

**ANNUAL MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #1
OF THE RIO GRANDE WATER CONSERVATION DISTRICT**

March 7, 2023 at 1:30 p.m.

8805 Independence Way, Alamosa CO 81101

And by Zoom Teleconference

Present: Jake Burris, Vice President; Clay Mitchell, Secretary/Treasurer; Sheldon Rockey, BOM; Jamie Hart, BOM; Miguel A. Diaz, BOM; BOM; Tony Holcomb, BOM; Chris Miner, BOM; James Cooley, BOM, Michael Jones, BOM, Brett Hemmerling, BOM, and Mike Kruse, Ex-Officio Member.

Staff and Consultants: Pete Ampe, Hill & Robbins P.C.; Amber Pacheco, Deputy General Manager, Taylor Chick, Program Manager; Linda Ramirez, Program Assistant; Wylie Keller, Water Resource Specialist; Clinton Phillips, Davis Engineering; Kylie Gregg, Office Manager; Rose Vanderpool, Program Assistant; and April Mondragon, Administrative Assistant.

Guests: Brian Rue, Andrea Rue, Manny Hemmerling, Deb Sarason, Roger Sherman, Willie Hoffner, Peggy Godfrey, Mark Beiriger, Steve Keller, Kyle Beiriger, Tuck Slane, Les Alderete,

Meeting Called to Order

Vice President Burris called the meeting to order at 1:30 p.m. The Pledge of Allegiance was recited, a quorum was present. Vice President Burris introduced Taylor Chick as the new Program Manager of Subdistrict No. 1

Approval of the Agenda

Vice President Burris asked for approval of the agenda. A motion was made by Clay Mitchell to approve the agenda as presented. The motion was seconded by Miguel Diaz and unanimously approved.

Election of Officers

Vice President Burris asked for election of officers. Pete Ampe reminded the Board of the vacant position and current officers. He opened the floor for nominations for President including self-nominations. A motion was made by Mike Kruse to nominate Jake Burris as President. The motion was seconded by Michael Jones and unanimously approved.

Mr. Ampe opened the floor for nomination including self-nominations for Vice President. A motion was made by Mike Kruse to nominate Clay Mitchell as Vice President. The motion was seconded by Jake Burris and unanimously approved.

Mr. Ampe opened the floor for nominations including self-nominations for Secretary/Treasurer. A motion was made by James Cooley to nominate Sheldon Rockey as Secretary/Treasurer. The motion was seconded by Miguel Diaz and unanimously approved.

Disclosure of Potential Conflicts of Interest

President Burris asked for disclosure of potential conflicts of interest. Pete Ampe explained the purpose and procedure of the disclosure.

Mike Kruse: wells, Rio Grande Canal, Santa Maria, San Luis Valley Canal, Farmers Union, creek rights and La Garita Creek.

Miguel Diaz: Billings Ditch, Prairie Ditch, Santa Maria, and Rio Grande Canal.

Brett Hemmerling: wells, Rio Grande Canal, Santa Maria, Shockrol Ditch, and King Callan Ditch.

Chris Miner: wells, Rio Grande Canal, Prairie Ditch, and McDonald Ditch.

Jamie Hart: wells, Rio Grande Canal, Santa Maria, McDonald Ditch, and Butler Irrigation Ditch.

Michael Jones: wells, Farmers Union, and San Luis Valley Canal.

Jake Burris: Rio Grande Canal, Santa Maria, Farmers Union, and wells.

Clay Mitchell: Rio Grande Canal, Santa Maria, Farmers Union, San Luis Valley Canal, and Prairie Ditch.

Tony Holcomb: wells, and Rio Grande Canal.

Sheldon Rockey: wells, San Luis Valley Irrigation District, Rio Grande Canal, and Santa Maria.

James Cooley: wells, Farmers Union, San Luis Valley Canal, Prairie Ditch, Rabur and Annie Rabur.

Approval of the Minutes

President Burris asked for approval of the following minutes:

- November 30, 2022-Special Meeting
- December 7, 2022-Quarterly Meeting
- December 21, 2022-Special Meeting
- February 2, 2023-Special Meeting
- February 2, 2023-Executive Session

A motion was made by Jaime Hart to approve the minutes as presented. The motion was seconded by James Cooley and unanimously approved.

Public Comment

President Burris asked for public comment. Willie Hoffner expressed his love of water and love for his wife who is battling cancer. He read what is written on a banner hanging on his door. Mr. Hoffner read from a letter written in 2006 upon the establishment and approval of Subdistrict No. 1. He also read a letter expressing his interest to serve on the Subdistrict No. 1 Board of Managers. Mr. Hoffner questioned credit carry over in the new Plan of Water Management and requested to keep wells shut off while surface water owners proceed with irrigation. President Burris reminded Mr. Hoffner of the Subdistricts task to recover the aquifer.

Program Manager’s Report

President Burris asked for the Program Manager’s report. Taylor Chick introduced himself and provided his background. He reported submitting the Annual Report, beginning to work on the Annual Replacement Plan and provided an update on forbearance agreements.

- *Financial Report*

Taylor Chick presented the financial report including the Balance Sheet. He highlighted the current account balances. Discussion was held on the amount of funds allocated to the Well Purchase Program.

A motion was made by Sheldon Rockey to approve the financials. The motion was seconded by Miguel Diaz and unanimously approved.

Attorney’s Report

President Burris asked for the Attorney’s report. Pete Ampe provided clarification on the new Rules and Regulations not going into effect until the Fourth Amended Plan of Water Management does. He updated the Board on the Texas vs. New Mexico and Colorado litigation settlement agreement. Mr. Ampe reported on the approval by the Board of Directors of a program to allocate funds from SB22-028. Discussion was held on the exclusion of property with recharge decrees. Amber Pacheco explained the intent of the program and highlighted a potential second cycle of the program. Mr. Ampe explained how the Republican River is expending the funds. Discussion was held on the possibility of using funds from SB22-028 to incentivize CREP.

Engineer’s Report

President Burris asked for the Engineer’s report. Clinton Phillips provided an update on the unconfined aquifer storage study. He highlighted the change for February 2022-2023, the current aquifer level, current five (5) year average and the acre feet needed to get to -400,000. Mr. Phillips presented a snapshot of the change in storage and overall graph showing the monthly change.

Discussion with Colorado Open Lands Regarding Groundwater Conservation Easements

President Burris asked for the discussion with Colorado Open Lands regarding groundwater conservation easements. Sally Weir was not in attendance to present.

Action Items

President Burris asked for Action Items.

- *Banking Resolution to add Program Manager and any New Officers*

Taylor Chick presented the Banking Resolution and explained the purpose. A motion was made by Miguel Diaz to approve the Banking Resolution to add Taylor Chick, Program Manager, Amber Pacheco, Deputy General Manager, the President, Jake Burris, the Vice President Clay Mitchell; and the Secretary/Treasurer, Sheldon Rockey as signatories on all bank accounts held by the Subdistrict. The motion was seconded by James Cooley and unanimously approved.

- *Appeals*

Taylor Chick presented the Curtis Farms appeal and reported on staff's recommendation to approve. A motion was made by Jamie Hart to approve the Curtis Farms appeal. The motion was seconded by Clay Mitchell and unanimously approved.

- Participation Contracts

Taylor Chick presented the Mark Beiriger Participation Contract request. Mark Beiriger reported on a letter he received from the Division of Water Resources to cease and desist a well he drilled in 2019. He reported on the submission of past meter readings and provided the variance number for use of the well and one (1) meter.

A motion was made by James Cooley to approve the Beiriger participation contract. The motion was seconded by Sheldon Rockey and unanimously approved.

Taylor Chick presented the Price Farms Participation Contract request on a commercial small cap potato warehouse well. He reported being presented with the application from Dee Greeman and staff recommendation is approval. A motion was made by Jamie Hart to approve the Participation Contract. The motion was seconded by Clay Mitchell and unanimously approved.

- Surface Water Inclusion Agreements (Grand Slam-tabled from previous meeting)

Taylor Chick presented the Grand Slam Surface Water Inclusion Agreement. Discussion was held on the different water sources, amount of acre feet of credit on amount of acreage. Clinton Phillips presented a map and reported on the request to include 194 irrigated acres.

A motion was made by Mike Kruse to have the Subdistrict's engineer consult with the Division of Water Resources to see where the return flows from this irrigation use returns to the Closed Basin confined aquifer and if so what the proximate percentage of water would be. The motion was seconded by Clay Mitchell.

Deb Sarason suggested they perform their own engineering analysis.

The motion was voted on, Brett Hemmerling recused himself, Jake Burris, Clay Mitchell, Michael Jones, Chris Miner voted yes. Sheldon Rockey, Tony Holcomb, Jamie Hart, Miguel Diaz voted no. The motion passed.

A motion was made by Jamie Hart to approve the Manny Hemmerling Inclusion Contract for one year without automatic renewal. The motion was seconded by Chris Miner, Brett Hemmerling recused himself, the motion passed.

Discussion and Possible Action-Steel Building Lease on White Property

President Burris asked for the discussion and possible action on the steel building lease on the White property. Taylor Chick presented the proposed one-year lease and provided the Dickey lease history. Linda Ramirez reported on the request from the Dickey's to change the lease to a three (3) year lease.

A motion was made by Jamie Hart to approve the steel building lease on the White Property with annual renewal. The motion was seconded by Clay Mitchell and unanimously approved.

Discussion and Possible Action-Pasture Lease on Medano Property

President Burris asked for the discussion and possible action on the pasture lease on the Medano property. Taylor Chick highlighted the lease would be with Wayne Brown and not his brother Jerry Brown.

A motion was made by Sheldon Rockey to accept the lease on the Medano property with Wayne Brown. The motion was seconded by Jamie Hart and unanimously approved.

Discussion on Potential New Well Purchase Program Concept

President Burris asked for the discussion on potential new Well Purchase Program concept. Pete Ampe reported on the vote at the last meeting to retain the current parameters. Discussion was held on offering a second program in the event the Subdistrict has excess funds, offering bonuses and possibly incentivizing SB22-028.

Board of Mangers Open Discussion

President Burris asked for Board of Managers Open Discussion. There was none.

New Business

President Burris asked for new business. Taylor Chick updated the Board on the number of CREP and Fallow contracts. He reported on a request made by Southern Colorado Farms to fallow an additional quarter this year in order to finish out their fallow contract.

A motion was made by Jamie Hart to allow the change to the Southern Colorado Farms Fallow contract. The motion was seconded by Sheldon Rockey and unanimously approved.


Next Meeting

A special meeting was scheduled for March 30, 2023 at 1:30 p.m.

The next quarterly meeting is scheduled for June 6, 2023 at 1:30 p.m.

Adjournment

The meeting was adjourned at 3:48 p.m.



President



Secretary/Treasurer



Rio Grande Water Conservation District

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Protecting & Conserving San Luis Valley Water

RESOLUTION

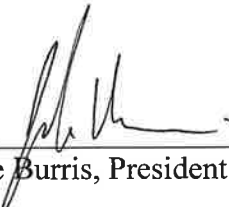
Whereas, the Special Improvement District No. 1 of the Rio Grande Water Conservation District wishes to do banking with local banks in the San Luis Valley, and

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

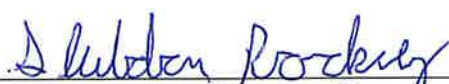
Whereas, the Board of Managers of Special Improvement District No.1 of the Rio Grande Water Conservation District desire to have: Amber Pacheco, Deputy General Manager; Taylor Chick, Program Manager; the President, Jake Burris; the Vice-President, Clay Mitchell; and the Secretary/Treasurer, Sheldon Rockey as signatories on all bank accounts held by the Subdistrict, and

Therefore, be it resolved, that Special Improvement District No. 1 Board of Managers request that banks allow the General Manager, Deputy General Manager, Program Manager, President, Vice-President, and the Secretary/Treasurer to discharge the banking business of the Rio Grande Water Conservation District Special Improvement District No. 1.

Signed on this 7th day of March 2023, at the annual meeting of the Rio Grande Water Conservation District Special Improvement District No. 1.



Jake Burris, President



Sheldon Rockey, Secretary/Treasurer