

**QUARTERLY MEETING OF THE BOARD OF MANAGERS  
OF SPECIAL IMPROVEMENT DISTRICT #5  
OF THE RIO GRANDE WATER CONSERVATION DISTRICT  
January 15, 2025 at 5:00 p.m.  
Rio Grande Water Conservation District Conference Room  
And by Zoom/Teleconference**

**Present:** David Schmittel, President; George Whitten, Vice-President/Secretary/Treasurer; Dale Gerstberger, Manager; and Kit Caldon, Manager.

**Absent:** Corey Hill, Manager; Doug Gunnels, Ex Officio Member.

**Staff and Consultants:** Pete Ampe, Hill & Robbins, P.C.; Chris Ivers, Program Manager; Quinton Norris, Program Manager; Linda Ramirez, Program Assistant; Clinton Phillips, Davis Engineering; Michael Carson, Database Administrator; and April Mondragon, Administrative Assistant.

**Guests:** William Myers, David Hofmann.

**Meeting Called to Order**

President Schmittel called the meeting to order at 5:00 p.m. A quorum was present for the meeting. The Pledge of Allegiance was recited.

**Approval of the Consent Agenda**

President Schmittel asked for changes, additions or a motion to approve the consent agenda items:

- Agenda
- October 3, 2024-Special Meeting Minutes
- October 16, 2024-Quarterly Meeting Minutes
- October 16, 2024-Executive Session Minutes
- November 18, 2024-Special Meeting Minutes
- November 18, 2024-Executive Session Minutes
- December 11, 2024-Special Meeting Minutes

A motion was made by Kit Caldon to approve the consent agenda as presented. The motion was seconded by George Whitten and unanimously approved.

**Public Comment**

President Schmittel asked for public comment. There was none.

**Attorney's Report**

President Schmittel asked for the attorney's report. Pete Ampe updated the Board on the North Star Farms Purchase and Sale agreement and the Texas vs New Mexico Colorado case. He reported on a purchase made by Subdistrict No. 2 of a trans basin water right. He explained that Subdistrict No. 2 was the first Subdistrict to get a decree all the way through court to allow the use of water for replacement. Mr. Ampe also reported on the trials set to begin in 2026.

**Engineers Report**

President Schmittel asked for the Engineers report. Clinton Phillips presented the Subdistrict No. 5 Saguache Monitoring Well Map. He highlighted the location of the confined and one (1) unconfined monitoring wells by model layer. Mr. Phillips presented the Change Compared to the 2015 Baseline and 2024 Chart. He reported providing the Board with copies of each individual hydrograph. Mr. Phillips described the overall upward trend in Subdistrict No. 5's aquifer since 2020.

**Program Manager's Report**

President Schmittel asked for the Program Manager's report.

- *Review and Consider Financial Report*

Chris Ivers presented the costs and expenses covered by the District since formation. He provided the total remaining balance due to the District and the yearly payment amount. Mr. Ivers presented the Balance Sheet and the Profit and Loss Statement. He went over the balance in the checking account, accounts receivable, assets, net income and highlighted the major expenses.

A motion was made by Kit Caldon to approve the financial report as presented. The motion was seconded by George Whitten and unanimously approved.

- Update on CWCB Loan Application

Chris Ivers reported submitting the application for the new CWCB loan. He presented a revised table and explained the sellers wish to sell the water rights only. Mr. Ivers explained the \$600,000 contingency and reported he would be attending the CWCB Board meeting the last week of January in Denver.

- Update on Current CWCB Loan

Chris Ivers reported receiving the invoice for the augmentation well and requesting the last payment from the current CWCB loan. He explained the annual payment would be based on the close out date which could be in May. Mr. Ivers reported the loan is for thirty (30) years and the first annual payment would be due in 2026 with an interest rate of 1.2 percent.

- Update on Saguache Creek Remedies

Chris Ivers updated the Board on the closing of the Shepherd easement and the notice to proceed sent to Mountain Valley Excavating Services. He stated there would be a preconstruction meeting on Monday. Clinton Phillips explained where some of the delay on the notice to proceed occurred. Mr. Ivers reported he would apply for the well permit once the easement closed. He updated the Board on the affidavit from Justin Trouard on the William Myers stored water exchange to the Subdistrict. Mr. Ivers reported on a conversation held with an individual regarding possible water for sale on the Jeep Scandrett Ditch. He asked the Board if it was something they would like him to pursue. He was directed to have a discussion with the seller regarding dry up and provide him with the amount the Subdistrict is paying for water.

### Review and Consider Surface Water Inclusion Agreement

President Schmittle asked for review and consider Surface Water Inclusion Agreement. Chris Ivers asked the Board to consider the renewal of a Surface Water Inclusion Contract for William Myers. He provided the number of Rio Grande Canal shares being recharged and explained the water is leased by Mr. Myers.

A motion was made by Kit Caldon to approve the Surface Water Inclusion Agreement with William Myers. The motion was seconded by Dale Gerstberger and unanimously approved.

### Review and Consider Purchase and Sale Agreement

President Schmittle asked for review and consider Purchase and Sale Agreement. Chris Ivers presented the Purchase and Sale Agreement (PSA) on four (4) quarters from North Star Farms. He highlighted the purchase price and reported the document would be edited to add a contingency on loan approval and funds being available prior to closing. Mr. Ivers explained that if the seller returns the PSA with changes, it would be brought back to the Board for approval.

A motion was made by Kit Caldon to approve the PSA to be edited as necessary. The motion was seconded by George Whitten and unanimously approved.

### Direction for Staff

President Schmittle asked for direction for staff. Kit Caldon asked how far behind Cooper Drilling was. Chris Ivers reported Mr. Cooper would like to have the job done by the deadline.

### New Business

President Schmittle asked for new business. George Whitten asked for an update on the meeting with Subdistrict No. 4. Chris Ivers highlighted the discussion regarding possibly working with Subdistrict No. 5 on the North Star augmentation project. He reported on the consensus to work together to avoid duplicating efforts. Discussion was held on the potential amount of water Subdistrict No. 4 may owe to Saguache Creek. President Schmittle thanked the Board and Staff for all they do and have accomplished.

### Next Meeting

The annual meeting was changed from April 16, 2025 at 5:00 p.m. to April 9, 2025 at 5:00 p.m.

### Adjournment

The meeting was adjourned at 5:39 p.m.

  
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President

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Vice-President/Secretary/Treasurer