

**RIO GRANDE WATER CONSERVATION DISTRICT  
BOARD OF DIRECTORS SPECIAL MEETING  
December 9, 2019 at 10:30 A.M.  
RIO GRANDE WATER CONSERVATION DISTRICT CONFERENCE ROOM**

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

**Staff and Consultants:** Pete Ampe, Hill & Robbins. P.C. (via telephone); Cleave Simpson,  
General Manager; Cheryl Anderson, Office Manager; Amber Pacheco, Program Manager; Chris  
Ivers, Deputy Program Manager; and April Mondragon, Administrative Assistant.

**Guests:** none

**CALL TO ORDER**

President Greg Higel called the hearing to order at 11:05 a.m. The Pledge of Allegiance was  
recited. There was a quorum present for the meeting.

**APPROVE AGENDA**

President Higel asked for any changes or additions to the agenda. Peggy Godfrey requested an  
addition to the agenda to set a date for the Closed Basin Project work session. A motion was  
made by Cory Off to approve the agenda. The motion was seconded by Peggy Godfrey and  
unanimously approved.

**PUBLIC COMMENT:**

President Higel asked for public comment. There were none.

**REVIEW AND CONSIDER FOR ACTION**

President Higel asked for the review and consider for action items.

- District policy regarding Subdistrict repayment schedule: Cleave Simpson reported how  
Subdistrict formation and other costs have been reimbursed to the District up to this  
point. Mr. Simpson explained he and staff discussed and developed a formal process the  
Subdistricts will follow to repay the Rio Grande Water Conservation District.

A motion was made by Dwight Martin to accept the District Policy regarding the Subdistrict  
repayment schedule. The motion was seconded by Peggy Godfrey and unanimously approved.

- Co-Sponsor with Colorado Cattleman's Association and Wetland Dynamics regarding  
nomination to the State Land Board Stewardship Trust. Cleave Simpson reported being  
asked if the Board of Directors would consider co-sponsoring a parcel of land with  
Colorado Cattleman's Association. Mr. Simpson showed a map of the parcel of land and  
stated the co-sponsorship would give the applicants another voice if the land use were to  
be challenged. Discussion was held on why this one specific parcel of land was  
requested. The consensus of the Board was to request Mr. Simpson to proceed with the  
co-sponsorship conversations and relay the Board's concerns of continued agricultural  
uses of the property.
- Closed Basin Project Work Session. Mr. Simpson stated he would put together an agenda  
for the work session. Peggy Godfrey reported she is seeking discussions on cease  
production of phase four (4) and five (5) of the Closed Basin Project. Ms. Godfrey stated  
she would have her material available for others to review at the work session.  
Discussion on inviting other opinions like the Division Engineer, Rich Roberts from the  
Bureau of Reclamation and other engineers was held. President Higel reported the  
District is not able to shut the Closed Basin Project down and wanted to be sure it was  
understood.

A Work Session was scheduled for January 16, 2020 at 1:00 p.m.

**MANAGERS REPORT**

President Higel asked for the Managers report.

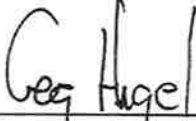
- Potato Humidification Wells. Cleave Simpson asked for the Boards thoughts on potential legislation of making potato cellar humidification wells exempt of from the Groundwater Rules and Regulations. Discussion was held on how the wells are currently classified, what happens to the water and other characteristics of potato ware houses. Mr. Simpson reported there are about 200-300 wells that may be considered.
- Pending Subdistrict Board of Manager Appointments. Cleave Simpson reported receiving two (2) letters of interest to serve on Subdistrict No. 1 Board of Managers. Les Alderedi on behalf of Dick Smith and Dale Barteer submitted letters and will present to the Board of Directors at the January quarterly meeting. The Board of Directors will make the appointment to Subdistrict No. 1 that day as well as consider Leroy Salazar, Warren Crowther and Sam Vance (all reapplied) to Subdistrict No. 3 Board of Managers. Mr. Simpson reported Ron Bowman resigned from Subdistrict No. 4 Board of Managers, therefor are seeking letters of interest to serve on that Board. Mr. Simpson also reported not receiving any letters of interest to fill Jerry Berry's vacancy on Subdistrict No. 4.

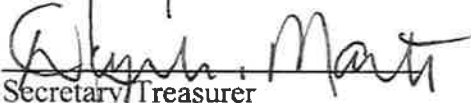
**ADJOURN**

A motion was made by Cory Off to adjourn the meeting. The motion was seconded by Bill McClure and unanimously approved.

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

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

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary Treasurer

**Policy on the Schedule of Subdistrict Payments and Reimbursements to the Rio Grande Water Conservation District**

**District Expense Payments and District Revenue Payments**

**Purpose**

The purpose of this policy is to outline the schedule of payments from operating subdistricts, for both current year and prior year incurred District expenses for the creation and operation of court approved subdistricts of the Rio Grande Water Conservation District.

**Definitions**

1. Reoccurring Costs – Costs incurred and paid by the District on behalf of operations of multiple subdistricts, primarily *Payroll and Administration* costs. Costs are tracked on an internal basis. Payments from subdistrict are just an offset to District expenses incurred in current fiscal year.
2. Building Operating Costs – Costs incurred and paid by the District a portion of which will be reimbursed by subdistricts. See District Policy on the Allocation Method for Rio Grande Water Conservation District Office Building Costs and Operating Expenses. Payments from subdistrict are just an offset to District expenses incurred in current fiscal year.
3. Building Construction Costs - Costs incurred and paid by the District a portion of which will be reimbursed by subdistricts. See District Policy on the Allocation Method for Rio Grande Water Conservation District Office Building Costs and Operating Expenses. These reimbursements are recognized as income to the District in the fiscal year received for expense that occurred in prior fiscal years.
4. Formation Costs – Costs incurred and paid by the District on behalf of each subdistrict from the time of District Court subdistrict approval until the subdistrict has its own revenue source for reimbursement. These reimbursements are recognized as income to the District in the fiscal year received for expense that occurred in prior fiscal years.

## Policy

The following outlines the repayment expectations for each type of District expense, both current year and prior year, for subdistrict formation and operation:

1. Reoccurring subdistrict expenses, – Payroll and Administration costs

1<sup>st</sup> quarterly payment due January 20<sup>th</sup> for prior quarter

2<sup>nd</sup> quarterly payment due April 20<sup>th</sup> for prior quarter

3<sup>rd</sup> quarterly payment due July 20<sup>th</sup> for prior quarter

4<sup>th</sup> quarterly payment due October 20<sup>th</sup> for prior quarter

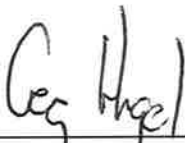
2. Reoccurring subdistrict expenses, - Formation and Building Construction costs:

Annual payment due July 20<sup>th</sup>

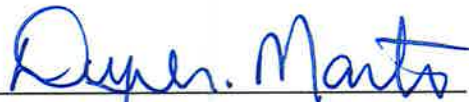
3. Reoccurring subdistrict expenses, - Building Operating costs:

Annual payment due December 20<sup>th</sup>

This policy will be effective as of December 9, 2018 and will remain in effect until changed by a vote of the Board of Directors of the Rio Grande Water Conservation District.



Greg Higel, President



Dwight Martin, Secretary-Treasurer