

**BUDGET HEARING OF THE BOARD OF MANAGERS  
OF SPECIAL IMPROVEMENT DISTRICT #1  
OF THE RIO GRANDE WATER CONSERVATION DISTRICT  
August 28, 2019, 6:00 p.m.  
Rio Grande Water Conservation District Conference Room  
Alamosa, Colorado 81101**

**Present:** Brian Brownell, President; Carla Worley, Vice-President; Jake Burris Secretary/Treasurer; Jamie Hart, BOM; Miguel A. Diaz, BOM; Sheldon Rockey, BOM; Clay Mitchell, BOM; Chris Miner, BOM; Tony Holcomb, BOM; Asier Artaechevarria, BOM; and Brian David, Ex-Officio.

**Staff and Consultants:** Pete Ampe, Hill & Robbins P.C.; Cleave Simpson, General Manager; Linda Ramirez, Program Assistant; Amber Pacheco, Program Manager; Clinton Phillips, Davis Engineering; Michael Carson, Database Administrator; and April Mondragon, Administrative Assistant.

**Guests:** Mike Kruse, Lyle Nissen, Erin Nissen, Greg Higel, Willie Myers, Ernie Myers, Craig Miner, Sheena Moran, Les Alderete, Dennis Beiriger, James Beiriger, Deb Sarason, David Hofmann, Dee Greemand, Dale Bartee, Judith Jolly, Peggy Godfrey, Craig Cotton, Amy Kunugi, Wayne Schwab, Lynn McCullough, Lana Anna Archie, Darin Schepp, Mirko Kruse, Keith Holland, Charlie Versaw, Mason Brown.

**Meeting Called to Order**

President Brownell called the meeting to order at 6:04 p.m. A quorum was present. The Pledge of Allegiance was recited.

**Approval of the Agenda**

President Brownell asked for changes or an approval of the agenda. A motion was made by Jamie Hart to approve the agenda as presented. The motion was seconded by Asier Artaechevarria and unanimously approved.

**Budget Hearing**

President Brownell opened up the budget hearing. Pete Ampe provided clarification of the purpose of the hearing.

**Public Comment**

President Brownell asked for public comment. Sheena Moran presented a power point presentation titled "Objection to the 2020 Budget", copy attached. Ms. Moran highlighted a few points from the Subdistrict No. 1 Plan of Water Management. Ms. Moran reported receiving the draft budget two (2) days prior to this budget hearing. Ms. Moran stated they object to the increase of the variable fee and object to the adoption of the budget.

Pete Ampe confirmed written submissions of the objection as well as a request to change the sustainability standard of Subdistrict 1.

Craig Cotton was present and addressed the Board regarding the State Engineers view of changing the sustainability metrics. Mr. Cotton reported talking to Kevin Rein recently and he stated the sustainability metric in place is part of the Subdistrict No. 1 Plan of Water Management which was approved by the State Engineer as well as the Supreme Court, therefore is the law and must be met. Mr. Cotton explained how the process of attempting to get the sustainability process changed, however he and the State Engineer advised against it.

Ernie Myers addressed the Board on behalf of NEWUA (North East Water Users Association). Mr. Myers questioned the Santa Maria and San Luis Valley Irrigation District ending balances and budgeted amounts for 2019. Mr. Myers asked why the administration fees remained the same but the total funds were different. Mr. Myers stated the budget contained many holes and NEWUA objects to the adoption of the budget.

Lynn McCullough commented and encouraged the Board to raise the variable fee to \$150 and stated the Subdistrict should have programs in place to justify raising the fee. Mr. McCullough stated he felt raising the fee was the only option the Subdistrict has in order to reduce pumping which he felt the fee is minimal in comparison to a mandatory shut down of wells.

Mike Kruse voiced his opinion on why Subdistrict No. 1 was formed and said the Plan of Water Management is failing. Mr. Kruse provided the vision of the Plan of Water Management and stated there can be no over pumping and no variable fee income for the next ten (10) years. Mr. Kruse commented on being fair and equitable, the goal of the Plan of Water Management, the CREP program and the budget.

Les Alderete with NEWUA was present and asked for clarification on a few items on the presented budget. Mr. Alderete also stated he agrees with the comments made by Ernie Myers.

Charlie Versaw addressed the Board with concerns regarding Subdistrict No. 1 policies. Mr. Versaw talked about prevent plan, fallow programs and questioned a half circle fallow program. Mr. Versaw also commented on the use of ditch/surface water in the Subdistrict policy as well as recharge ponds.

Clinton Phillips provided an explanation of the presented credit and pumping projections and explained how he determined the estimations. Mr. Phillips highlighted the number of wells which need to be taken out of production as well as the number of acre feet needed to recover the aquifer.

Pete Ampe suggested the Board present, review and discuss the 2020 conservation programs as well as the admin, CREP and variable fees. Board discussion was held on the potential changes to the Subdistrict No. 1 conservation programs and the funding.

President Brownell requested the Board to review the 2021 budget; discussion was held. Sheldon Rockey stated there may be a new well program and explained how it may operate.

Keith Holland voiced his concerns over raising the variable fee and provided the Board with his suggestions.

Sheena Moran addressed the Board and voiced budget concerns. Pete Ampe stated no one has to pay Subdistrict fees if they do not want to. Mr. Ampe stated they could get an augmentation plan.

Mirko Kruse reported the best tool the Subdistrict has to reduce pumping and to reach sustainability is to raise the variable fee.

Mike Kruse commented on the escrowed water being stored in the reservoir.

Ernie Myers stated the most sustainable fee is the CREP fee, not the variable fee.

Mike Kruse addressed the Board and stated local cost share funding meant the mandatory funding and did not mean funding bonuses.

President Brownell asked for any last comments, there were none. The hearing was closed.

#### **Vote on the 2020 Budget**

President Brownell asked for the vote on the half circle fallow program. A motion was made by Clay Mitchell to fund \$120,000 for the half circle fallow program. The motion was seconded by Sheldon Rockey. Jake Burris opposed; motion passed.

A motion was made by Chris Miner to allow 15% of the variable fee income to CREP future payments. The motion was seconded by Jake Burris. Sheldon Rockey and Asier Artachevarria opposed, motion passed.

A motion was made by Jamie Hart to set the 2020 Administration Fee at \$3.25 for the coming year. The motion was seconded by Sheldon Rockey and unanimously approved.

A motion was made by Tony Holcomb to set the 2020 CREP fee at \$1.00. The motion was seconded by Jake Burris. Asier Artachevarria, Sheldon Rockey and Miguel Diaz opposed the motion, the motion was approved.

A motion was made by Carla Worley to approve the 2019 Budget as amended. The motion was seconded by Jake Burris. Asier Artachevarria and Sheldon Rockey were opposed. The motion was approved.


A motion was made by Carla Worley to set the variable fee at \$150 for 2020 pumping to be collected in 2021. The motion was seconded by Jamie Hart. Asier Artachevarria, Sheldon Rockey and Miguel Diaz opposed. The motion was approved.

**Next Meeting**

The next quarterly meeting is scheduled for September 3, 2019 at 2:00 p.m.

**Adjournment**

The meeting was adjourned at 9:45 p.m.

  
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President

  
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Secretary/Treasurer