QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #2
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
August 11, 2026 at 9:00 a.m.
8805 Independence Way, Alamosa, CO 81101
And by Zoom/Teleconference

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

Absent: Michael Schaefer, BOM; and, Greg Higel, Ex-Officio.

Staff and Consultants: Pete Ampe, and Arthur Sayre, Hill & Robbins P.C.; Amber Pacheco, Deputy General Manager; Chris Ivers, Program Manager; Rose Vanderpool, Program Assistant; Wylie Keller, Water Resource Specialist; Clinton Phillips, Davis Engineering; Kylie Gregg, Office Manager; Michael Carson, Database Administrator; and, April Mondragon, Administrative Assistant.

Guests: Ryan Unterreiner, Jessica Valdez, Deb Sarason, Anthony Errias, Brian Rue.

Meeting Called to Order
President Shriver called the meeting to order at 9:01 a.m. A quorum was present. The Pledge of Allegiance was recited.

Approval of the Agenda
President Shriver asked for amendments or a motion to approve the agenda. A motion was made by Eric Hinton to approve the agenda as presented. The motion was seconded by Scot Schaefer and unanimously approved.

Approval of the Minutes
President Shriver asked for approval of the following minutes:

- May 5, 2026-Quarterly Meeting

A motion was made by Mark Deacon to approve the minutes as presented. The motion was seconded by Eric Hinton and unanimously approved.

Public Comment
President Shriver asked for public comment. There was none.

Attorney's Report
President Shriver asked for the Attorney's report. Pete Ampe updated the Board on the Subdistrict No. 1 Plan of Water Management No. 4 trial and the Texas vs New Mexico and Colorado settlement agreement. He also gave an update on the City of Alamosa trial, the SWAG augmentation trial and the trial up in Saguache. Mr. Ampe reported on the change of water rights on the Alpha Hay Farms being worked on by Subdistrict No. 3 and the Trinchera Subdistrict and provided an update on Subdistrict No. 5 augmentation wells.

Engineer's Report
President Shriver asked for the Engineer's report. Clinton Phillips presented the map of the San Luis Valley unconfined aquifer storage study area. He went over the change for July 2026, change between July 2025 and July 2026, the current aquifer level, current five (5) year average level and the acre feet needed to get to the -400,000 level. Mr. Phillips reported on the potential to set a new record low since 1976. He presented a snapshot of the overall study graph and a map of the confined wells being monitored by the District. Mr. Phillips went over the monthly measurements by model layer and reported including the individual hydro graphs in the Board packet.

Program Manager's Report
President Shriver asked for the Program Manager's report.

- *Financial Report*

Chris Ivers presented the costs covered by the District for formation, expenses since formation and the remaining amount due to the District. He presented the Balance Sheet and went over the assets,

liabilities and equity. Mr. Ivers presented the Profit and Loss statement and the fixed asset list. He highlighted the disbursed forbearance checks, earnest money transfer and the long term liabilities.

A motion was made by Eric Hinton to approve the Financial Report as presented. The motion was seconded by Scot Schaefer and unanimously approved.

- *Update on 2026 Annual Replacement Plan and Operations*

Chris Ivers provided an update on the CWCB loan and the installation of a satellite monitoring device on the Transmountain diversion.

Review and Consider Financial Institution Authorization Resolution

President Shriver asked for review and consider financial institution authorization resolution. Chris Ivers reported how the resolution was similar to a previous resolution. He named the signatories and explained how the resolution would make it easier to open investment accounts. Kyle Gregg explained how she would be authorized to get rates/information and limited access.

A motion was made by Scot Schaefer to approve the Financial Institution Authorization Resolution. The motion was seconded by Mark Deacon and unanimously approved.

Review and Consider Revised MOU with Subdistrict No. 6 for Repayment of Rocky Mountain High Development Purchase

President Shriver asked for review and consider revised MOU with Subdistrict No. 6 for repayment of Rocky Mountain High Development purchase. Chris Ivers explained how the repayment to Subdistrict No. 6 should have been included in the CWCB loan application but was missed. He reported Subdistrict No. 6 has agreed to continue to carry the loan for Subdistrict No. 2 in addition to interest of 2.75%. Discussion was held on how the Subdistrict No. 2 loan should have included the amount due to Subdistrict No. 6, but it was missed.

A motion was made by Scot Schaefer to approve the revised MOU with Subdistrict No. 6 and pay interest in the amount of 2.75% for the annual repayment of the Rocky Mountain High Development Purchase. The motion was seconded by Eric Hinton and unanimously approved.

Review and Consider Investment Opportunities

President Shriver asked for review and consider investment opportunities. Chris Ivers presented the updated rate sheet provided by Kylie Gregg for the different institutions. Kylie Gregg reminded the Board of the resolution approved at the last meeting on two (2) out of the four (4) local government pools. She highlighted two (2) other local government pools CSLIP and CSIP. Ms. Gregg explained how they are not FDIC insured and the Board would need to approve another resolution in order to open accounts. Discussion was held on how funds are currently being held.

A motion was made by Mark Deacon to transfer $500,000 from the current checking account into CSAFE and open an interest bearing checking account with the balance, and the CDs would be discussed at a later date. The motion was seconded by Scot Schaefer and unanimously approved.

Review and Consider Revised CWCB Loan Resolution

President Shriver asked for review and consider revised CWCB loan resolution. Chris Ivers presented the revised Resolution. President Shriver explained how a vote to ratify the vote taken over the phone was needed. She further explained how the revised CWCB Loan Resolution would include the loan origination fee which was not included in the original loan/resolution.

A motion was made by Eric Hinton to ratify and approve the revised CWCB Loan Resolution. The motion was seconded by Scot Schaefer and unanimously approved.

Discuss Closed Basin Project Administration Changes and Non-Irrigation Season Depletions

President Shriver asked for a discussion on the Closed Basin Project Administration changes and non-irrigation season depletions. Chris Ivers reported on a condition of approval included in Subdistrict No.'s 1, 2, 3, 5 and 6 2026 ARP approvals. He explained how the condition does not allow the Subdistricts to use the non-irrigation season production of the Closed Basin Project to pay the non-irrigation season depletions. Mr. Ivers described how in the past the Closed Basin Project has not produced enough water in November and December to pay all of the Subdistrict's depletions. He reported how the Division of Water Resources agreed to allow the Subdistricts to use the project water for the depletions in November and December this year under the zero percent curtailment. Mr. Ivers highlighted how the Closed Basin Project production has been short since all of the Subdistricts came on line. He reported on the increased depletions according to Phase 7 of the

Model and the lack of production from the Closed Basin Project to cover January, February and March for all of the Subdistricts. Mr. Ivers described the need to find wet water for the non-irrigation season going forward. Discussion was held on the shortage amount, the amount of water in storage, augmentation wells and other potential solutions.

Review Preliminary 2027 Annual Budget

President Shriver asked for the review of the preliminary 2027 annual budget. Chris Ivers presented the preliminary budget. He reported trying to keep the fees the same as last year. Mr. Ivers went over salaries and benefits, remedy portfolio expenses and the admin fee for active wells, inactive wells, and the groundwater withdrawal fee for sprinkler. He reported how the Upper Rio Grande area fees increased. He suggested holding a special meeting in September to review the preliminary 2027 budget again with more accurate numbers.

Direction to Staff

President Shriver asked for direction to staff. She reported inviting Amber Pacheco to discuss staffing. Amber Pacheco reported how Chris Ivers was now serving as the Program Manager of Subdistricts No. 2-6. She explained how the District is in the process of hiring a Program Coordinator to assist Mr. Ivers with operational duties. Ms. Pacheco described how the District follows the State of Colorado salary structure and how an HR consultant assisted with the Program Coordinator job description.

New Business

President Shriver asked for new business. There was none.

Next Meeting

Budget Special Meeting in September-Date and time TBD
The next quarterly meeting was scheduled for November 3, 2026 at 9:00 a.m.

Adjournment

The meeting was adjourned at 10:36 a.m.

President

Secretary/Treasurer

Rio Grande Water Conservation District
Special Improvement District No.2
8805 Independence Way • Alamosa, Colorado 81101
Phone: (719) 589-6301 • Fax: (719) 992-2026
Protecting & Conserving San Luis Valley Water

Financial Institution Authorization Resolution

WHEREAS, the Rio Grande Water Conservation District (District) was established by the Colorado Legislature as a body corporate and as a public agency for specified purposes pursuant to Section 37-48-101, C.R.S. et seq.; and

WHEREAS, the District has formed Special Improvement District No. 2 ("Subdistrict") pursuant to applicable law and District resolutions, and the Subdistrict is governed by its Board of Managers ("Board"); and

WHEREAS, the efficient administration of Subdistrict financial affairs requires the establishment and maintenance of banking and investment relationships with financial institutions included on the District's Approved List of Financial Institutions, Depositories, Brokers, Dealers, and Advisors, as adopted annually by the District Board of Directors; and

WHEREAS, the Board has convened in accordance with its bylaws and governing procedures and finds it necessary, proper, and in the best interests of the Subdistrict to adopt this Financial Institution Authorization Resolution;

NOW, THEREFORE, be it resolved by the Board of Managers of the Rio Grande Water Conservation District Special Improvement District No. 2 that:

1. The Subdistrict is authorized to open and maintain financial accounts for the purpose of managing funds on behalf of the Subdistrict.

2. The following individuals are hereby authorized to act on behalf of the Subdistrict in all financial matters authorized by this resolution:

Cleave A. Simpson
General Manager, District

Amber Pacheco
Deputy General Manager, District

Karla Shriver
President of Board of Managers

Eric Hinton
Vice-President of Board of Managers

Scot Schaefer
Secretary/Treasurer of Board of Managers

Chris Ivers
Program Manager, District

3. The Board of Managers hereby delegates authority to the authorized individuals listed above to conduct the following financial business for the Subdistrict:
   - Deposits and Withdrawals - making deposits, initiating withdrawals and transferring funds;
   - Check Signing – Signing checks and payment instruments;
   - Electronic Banking – accessing online banking and electronic payment systems;
   - Bank Communications – communicating with financial institutions regarding accounts, transactions and financial instruments; and,
   - Investment Actions – purchasing, renewing, or redeeming CDs or other investment products.

4. Any two of the above authorized signatories are required in order to execute the following:
   - Checks, drafts, ACH authorizations, wire transfers, withdrawals, and any other disbursement of funds;
   - To open, close or modify checking accounts, money market accounts, certificates of deposit, investment accounts, or other banking instruments; and,
   - The execution of or modification of any Board-approved credit or loan documents.

5. Limited Access to information Only. The Board of Managers authorizes the Office Manager to have information-only access to the Subdistrict's accounts. This authorization is limited to:
   - CD Rate Inquiries – Requests for current certificate of deposit renewal rates and terms.
   - Deposit Verifications – Verify deposit amounts and posting dates.
   - Check Status – Confirmation whether checks have cleared.
   - General Account Information – Obtain balances, transaction histories, and other non-transactional information.

   The Office Manager may serve as the administrative point of contact with the financial institution for the purposes of requesting, collecting, organizing, and distributing documentation related to account openings, closings, and signer updates. This role includes initiating paperwork and coordinating required steps but does not include the authority to approve, authorize, or execute financial transactions.

6. The Officers of the Subdistrict Board of Managers are hereby authorized and directed to take any and all actions necessary or advisable to carry out the purposes and intent of this resolution.

This resolution was duly adopted by the Board of Managers of the Rio Grande Water Conservation District Special Improvement District 2 on this 11th day of August, 2026.

Karla Shriver, President

Scot Schaefer, Secretary/Treasurer

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

A resolution authorizing the Rio Grande Water Conservation District Special Improvement District No. 2 ("Subdistrict") to join with other local governments as a Participant in the Colorado Statewide Investment Pool ("CSIP") to pool funds for investment.

RECITALS

WHEREAS, pursuant to the provisions of C.R.S. Section 24-75-601 and 701, et seq., as amended and C.R.S. 24-75-702, et seq. as amended, any local government entity (including cities, towns, school districts, special districts, counties or political subdivisions of the state) is authorized to pool any moneys in its treasury, which are currently surplus funds and not immediately required to be disbursed, with similar moneys from other local government entities, in order for these entities to take advantage of short-term investments and maximize net interest earnings. CSIP is formed as a statutory trust under the laws of the state of Colorado.

WHEREAS, the Rio Grande Water Conservation District ("District") has adopted an Investment Policy that permits the District, including, its special improvement districts to pool moneys in treasury that are not immediately required to be disbursed with the same such moneys in the treasury of any other local government in order to take advantage of short-term investments and maximize net interest earnings consistent with and pursuant to such Investment Policy.

WHEREAS, the District desires to participate in CSIP formed in accordance with the aforesaid statutes, in order to pool its surplus funds with other local government entities.

WHEREAS, the District desires to authorize any of its Subdistricts to become a Participant in CSIP formed in accordance with the aforesaid statutes, in order for the Subdistrict to pool its surplus funds with other local government entities pursuant to a duly authorized resolution of the Board of Managers of that Subdistrict.

WHEREAS, the Subdistrict has passed, by majority vote, the following resolution:

RESOLUTION

NOW THEREFORE, be it resolved by the Board of Managers of the Rio Grande Water Conservation District Special Improvement District No. 2 that:

The Subdistrict has reviewed C.R.S. Section 24-75-601, as amended and C.R.S. Section 24-75-701, et seq., as amended, of the Colorado Revised Statutes and the merits of investing in a trust as permitted by C.R.S. Section 2475-601, as amended and C.R.S. Section 24-75-701, et seq. as amended, including the trust's liquidity, risk diversification, flexibility, convenience and cost compared to the alternative direct purchase of comparable investments and finds it is in the best interest of the local government entity and therefore hereby approves and adopts this Resolution,

along with other local government entities in the trust for the purpose of pooling surplus funds. The terms of the above-mentioned trust indenture shall be incorporated herein by this reference and a copy filed with the minutes of the meeting at which warranties, either expressed or implied, are part of this agreement between CSIP and the Subdistrict unless as set forth in the Indenture of Trust, but that CSIP shall use its best efforts in conjunction with the Subdistrict to accomplish these goals.

The Subdistrict is liable for all checks written on its account, authorized or unauthorized. The Subdistrict should implement proper security procedures to safeguard the checks for each account. CSIP does not guarantee the prevention of fraud or theft from a Subdistrict account.

The Authorized Signatories for the Rio Grande Water Conservation District Special Improvement District No. 2 are those persons who hold the positions of General Manager, Deputy General Manager, Program Manager, President, Vice-President, and Secretary/Treasurer. The current persons holding those positions are those persons listed in the Financial Institution Authorization Resolution attached hereto and incorporated herein whom are the approved staff and Board Officers empowered to invest funds of the Participant or his/her successor in function, are hereby authorized and directed to execute the Indenture of Trust and any other documents necessary to establish an account with CSIP. The Authorized Signatories are hereby designated the "Treasurer" as that term is defined in the Indenture of Trust and are therefore authorized to invest money from the Participants' treasury, from time to time, which are not immediately required to be disbursed, by purchasing shares of CSIP with those available funds and is authorized to redeem, from time to time, part or all of those shares as funds are needed for other purposes.

The Authorized Signatories may be changed from time to time by written notice to CSIP.

Any investment in CSIP must be consistent with and pursuant to the District's Investment Policy.

Any Subdistrict of the District may by separate resolution duly enacted by its Board of Managers become a Participant in CSIP. Any such investments must be consistent with and pursuant to the District's Investment Policy.

Adopted, this 11th day of August A.D. 2026

Karla Shriver, President

ATTEST: _____
Scot Schaefer, Secretary/Treasurer

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

A resolution authorizing the Rio Grande Water Conservation District Special Improvement District No. 2 ("Subdistrict") to join with other local governments as a Participant in the Centennial State Liquid Investment Pool ("CSLIP") to pool funds for investment.

RECITALS

WHEREAS, pursuant to the provisions of C.R.S. Section 24-75-601 and 701, et seq., as amended and C.R.S. 24-75-702, et seq. as amended, any local government entity (including cities, towns, school districts, special districts, counties or political subdivisions of the state) is authorized to pool any moneys in its treasury, which are currently surplus funds and not immediately required to be disbursed, with similar moneys from other local government entities, in order for these entities to take advantage of short-term investments and maximize net interest earnings. CSLIP is formed as a statutory trust under the laws of the state of Colorado.

WHEREAS, the Rio Grande Water Conservation District ("District") has adopted an Investment Policy that permits the District, including, its special improvement districts to pool moneys in treasury that are not immediately required to be disbursed with the same such moneys in the treasury of any other local government in order to take advantage of short-term investments and maximize net interest earnings consistent with and pursuant to such Investment Policy.

WHEREAS, the District desires to participate in CSLIP formed in accordance with the aforesaid statutes, in order to pool its surplus funds with other local government entities.

WHEREAS, the District desires to authorize any of its Subdistricts to become a Participant in CSLIP formed in accordance with the aforesaid statutes, in order for the Subdistrict to pool its surplus funds with other local government entities pursuant to a duly authorized resolution of the Board of Managers of that Subdistrict.

WHEREAS, the Subdistrict has passed, by majority vote, the following resolution:

RESOLUTION

NOW THEREFORE, be it resolved by the Board of Managers of the Rio Grande Water Conservation District Special Improvement District No. 2 that:

The Subdistrict has reviewed C.R.S. Section 24-75-601, as amended and C.R.S. Section 24-75-701, et seq., as amended, of the Colorado Revised Statutes and the merits of investing in a trust as permitted by C.R.S. Section 2475-601, as amended and C.R.S. Section 24-75-701, et seq. as amended, including the trust's liquidity, risk diversification, flexibility, convenience and cost compared to the alternative direct purchase of comparable investments and finds it is in the best interest of the local government entity and therefore hereby approves and adopts this Resolution,

along with other local government entities in the trust for the purpose of pooling surplus funds. The terms of the above-mentioned trust indenture shall be incorporated herein by this reference and a copy filed with the minutes of the meeting at which warranties, either expressed or implied, are part of this agreement between CSLIP and the Subdistrict unless as set forth in the Indenture of Trust, but that CSLIP shall use its best efforts in conjunction with the Subdistrict to accomplish these goals.

The Subdistrict is liable for all checks written on its account, authorized or unauthorized. The Subdistrict should implement proper security procedures to safeguard the checks for each account. CSLIP does not guarantee the prevention of fraud or theft from a Subdistrict account.

The Authorized Signatories for the Rio Grande Water Conservation District Special Improvement District No.2 are those persons who hold the positions of General Manager, Deputy General Manager, Program Manager, President, Vice-President, and Secretary/Treasurer. The current persons holding those positions are those persons listed in the Financial Institution Authorization Resolution attached hereto and incorporated herein whom are the approved staff and Board Officers empowered to invest funds of the Participant or his/her successor in function, are hereby authorized and directed to execute the Indenture of Trust and any other documents necessary to establish an account with CSLIP. The Authorized Signatories are hereby designated the "Treasurer" as that term is defined in the Indenture of Trust and are therefore authorized to invest money from the Participants' treasury, from time to time, which are not immediately required to be disbursed, by purchasing shares of CSLIP with those available funds and is authorized to redeem, from time to time, part or all of those shares as funds are needed for other purposes.

The Authorized Signatories may be changed from time to time by written notice to CSLIP.

Any investment in CSLIP must be consistent with and pursuant to the District's Investment Policy.

Any Subdistrict of the District may by separate resolution duly enacted by its Board of Managers become a Participant in CSLIP. Any such investments must be consistent with and pursuant to the District's Investment Policy.

Adopted, this 11th day of August A.D. 2026

Karla Shriver, President

ATTEST: _____
Scot Schaefer, Secretary/Treasurer

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

(To Affirm the Resolution to Apply for a Loan from the Colorado Water Conservation Board)

RECITALS

WHEREAS, the Rio Grande Water Conservation District was created pursuant to section 37-48-102, C.R.S.; and,

WHEREAS, pursuant to section 37-48-108, C.R.S., the Rio Grande Water Conservation District is authorized to establish special improvement districts; and

WHEREAS, pursuant to the request of certain water users in the Rio Grande Alluvium Response Area and section 37-48-123, the District filed a Petition to establish Special Improvement District No. 2 of the Rio Grande Water Conservation District ("Subdistrict No. 2") in the District Court, Rio Grande and Alamosa Counties, and the District approved said petition on March 1, 2016; and,

WHEREAS, Subdistrict No. 2 as a local government entity is authorized to establish a water enterprise pursuant to Article 45.1 of Title 37 of the Colorado Revised Statutes and Subdistrict No. 2 has established such enterprise; and,

WHEREAS, the Enterprise is authorized to borrow money and incur indebtedness pursuant to section 37-48-105(1)(c), C.R.S.; and,

WHEREAS, the Board of Managers of Subdistrict No. 2 previously directed Enterprise staff and consultants to pursue and apply for a loan from the Colorado Water Conservation Board in the amount of two million two hundred seventy two thousand five hundred dollars ($2,272,500.00); and,

WHEREAS, the Board of Managers, after consultation with Enterprise Staff and consultants determined its current fee structure and revenue is sufficient to meet the repayment terms of such a loan; and,

WHEREAS, Enterprise staff and consultants did apply for such loan and such loan application was approved by the Colorado Water Conservation Board; and,

WHEREAS, the Enterprise will perform and observe all contractual terms, conditions and obligations, and pledge its revenues to assure repayment of the loan; and,

WHEREAS, the Board wishes to memorialize said previous request, application, and approval in a written Resolution.

RESOLUTION

NOW, THEREFORE, be it resolved by the Board of the Enterprise that:

1. The Board has previously authorized Enterprise staff and consultants to request a loan in the amount of two million two hundred seventy two thousand five hundred dollars ($2,272,500.00); and,

2. The Board hereby accepts the terms of said loan as provided by the Colorado Water Conservation Board and authorizes the acceptance of the loan on behalf of the Enterprise.

RESOLVED this 16th day of July, 2026, at the office of the Rio Grande Water Conservation District, 8805 Independence Way, Alamosa, CO.

ATTEST:

Secretary

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

President