

**ANNUAL MEETING OF THE BOARD OF MANAGERS  
OF SPECIAL IMPROVEMENT DISTRICT #6  
OF THE RIO GRANDE WATER CONSERVATION DISTRICT  
February 10, 2021 at 1:30 p.m.  
By Zoom/Teleconference**

**Present:** Tyler Faucette, President; Virgil Valdez, Vice-President; Ronald Reinhardt, Secretary/Treasurer; Kenneth Reynolds, Manager; Gerald Faucette, Manager; Rodney Reinhardt, Manager; Ted Heersink, Manager; Robert Middlemist, Manager; Peter Clark, Manager; Mario Curto, Manager; and, Armando Valdez, Ex-Officio Member.

**Staff and Consultants:** Pete Ampe, Hill & Robbins, P.C.; Amber Pacheco, Program Manager; Rose Vanderpool, Program Assistant; Clinton Phillips, Davis Engineering; and Michael Carson, Database Administrator.

**Guests:** Virginia Christensen; Deb Sarason, David Hofmann, Brian Brunelli, Steve Valdez, Wade Henderson.

**Meeting Called to Order**

President Faucette called the meeting order at 1:30 p.m. A quorum was present.

**Approval of Agenda**

President Faucette asked to add item 11 to the agenda to have a discussion regarding sustainability. A motion was made to approve the agenda as amended. The motion was seconded and unanimously approved.

**Approval of the Minutes**

President Faucette asked for changes or a motion to approve the following minutes:

- November 3, 2020-Quarterly Meeting
- November 24, 2020-Special Meeting

A motion was made to approve the minutes as presented. The motion was seconded and unanimously approved.

**Election of Officers**

President Faucette turned the meeting over to Pete Ampe. Pete Ampe opened the floor for nominations for President including self-nominations or a nomination to maintain the current slate of officers for another year. A motion was made to maintain the current officers. The motion was seconded and unanimously approved.

**Attorney's Report**

President Faucette asked for the Attorney's Report. Pete Ampe requested the Board discuss the San Luis Valley Irrigation Well Owners draft contract for 2021. Mr. Ampe provided an update on the Conflict-of-Interest Policy adopted by the Rio Grande Water Conservation District and how the other Board of Managers have responded.

**Program Manager's Report**

President Faucette asked for the Program Manager's Report.

- **Financial Report**

Amber Pacheco presented the Subdistrict No. 6 financial report and highlighted when tax collections would begin. Ms. Pacheco also highlighted the formation costs and the due to Rio Grande Water Conservation District summary. Ms. Pacheco provided an update on Forbearance payments and bonuses. President Faucette requested a split out of the formation costs and current year due to Rio Grande Water Conservation District.

A motion was made to approve the financial report. The motion was seconded and unanimously approved.

**Discussion and Possible Action to Amend the Deadline for Contracting with the Subdistrict to Include Wells in the Annual Replacement Plan (Commercial Non-Exempt Uses)**

President Faucette asked for discussion and possible action to amend the deadline for contracting with the Subdistrict to include wells in the Annual Replacement Plan (Commercial Non-Exempt Use). Amber Pacheco reported on a letter sent out to commercial non-exempt well users from the Division of Water Resources. She provided the Subdistricts current contracting deadline and asked the Board to consider extending the deadline to allow additional wells the opportunity to contract with the Subdistrict.

A motion was made to extend this year's deadline for contracting with the Subdistrict to March 1, 2021. The motion was seconded and unanimously approved.

**Discussion on Paying a Pro-Rata Share of the Subdistrict Fees Billed to the Closed Basin Project Mitigation Wells in Saguache Subdistrict**

President Faucette asked for discussion on paying a pro-rata share of the Subdistrict fees billed to the Closed Basin Project Mitigation wells in Saguache Subdistrict. Amber Pacheco provided the history behind the wells and the purpose of the mitigation wells. Ms. Pacheco reported on the fees that need to be covered and highlighted the calculations of shared amounts among the benefited Subdistricts. Armando Valdez highlighted conversations held at a Closed Basin Project work session last year. Pete Ampe reported on the purpose of the Closed Basin Project in connection with the United States treaty of Mexico.

A motion was made to pay a pro-rata share of fees billed to Russell Lakes for Subdistrict fees for one year contingent on all benefited Subdistrict's participation. The motion was seconded and unanimously approved.

**Discussion and Possible Action on Contracting Additional Engineering Support to Assist in the Review of Additional Replacement Sources**

President Faucette asked for discussion and possible action on contracting additional engineering support to assist in the review of additional replacement sources. President Faucette reported where the idea came from and on the excellent work Clinton Phillips continues to do for the Subdistricts. He highlighted the need for additional engineering support and reported on past experiences with Mike Sayler and Jason Lohrenz. Clinton Phillips agreed to need for the additional engineering support. President Faucette reported it would-be a one-time agreement and any future proposals would need to come to the Board.

A motion was made to pay for additional engineering support. The motion was seconded and unanimously approved.

**Consideration of Resolution to Offer Forbearance Bonuses**

President Faucette asked for consideration of the Resolution to Offer Forbearance bonuses at the same rates as last year. President Faucette reported on the success the Subdistrict had with the bonuses last year. Discussion was held on giving a bonus to those that sign one-year contracts.

A motion was made to approve the Resolution to Offer Forbearance Bonuses. The motion was seconded and unanimously approved.

President Faucette recognized Robert Middlemist as the newest Board of Manager Member of Subdistrict No. 6 representing the Monte Vista Canal. Amber Pacheco announced Tyler Faucette, Gerald Faucette, and Kenneth Reynolds have been reappointed to serve an additional term.

**Update on Upcoming Annual Replacement Plan Needs**

President Faucette asked for an update on upcoming Annual Replacement Plan needs. Amber Pacheco presented a preliminary 2021 response function. She highlighted the predicted depletions, projected pumping numbers, and forbearance agreement scenarios. Ms. Pacheco also provided an outlook on forbearance agreements for 2021 and an update on water in storage. Virgil Valdez suggested making an offer to purchase water from Subdistrict No. 1 being stored in Santa Maria.

A motion was made to offer to purchase 1,000-acre feet of water stored in Santa Maria from Subdistrict No. 1 for \$250 per acre-foot with the contingency the water be released back to the ditches flowing north of the Rio Grande to remain in Subdistrict No. 1. The motion was seconded and unanimously approved.

Ms. Pacheco provided the amount of acre-feet they may be short on the Rio Grande, Conejos and Alamosa. The possibility of securing an agreement with Subdistrict No. 3 to lease 22-acre feet of water they lease from Expo was discussed. Pete Ampe highlighted Trinchera's involvement in the San Luis Valley Irrigation Well Owners contract. Mr. Ampe reported the contract is the same as last year and the San Luis Valley Irrigation Well Owners are wanting to know how much water the Subdistricts would like to request. Ms. Pacheco reported the Subdistrict requested up to 2,000-acre feet last year but received zero. Virginia Christensen commented on conversations held during meetings regarding exchanging water.

A motion was made to enter into a contract with San Luis Valley Irrigation Well Owners to purchase up to 3,000-acre feet of water. The motion was seconded and unanimously approved.

Ms. Pacheco continued with her presentation of the Annual Replacement Plan needs and provided the due date. She reported she was also working on preliminary water reports.

Clinton Phillips gave a presentation on the confined wells. President Faucette highlighted the 2019 and 2020 CON 2 measurements were swapped in Mr. Phillips presentation. Discussion was held on sustainability within the Subdistrict.

**Direction for Staff**

President Faucette reported staff has been given direction to make an offer to Subdistrict No. 1 and to finalize a contract with the San Luis Valley Irrigation Well Owners as well as to continue to work on forbearance agreements. Amber Pacheco informed the Board of a grant called Water Smart and explained its purpose.

**Next Meeting**

A special meeting was scheduled for April 14, 2021, at 8:00 a.m. The next quarterly meeting is scheduled for May 12, 2021 at 1:30 p.m.

**Adjournment**

A motion was made to adjourn the meeting. The motion was seconded and unanimously passed. The meeting was adjourned at 4:35 p.m.

  
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President

  
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Secretary/Treasurer

RESOLUTION OF SPECIAL IMPROVEMENT DISTRICT NO. 6 OF  
THE RIO GRANDE WATER CONSERVATION DISTRICT  
*(Regarding Forbearance Contracts)*

Resolution 2021-1

**R E C I T A L S**

WHEREAS, Special Improvement District No. 6 of the Rio Grande Water Conservation District ("Subdistrict No. 6") was created pursuant to section 37-48-108, C.R.S., and pursuant to section 37-48-101.3(1), C.R.S., is a body corporate under the laws of Colorado; and

WHEREAS, Subdistrict No. 6 was formed for the purpose of designing and implementing a cooperative plan for water management to assure the protection of senior surface water rights and promote the maximum beneficial and sustainable use of water resources; and

WHEREAS, Subdistrict No. 6 wishes to enter into forbearance agreements with ditches whereby the Subdistrict will remedy injury to those ditches caused by groundwater withdrawals from Subdistrict Wells by providing a cash payment rather than introducing water at the top of the affected reach; and

WHEREAS, such forbearance agreements will assist in allowing the Subdistrict to meet its goals of remedying injury to senior surface water rights; and

WHEREAS, Subdistrict No. 6 sees great value and increased efficiencies in working closely with Subdistrict No. 3, and possibly other Subdistricts, on entering into forbearance agreements.

**R E S O L U T I O N**

NOW, THEREFORE, be it resolved by the Board of Managers, as follows:

1. Bonus Payment for ARP Year 2021. Subdistrict 6 will pay a one-time bonus of \$200.00 to any one-year forbearance agreement for ARP Year 2021 with Subdistrict 6. This bonus payment applies to every one-year forbearance agreement for ARP Year 2021 and is in addition to any payments due under a forbearance agreement.
2. Bonus Payment for multi-year forbearance agreement. Subdistrict 6 will pay a bonus of \$300.00 for each multi-year forbearance agreement covering ARP Years 2021, 2022, and 2023 with Subdistricts 6. This bonus payment applies to every three-year forbearance agreement for ARP Year 2021 and is in addition to any payments due under a forbearance agreement. Three equal payments of \$300.00 will be made annually through the term of the three-year forbearance agreement.

RESOLVED this 10th day of February, 2021.

ATTEST:

BOARD OF MANAGERS  
SPECIAL IMPROVEMENT DISTRICT NO. 6 OF  
THE RIO GRANDE WATER CONSERVATION  
DISTRICT

  
Secretary

  
President