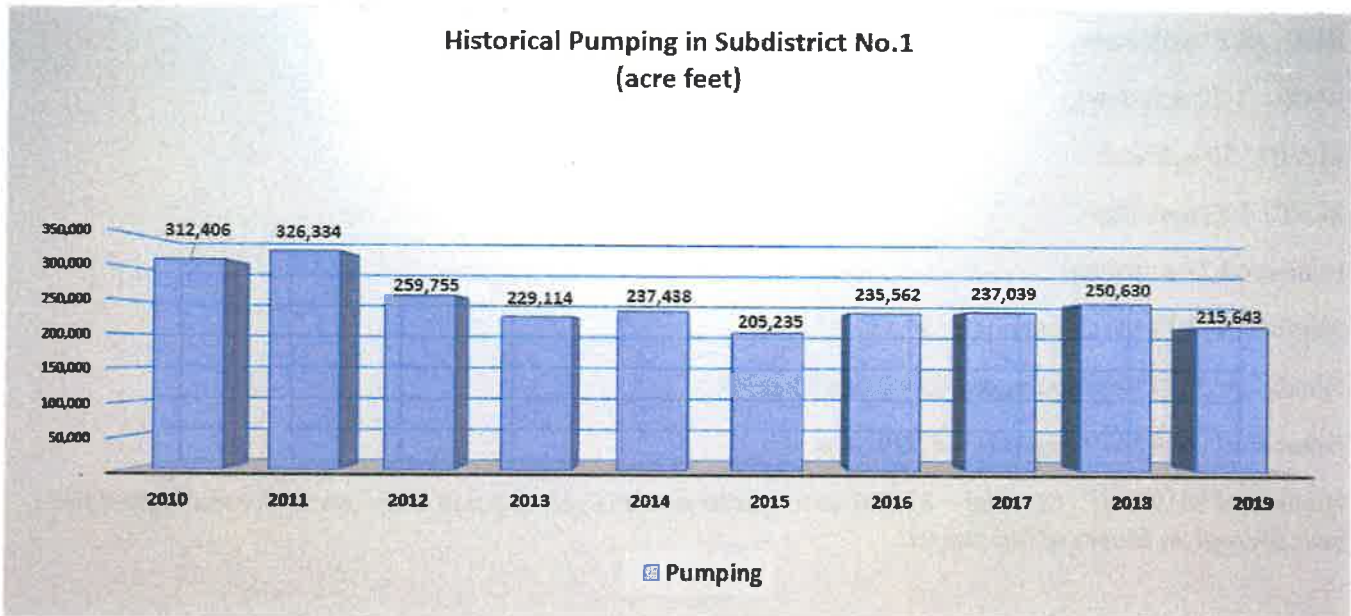


Secretary/Treasurer

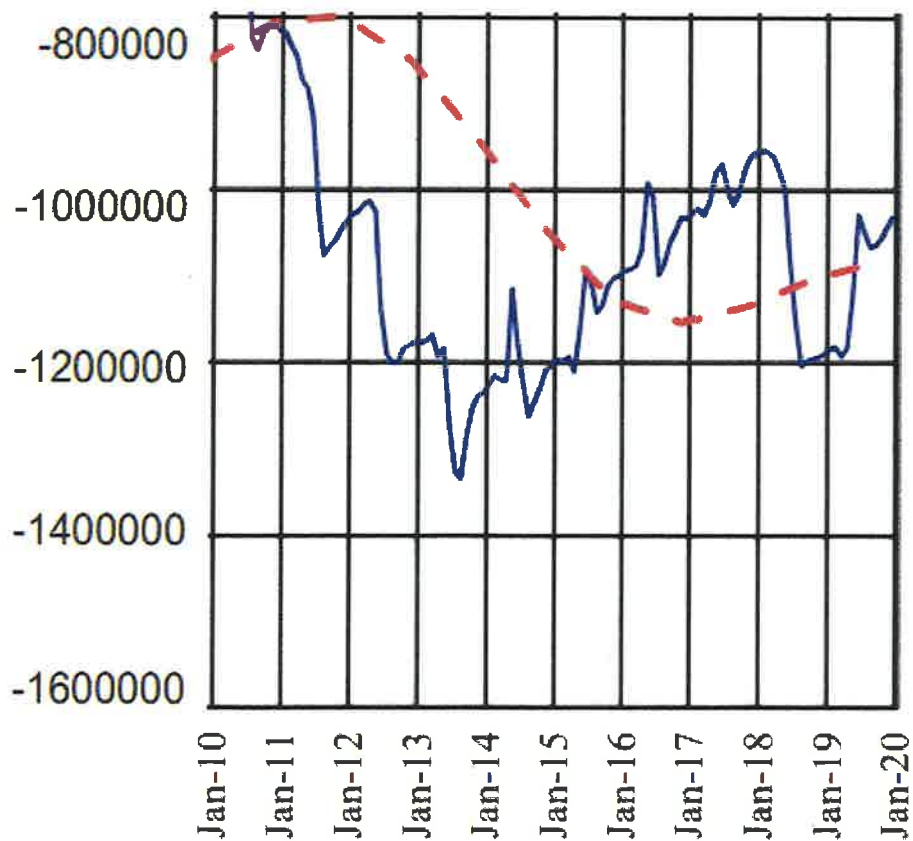
Subdistrict No. 1 Program Managers Report

January 2020

2019 SD #1 Pumping



Aquifer Change in a Decade



2019 GW Pumping and SWC Trends

Total Groundwater Pumping for the calculation of the 2019 fees was: 203,798 the reconcile period in 2018 was 11,845 acre feet. Total **net** groundwater pumped for the 2019 fee processes was 35,374.60-acre feet.

2019 SD#1 SWC Value for the 4 main canals:

RGC: 18.27 acft/share

SMRC: 1.22 acft/share

SLVID: .70 acft/acre

SLVC: 1.57 acft/share

Prairie: 62.27 acft/share

Number of 2018 SWC_CO total = 55,463.25 ac.-ft.

Number of 2019 SWC extinguished = 7,086.59 ac.-ft.

Number of 2019 SWC Leased = 18,399.56 ac.-ft.

Number of 2019 SWC_CO total = 82,526 ac-ft. (Generated this year and will carry over) **Second highest five-year average in history of Subdistrict.*

Current Business

- ❖ Completed CREP and RCPP annual report with Tim Davis
- ❖ Hosted 3 public outreach functions:
 - Easement Conservation Program- November 4th at Monte Vista Movie
 - AgWater Alliance- November 20th at Sargent School
 - Jeff Goebel-Consensus Workshop January 9th RGWCD Building
- ❖ Organizing data for 2nd Annual Subdistrict No.1 Summit- *Date TBD*
- ❖ Met with Craig Cotton and DWR staff regarding Small Capacity well Consumptive Use calculations
- ❖ Continue to meet with producers on a daily basis regarding covering their non-exempt wells prior to March 2021.
- ❖ Promoting new 2020 Program “Half Usage” program as well as CREP, FALLOW and RCPP
- ❖ Attending ditch meetings to report out Subdistrict status and forbearance requests
- ❖ Preparing for the Annual Report due in March

2020 Replacement Water Operations

Closed Basin Project allocations for SD#1 released to the river have been replacing injurious depletion obligations for all three stream reaches to the Rio Grande since October 30, 2019, which will continue through the winter months.

January 2020 Program Manager Report-Amber Pacheco

Subdistrict 2 and 3 –Spent the last month or two working on finalizing last year’s depletion replacement accounting for both Subdistricts. Working with DWR staff to verify daily calls and replacement sources. To-date, we have remedied all our injurious depletions in time, place and amount under both ARP’s. Forbearance was very beneficial on the Alamosa and the Conejos and accounted for about half of the total depletions on these two rivers. We did not get as many days as planned on the Rio Grande though. I again thank all those ditches that signed forbearance agreements with Subdistricts 2 and 3. Because the forbearance was so beneficial for SD #3 operations, the Board of Managers approved a \$200 bonus in 2019 that was paid for each agreement included in their ARP. Between these two Subdistricts, they secured six agreements on the Rio Grande, ten on the Alamosa, twelve on the Rio San Antonio, one on the Los Pinos and twenty-eight on the Conejos for a total of 57 agreements. Bonus payments from Subdistrict 3 totaled just over \$11,000. They will be offering this same bonus again for any forbearance agreements included in their 2020 ARP. If ditches are willing to commit to a 3-year agreement, the bonus increases to \$300 for each year of the agreement. This was just a way to show the Subdistrict’s appreciation for their cooperation. Both Subdistricts have water left in storage following this past irrigation season for use in the next year because of the agreement with SD #1 to use their stored Santa Maria water for depletions owed to the canals north of the Rio Grande. I would like to say thank you to Tony Aloia and CPW for working with us on the Rio Grande. On the Conejos, the use of the SLVIWO’s Taos Valley No. 3 water allowed us to store all of the wet water that Subdistrict 3 purchased in 2019 from SLVWCD and BLM. Thank you also to the Conejos Water Conservancy District for allowing us to store all our carry-over water in Platoro. Finally, thank you to the Terrace Irrigation Company for working with the Subdistrict to store their carry-over on the Alamosa for use next year. This is something new for their company and they have been very cooperative with the Subdistrict, even going as far as changing their by-laws to make things work. The Board and I appreciate all they did to make the Alamosa operations work.

Both Subdistricts have completed their 2019 fee assessments and certified them to the County Treasurer’s in December. Farm Plan updates were sent a couple weeks ago so we are now working with individuals to update their information in our databases.

In the next couple weeks, we will begin working on the preliminary Annual Report for 2019-2020. This will be the first Annual Reports for these 2 Subdistricts. In the meantime, we continue to seek replacement sources for the upcoming ARPs. We continue to look for available permanent water supplies.

Subdistricts 4 and 5 – Chris Ivers will be assuming the responsibility for both Subdistrict 4 and 5 so this will be my last report for them.

Both Subdistricts had their Plans of Water Management approved by both their Boards of Managers and this District Board. Based on comments received from the State Engineer in his approval of Subdistrict No. 6’s POWM, we recognized there is a need to further define sustainability benchmarks in both Subdistrict 4 and 5’s Plans before they are submitted to the State Engineer. We anticipate we will be submitting the revised Plans for review in the near future. These Subdistricts must file their first Annual Replacement Plans by March 15, 2021. We are working to secure replacement sources for both these Subdistricts to include in their ARPs next year. It appears there is still a misunderstanding about Forbearance in the northern end of the Valley so we are attempting to work with individuals one-on-one to show them scenarios of what forbearance with their water rights may look like and answer any questions they have. These Boards and our staff will continue to reach out to surface water owners about this concept.

Subdistrict 5 continues their work on a potential recharge/reservoir project for their Saguache Creek depletions. The concept is to purchase a water right and take the HCU of that water and recharge underground or store it in a reservoir on a site near the location where we will need to release wet water. If we recharge, we will drill a well or two to draw water from this underground recharge to a pipeline or ditch system to deliver it to the stream in time, place and amount. Davis Engineering has completed a survey of this site and is now working to determine what soil conditions exist so we know what will be required to move forward with a project like this. We are in talks with a potential seller of a water right on Saguache Creek that could be used for a project like this.

Another idea is to lease/purchase lands to dry them up and move the HCU to a new well we would drill closer to Saguache Creek. If a well is not possible near the creek, the Subdistrict would construct a pipeline to move the water from its current location of use to the creek in time, place and amount. The Board would hope they would not have to go this route if at all possible, but it may be necessary depending on how successful the other replacement concepts are. Time is moving quickly so the Board is pushing hard to line things out for operations to begin next April.

Subdistrict 4 will likely be using ideas similar to these on San Luis Creek because they also have no existing reservoirs in this area.

Subdistrict 6 - The SEO approved their Plan of Water Management on September 25th and no objections were filed with the Court before the Nov. 30th deadline. Staff has completed the first fee assessment and certified them to all three Counties. The Subdistrict must have an approved ARP no later than the end of September with replacements beginning October 1st, 2020. The Board of Managers are seeking permanent water, temporary water and forbearance on all streams systems. If they can secure sufficient replacements, the first ARP may begin sooner than October 1. Subdistrict 6 and Subdistrict 3 Boards of Managers are working together to secure forbearance agreements on the Alamosa and the Conejos. Subdistrict 6 is offering a bonus, similar to Subdistrict 3's. They hope this will assist in securing similar agreements for both Subdistricts.

Other Work-Non-exempt well owners that do not have an existing augmentation plan or are not covered by a Subdistrict received letters from the State a couple months back regarding the timeline for coming into compliance with the Groundwater Rules. We are receiving numerous calls from these well owners to contract with Subdistricts before the deadline.

Working with Federal and State Government entities to secure contracts with Subdistricts. Have held a couple meetings in the last couple months to talk about moving forward.

Still working with the State and others to finalize a smaller scale model for wells west of Del Norte. Once we have the completed response function, we will be able to start contracts with these well owners to include them in Subdistrict No. 2's ARP.

Upcoming Subdistrict Meetings

- Subdistrict 2 Annual Meeting - Wednesday, January 22nd beginning at 9:00 a.m.
- Subdistrict 5 Quarterly Meeting - Wednesday, January 22nd beginning at 12:00 p.m. for an executive session and the regular meeting starting at 1:00 p.m.
- Subdistrict 4 and 5 Work Session-Wednesday, January 22nd beginning at 3:00 p.m.
- Subdistrict 6 Annual Meeting-February 12th beginning at 1:30 p.m.
- Subdistrict 4 Quarterly Meeting-March 3rd beginning at 9:00 a.m.
- Subdistrict 3 Annual Meeting-March 5th beginning at 8:00 a.m.

KOGOVSEK & ASSOCIATES, INC.

MEMORANDUM

TO: Rio Grande Water Conservation Board, Cleave Simpson

FROM: Christine Arbogast

DATE: January 15, 2020

RE: Update

A scheduling conflict at the state Capitol prevents me from attending your upcoming board meeting, but I will summarize here the issues I am watching as the new year gets underway.

Because of the election year, as well as other processes taking place, it is clear that 2020 will be a very short legislative year at the federal level. A small number of legislative days are planned, and most will be devoted to “big ticket” topics like defense authorization, trade agreements, etc. And so, natural resources legislation is likely to be packaged into the annual Water Resources Development bill, commonly a Corps of Engineers authorizing bill. However, the last two iterations have included Reclamation provisions as well.

There are two major western water bills in the works. One is S. 1932 sponsored by Senator Gardner and others. The other is a draft bill out to House members for comment and sponsored by Congressman Huffman of California. While the bills have significant differences, they both seek to address traditional and green infrastructure for water resource storage and conveyance. They also both seek to give Reclamation broader authority to consider the feasibility of Reclamation projects without having an act of Congress. Both also broaden the WaterSMART program and consider creation of a loan guarantee program to help fund projects. Both House and Senate sponsors assume that the WRDA bill is likely to be the vehicle for some version of this legislation.

At the end of the year, Congress passed an omnibus FY '20 funding package which significantly increased dollars for Reclamation. BuRec is currently working on a spending plan for those funds. We should consider a discussion with Reclamation about the O&M pressures for the

Closed Basin Project once the spending plan is passed and the Administration's FY 21 budget is released on February 10.

One other bill I am monitoring is a measure which would increase resources for federal roads on public lands, including the Forest Service. The western water community views this as a significant opportunity for better road maintenance and improvements, which could in turn improve access for both forest management and wildlife fighting as well as prevention. Western water interests are also inquiring of the USFS regarding the status of the fire borrowing changes and farm bill provisions on forest health.

On the regulatory side, I am monitoring the re-write of the WOTUS rule, and working with western water groups regarding the recently announced NEPA overhaul.

I look forward to seeing you at the annual Colorado Water Congress meeting at the end of the month.

**Bureau of Reclamation Report to the RGWCD
January 21, 2020**

OPERATIONS

Water salvage operations continued as recommended by the Project Operating Committee to meet the Rio Grande Compact, mitigation, and Subdistrict depletion obligations.

For Calendar year 2019:

A total of 2,221 AF was delivered to the Alamosa National Wildlife Refuge through CHO1 & 2.

A total of 1,546 AF was delivered to the Blanca Wildlife Habitat Area through CHO3 & 4.

This included:

- 800 AF of annual mitigation
- 350 AF exchange with Colorado Parks & Wildlife
- 346 AF exchange with ANWR
- 50 AF trans mountain water exchange

Delivery to the Rio Grande for 2019 was 8,567 AF.

San Luis Lake reached a maximum elevation of 7516.1 on July 15 and has since declined by evaporation to 7514.6.

San Luis Lake (12/31/19)

San Luis Lake	San Luis Lake Elevation	7514.6 ft. MSL
	Storage	3,373 acre-feet
	TDS	1751 ppm

Project Deliveries: (1/1/19 to 12/31/19)

Deliveries to:	Rio Grande—total	8,567 acre feet
	Alamosa National Wildlife Refuge—total	2,221* acre feet
	Blanca Wildlife Habitat Area—total	1,546* acre feet
	San Luis Lake—total	0.0 acre feet
	Head Lake (West)	0.0 acre feet
	Total Deliveries as of December 31, 2019	<u>12,334 acre-feet</u>

**Includes 346 AF exchange delivered to BLM but credited to USFWS mitigation total.*

MAINTENANCE BRANCH

Salvage Well # 54 re-drill effort is almost complete. New discharge piping will be installed today, and the test pump should be in place by tomorrow afternoon. The crew will move on to Salvage Well # 64 after they complete # 54. Salvage Well # 170 is still in the process of re-hab. The 10T drill rig has been delivered to the repair shop for hydraulic line replacement.

Maintenance is underway in the San Luis Lakes Pumping Plant, lateral roadways, electrical switch gear throughout the project and the canal check stations.

Rio Grande Water Conservation District Crew

The RGWCD crew continues to assist with salvage well maintenance, rehabilitation and drilling activities. Other work completed includes blading and mowing all canal berms and lateral access roads, removal of aquatic weeds and sediment from the canal and associated structures, repair and maintenance of right-of-way fences, and repair of erosion along the canal berms. RGWCD staff also assisted in maintenance of vehicles and heavy equipment.

Manager's Work

Division Manager continues to work with RGWCD Management Team to schedule work for the RGWCD maintenance crew.

WATER LABORATORY

A total of 323 samples were collected from the Closed Basin Project during the period of October 1, 2019, through December 31, 2019.

Total Dissolved Solids at the Outlet was an average of 302 mg/L for the period.

Lab personnel assisted Operations, Maintenance and Admin groups, as well as local agencies, on various projects.

Results were submitted for the USGS Evaluation Program for Standard Reference Water Samples. The Lab continues to perform commendably on these audits.



**Communication Proposal to the Rio Grande Water Conservation District
Submitted January 15, 2020**

Sigler Communications is pleased to submit this proposal to the Rio Grande Water Conservation District (District) for communications support. Founded in 1996, Sigler Communications specializes in water and natural resource issues. We have worked with water providers, districts and associated industries to communicate complex water issues to a broad range of stakeholders. Lisa Sigler, the firm's president, has 34 years of experience in Colorado. Our water experience and her resume are attached. We believe our relationships with many in the water community, our understanding of water issues, and our expertise in communications would be of value to the District.

Following is a brief recap of the issues as we understand them, a recommended path forward to develop a communications strategy plan and the estimated costs.

The Issues/Situation Analysis

Renewable Water Resources (RWR), headed by Sean Tonner, has proposed drilling a number of wells on a ranch he acquired in the northeast portion of the San Luis Valley to pump 22,000 acre-feet annually and pipe it over Poncha Pass and on to the Front Range where it would be used by municipal water providers. This is the latest scheme in several attempts to take water out of the valley for use on the Front Range. All have been defeated through the District's efforts, state and federal legislative and court actions, and with the support of stakeholders including various citizen groups in the San Luis Valley. All the water districts in the San Luis Valley are united in opposition to RWR's proposal.

RWR has not filed a proposal with Colorado's water court and has not identified any specific buyers. Several notable water providers (i.e., Aurora Water, Colorado Springs Utilities, South Metro Water Supply Authority) have publicly stated or share privately they are not interested in participating in the project. This transbasin diversion is being proposed at a time where the political climate is not supportive of moving more water to the East Slope from other basins. Also, Colorado's Water Plan discourages "buy and dry" and is encouraging Alternative Transfer Methods instead.

The San Luis Valley's economy relies heavily upon agriculture. The region's farm economy is supported by the Rio Grande River and groundwater. Ongoing drought and necessary pumping of groundwater to support the existing agriculture has caused declines in the aquifers. To solve the problem, valley farmers developed an innovative solution; they voluntarily assessed fees on themselves and use those revenues to pay other farmers to reduce water consumption and fallow fields. The District is working with farmers to rationally take land out of production. Unfortunately, the drought of 2018 negated the water gains the program had achieved the prior seven years.

The Rio Grande Water Conservation District has communicated extensively to the water community about the District's concerns with the proposal. Cleave Simpson, District Manager, has spoken to 50-60 groups including IBCC and Water Congress.

The basin is already highly over appropriated and taking more water out of the San Luis Valley would mean less agriculture or more pronounced declines in the groundwater system. Long-term economic consequences (i.e. Crowley County experience) would outweigh any short-term gain.

The water districts in the valley are skeptical that only 22,000 acre-feet of water would be pumped out. Building a major pipeline is costly and capable of transporting more water. The District is convinced that this is just the start of what could likely be more water leaving the valley.

RWR's proponents have attempted to "package" the project in a way to make it sound more appealing than previous attempts. They have been effective in simplifying the messages and delivering "soundbites", short memorable phrases to the news media. Several "long-form" stories have been written about the project and most are fairly balanced. There have been farmers quoted in the stories suggesting qualified support of the project. Some of the main selling points proponents have stated:

- It's only 22,000 af of water annually
- There would be an 8,000 acre-feet of water net gain for the system
- A \$50 million community fund would be part of the deal
- It will encourage a less "ag-dependent" culture in San Luis valley and diversify economy and "kick start" initiatives
- It would help farmers replenish the depleted "unconfined" aquifer

Recommended Work Scope:

Based on the desire of the District to better formulate messaging and delivery of messaging, we recommend the following approach. Our fees are determined by the number of hours we estimate to complete the task multiplied by our hourly rate. For this project, our team members Lisa Sigler and Chuck Montera would be the primary points of contact with the District. We may have team members at a lower hourly rate assist with some tasks. Lisa Sigler's hourly rate is \$185 and Chuck Montera's hourly rate in \$160. A blended rate of \$173 has been used for this proposal. While we recommended implementing all of these tasks as proposed, we have broken the tasks and budget down separately in the event the District opts to implement some but not all of the recommended tasks.

Backgrounding/Issues Analysis: (Estimated time: 16 hours + expenses) = \$2,768

- Sigler Communications backgrounding on project meetings with District staff and board members to assess key issues, stakeholders, opportunities, challenges, timing etc. This work could be conducted in a day work session (including travel).
- Review past media coverage, relevant reports, and identify issues relevant to communications.

Communications Plan Development:

Stakeholder identification and mapping: This is a process by which we would define all the stakeholders (including potential allies) that need to be communicated with through this process. A stakeholder map would be created that would simply outline the stakeholders, their area of interest and the appropriate messages to be delivered to them. We would develop this list through meetings with the district and some independent research. From this process, we recommend identifying up to 15-20 stakeholders that represent a diverse range of interests for one-on-one interviews. Sigler Communications would conduct these interviews via telephone to assess stakeholder's views on the RWR proposal, their concerns, and key messages to deliver. The information would inform our communications plan and recommended strategies and be recapped in a written report. These interviews yield a wealth of information that not only help bring the Sigler team up to speed but often reveal information and valuable suggestions that can only be uncovered by talking to people who live and work in the affected community.

(Estimated time: 50 hours = \$8,650)

Message Development:

Based on backgrounding and information learned from the interviews we would develop messages that would be directed at each stakeholder group. Additionally, we would take RWR's primary selling points/messages and provide factual counter messaging.

We know in our business that simple is better and less is more effective. Water issues in general are complicated and this situation is extremely complex. Different audiences require varying levels of complexity. We would help define messages that would resonate with those informed about water issues as well as the general lay public. The process would go through several rounds of review and revisions from the District.

(Estimated time: 15 hours = \$2,595)

Communications Planning:

We would develop a communication plan that outlines strategies to reach each stakeholder group and defines the timing of such outreach.

(Estimated time: 30 hours = \$5,190)

Communications Material Development:

After looking at the District's website and searching for information on the issues, a first step would likely be recommending enhancements to the website and creating some basic communications materials that help people understand the water narrative of the San Luis Valley. Following are suggested tools we can write and design to be used for outreach and communications.

Basic presentation that can be updated/modified by audience (10 hours) = \$1,730

Project fact sheet (10 hours) + graphic design = \$3,000

Project FAQ (10 hours) + graphic design = \$3,000

Suggested updated/content for website/update (12 hours) = \$2,074

Two infographics (maps or other visual ways to help communicate information using a graphic) = \$3,000

Implementation Support:

Sigler Communications can assist the District with implementing communications strategies. We could help place stories in newspapers and other media outlets. We could assist in developing a list of groups to present to and proactively contact these groups and book presentations for District staff.

We would also evaluate allies outside the valley who also oppose RWR's proposed plan, including environmental groups like Western Resource Advocates.

We can assist with public information meetings, direct mail, email communications and other methods of communications what will most effectively communicate your messages. Fees would be determined based on the level of support you desire.



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November 14, 2019

**NEWUA
North East Water Users Association**

Southern Colorado Farms of Center, Colorado a large landowner with non-surface water in Sub District 1, supports NEWUA as the organization which is responsible for nominating the representative to Sub District 1 to fill the seat to represent the non-surface water users. I, Vic Smith as the owner of Southern Colorado Farms would like Les Alderete to serve as my representative to fill the position of Non Surface Water Users Representative on Sub-District 1 Board.

**Victor Smith
Southern Colorado Farms**

WI Alamosa County, LLC, a landowner with non-surface water in Sub District 1, supports Les Alderette as their representative for the non-surface seat for Sub District 1 Board of Managers.

**Representative for WI Alamosa County, LLC
By: Ernie Myers**

Gun Barrel Road Alamosa, the largest landowner with non-surface water in Sub District 1, supports Les Alderette as their representative for the non-surface seat for Sub District 1 Board of Managers.

**Representative for Gun Barrel Road Alamosa
By: Ernie Myers**

October 26, 2019

Mr. Cleave Simpson
General Manager for the Rio Grande Water Conservation District
8805 Independence Way
Alamosa CO 81101

Dear Mr. Simpson,

Please accept this letter as my letter of interest for the vacant position on Subdistrict No. 1's Board of Managers.

As a member and landowner in Subdistrict No. 1 and a valley native with a long heritage of farming in the San Luis Valley, I understand the crisis that the depletion of the aquifer has created. Further, I also understand the importance that diverse perspectives play in solving this daunting crisis. Therefore, I would value the opportunity to serve my neighbors and community as a board member for Subdistrict 1.

I am the fourth generation to farm my family's land north of Center. In this location, our farm is reliant on the aquifer as we do not have sufficient surface rights to sustain our crops. As such, I could authentically represent those members of Subdistrict 1 who do not have surface rights. Even more, I have two sons who want nothing more than to grow up and continue our legacy of farming this land. However, in the current trajectory of Subdistrict 1, their hopes and dreams are seriously endangered. Across our country, agriculture is struggling; less than 2% of our population is involved in production agriculture and the average age of a farmer in America is nearing retirement. As such, there is and will increasingly be a demand for young people who want to ensure our continued, safe food supply. These issues concern me, so I have a lot invested in the decisions of this board.

As such, I have attended most of the subdistrict's meetings in the last two years as an observer. I am well versed on what is taking place in our subdistrict and I see many opportunities that are currently being overlooked by the board. Therefore, I ask that you seriously consider me for the vacant position on Subdistrict No. 1's board of managers representing landowners reliant on ground water.

Sincerely,



Dale Bartee

Last Update: July 31, 2018

Grantee and Applicant Information	
Name of Grantee(s)	Terrace Irrigation Company, Inc.
Mailing Address	P.O. Box 109
FEIN	84-0412531
Grantee's Organization Contact ⁽¹⁾	Virginia Christensen
Position/Title	Board Member
Email	Forage1@gojade.org
Phone	719-580-2562
Grant Management Contact ⁽²⁾	<u>Kay Harmon, or Virginia Christensen</u>
Position/Title	Bookkeeper, or Secretary/Treasurer
Email	Kaysbooksr4u@gmail.com
Phone	719-852-5638. Cell (719-850-3237)
Name of Applicant (if different than grantee)	
Mailing Address	
Position/Title	
Email	
Phone	

(1) Person with signatory authority: Kent Reinhardt, President; Virginia Christensen, Secretary/Treasurer
 (2) Person responsible for creating reimbursement invoices (Invoice for Services) and corresponding with CWCB staff: Kay Harmon, Bookkeeper

Description of Grantee
Provide a brief description of the grantee's organization (100 words or less).
<p>Terrace Irrigation Company was incorporated in the 1940's. The company is a 501-C-12 nonprofit irrigation corporation with approximately 24 shareholders and about 9,000 acres of farmland under irrigation. Terrace Irrigation Company, Inc. is the owner of Terrace Reservoir which was built in the early 1900's on the main stem of the Alamosa River. At that time, it was the largest earthen dam in the U.S.</p> <p>Terrace Irrigation Company delivers surface water to the shareholders from two sources: 1.) direct flow from the Alamosa River with various priorities; and 2.) stored winter flows and peak runoff during the irrigation season. This stored water is appropriated to each shareholder according to their number of shares. Each shareholder can call for their water as needed for each individual farming operation.</p>



Last Update: July 31, 2018

Water Activity Overview

Please provide a summary of the proposed water activity (200 words or less). Include a description of the activity and what the WSRF funding will be used for specifically (e.g. studies, permitting, construction). Provide a description of the water supply source to be utilized or the water body affected by the activity. Include details such as acres under irrigation, types of crops irrigated, number of residential and commercial taps, length of ditch improvements, length of pipe installed, area of habitat improvements. If this project addresses multiple purposes or spans multiple basins, please explain. The Applicant shall also provide, in Exhibit A, a detailed Statement of Work, Budget, and Schedule.

This project is a collaborative effort between the Terrace Irrigation Company and the Alamosa-La Jara Water Conservancy District. The Alamosa-La Jara Water Conservancy District states that their primary services provided are to administer funds received for water quality, conservation purposes, and river maintenance and restoration. The Alamosa-La Jara Water Conservancy District covers approximately 14,800 acres; most of which is serviced by the Alamosa River. This area is mostly comprised of alfalfa, barley, oats, and other small grains and forage crops.

The diversions along the Alamosa River are currently manually diverted with head gates that are out of date and deteriorated. The project will replace the head gate on the Main Canal, install automatic controllers on the Main and Creek Canal and place satellite recording devices on 5 of the larger upstream diversion structures. With this project, the Alamosa River will be administered more accurately for the benefit of all stakeholders involved including the Alamosa River Keepers, the Town of Jasper, Expo Inc. and other water users along the river.

The project will upgrade diversion structure controllers, recording devices, and the main canal structure. The Terrace Irrigation Company, Inc., will obtain bids on the project and administer grant funds in cooperation with the Alamosa-La Jara Water Conservancy District.

Measurable Results

To catalog measurable results achieved with WSRF funds please provide any of the following values.

		New Storage Created (acre-feet)
		New Annual Water Supplies Developed or Conserved (acre-feet), Consumptive or Nonconsumptive
		Existing Storage Preserved or Enhanced (acre-feet)
		Length of Stream Restored or Protected (linear feet)
		Efficiency Savings (indicate acre-feet/year OR dollars/year)
		Area of Restored or Preserved Habitat (acres)
		Length of Pipe/Canal Built or Improved
2 automatic head gates, 5 satellite recorders and cement diversion	Other	Explain: Efficiency Savings: installation of head gates, and recorders to improve accuracy of delivery on Alamosa River Diversions



Last Update: July 31, 2018

Matching Requirements: Basin Account Requests	
Terrace Irrigation Company, Inc.	\$30,000.00
Total Match	\$55,000.00
If you requested a Waiver to the Basin Account matching requirements, indicate the percentage you wish waived.	N/A

Matching Requirements: Statewide Account Requests	
<p>Statewide Account grant requests require a 50% match as described in the 2016 WSRF Criteria and Guidelines. A minimum of 10% match shall be from Basin Account funds (cash only). A minimum of 10% match shall be provided by the applicant or 3rd party (cash, in-kind, or combination). The remaining 30% of the required match may be provided from any other source (Basin, applicant, or 3rd party) and shall be accompanied by a letter of commitment. Attach additional sheet if necessary.</p>	
Contributing Entity	Amount and Form of Match (note cash or in-kind):
Alamosa-La Jara Water Conservancy District	\$25,000.00
Terrace Irrigation Company, Inc	\$30,000.00
Rio Grande Basin Roundtable	\$15,000.00
Total Match	\$70,000.00
If you requested a Waiver to the Statewide Account matching, indicate % you wish waived. (Max 50% reduction of requirement).	N/A

Related Studies
Please provide a list of any related studies, including if the water activity is complimentary to or assists in the implementation of other CWCB programs.

