

**SPECIAL MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #1
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
March 30, 2023 at 1:30 p.m.
8805 Independence Way, Alamosa CO 81101
And by Zoom/Teleconference**

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

Staff and Consultants: Pete Ampe, Hill & Robbins P.C.; Taylor Chick, Program Manager; Linda Ramirez, Program Assistant; Kylie Gregg, Office Manager; Wylie Keller, Water Resource Specialist; Clinton Phillips, Davis Engineering; Michael Carson, Database Administrator; and April Mondragon, Administrative Assistant.

Guests: Peggy Godfrey, Willie Hoffner, Steve Keller, Deb Sarason, Michelle Lanzoni, Sally Weir, Heather Dutton, Mike Trumble.

Meeting Called to Order

President Burris called the meeting to order at 1:30 p.m. A quorum was present, the Pledge of Allegiance was recited.

Approval of the Agenda

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

Public Comment

President Burris asked for public comment. Willie Hoffner questioned the exclusion of Canero Creek water credits in the Plan of Water Management No. 4. President Burris explained the options available to Mr. Hoffner regarding questions and concerns with the Plan of Water Management No. 4.

Discussion on Reservoir Balances

President Burris asked for discussion on reservoir balances. Taylor Chick presented the reservoir balances from the Division of Water Resources reservoir books. He provided the acre foot amount of stored water in the Rio Grande Reservoir, Continental Reservoir, Santa Maria Reservoir, and the Subdistricts allocation amount from the Closed Basin Project. Clinton Phillips provided the Closed Basin Project yearly groundwater withdrawals. Mike Kruse commented on the injury he feels the Closed Basin Project causes Subdistrict No. 1. He also asked the Board to consider paying winter time depletions by releasing stored water. Discussion was held on the repairs to the Santa Maria Reservoir.

Discussion and Possible Action

President Burris asked for discussion and possible action.

- *MOUs for Subdistricts 2 and 6*

President Burris described an offer from Subdistrict No.'s 2 and 6 to each purchase 1,000-acre feet of water stored in Santa Maria owned by Subdistrict No. 1 for \$250 per acre foot. Discussion was held on storage fees and the reason the Subdistrict's have requested water from the Santa Maria reservoir. Taylor Chick presented the MOU offers from 2021. Angelo Bellah and Amber Pacheco explained why the Subdistricts requested water from the Santa Maria Reservoir. Ms. Pacheco reported both Subdistricts have been working to secure permanent water sources.

A motion was made by Jamie Hart to approve the MOUs for Subdistrict No.'s 2 and 6. The motion was seconded by Sheldon Rockey and unanimously approved.

Jamie Hart highlighted the need to get water out of storage to lower Subdistrict costs.

- *Appeals*

Taylor Chick presented the Sangre de Cristo School appeal. He explained how the water is used, the amount of surface water credits, the amount of the proposed refund and reported staff recommends approval. The Board directed staff to investigate the possibility of the credits being double credited. Staff reported the credits were not being double credited.

- *Participation Contracts*

Taylor Chick presented the proposed Scott Consaul Participation Contract. Staff recommends conditional approval pending court decree. Mr. Chick presented the proposed Tommy Biel Participation Contract. He explained the Subdistrict's inability to cover illegal use on the well and staff recommendation to not approve the Participation Contract. Mr. Chick presented the proposed Keith

Holland Participation Contract. He reported on a cease and desist letter Mr. Holland received from the Division of Water Resources and staff recommendation to approve.

A motion was made by Sheldon Rockey to accept/follow the recommendations presented from staff on the participation contracts. The motion was seconded by James Cooley and unanimously approved.

Clinton Phillips confirmed the credits in question on the Sangre de Cristo School appeal were not being double credited. Taylor Chick presented a letter received by the Subdistrict from James Crews requesting inclusion.

A motion was made by Mike Kruse to approve the inclusion of 40-acre shares of Farmers' Union surface water credit. The motion was seconded by James Cooley and unanimously approved.

A motion was made by Michael Jones to approve the appeal and accept the credits retroactively. The motion was seconded by Sheldon Rockey and unanimously approved.

- *Surface Water Inclusion Agreements*

Taylor Chick presented the renewal/reoccurring Joel and Megan Mickey proposed Surface Water Inclusion Agreement.

A motion was made by Sheldon Rockey to accept the Joel and Megan Mickey Surface Water Inclusion Agreement. The motion was seconded by Clay Mitchell and unanimously approved.

- *Well Purchase Program*

Jake Burris, Tony Holcomb, Mike Kruse and James Cooley recused themselves. Taylor Chick presented the Well Purchase Program offers. He highlighted the ranking, asking price, average diversions, price per acre foot, number of acres, amount of surface water shares (if included), revegetation plan, seller notes and identified the aquifer associated with each well offered. Tony Holcomb requested a discussion on why the Subdistrict was purchasing wells without surface water. Discussion was held on how the program was designed and how to exhaust the budget. Pete Ampe highlighted the language in the Resolution concerning the Board's right to reject offers. Mr. Holcomb disclosed which offer was for his well and explained why he felt the point system was not functioning well.

A motion was made by Sheldon Rockey to pay for the first eight (8) in ranking spending a little over \$5.5 million and leave one (\$1,000,000) million for other programs. The motion was seconded by Michael Jones.

Discussion was held on how to spend the remaining one million (\$1,000,000) and how to structure the Well Purchase Program in the future.

Roll call vote was taken:

Miguel Diaz: YES
Brett Hemmerling: YES
Michael Jones: YES
Clay Mitchell: YES
Sheldon Rockey: YES
Jamie Hart: YES
Chris Miner: YES
Tony Holcomb: ABSTAINED
Mike Kruse: ABSTAINED
Jake Burris: ABSTAINED
James Cooley: ABSTAINED

The motion passed.

Discussion was held on purchasing confined wells vs. unconfined wells and possibly reevaluating the Well Purchase Program criteria.

A motion was made by Miguel Diaz to purchase well number nine (9) for the bid amount. The motion was seconded by Mike Kruse who clarified for the record he was recused while his well was being decided on. Pete Ampe provided justification to the second made by Mr. Kruse.

Roll call vote was taken:

Miguel Diaz: YES
Brett Hemmerling: YES
Michael Jones: YES
James Cooley: YES
Jake Burris: YES
Clay Mitchell: YES
Sheldon Rockey: YES
Jamie Hart: YES
Chris Miner: YES
Tony Holcomb: No

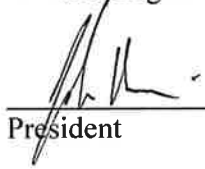
The motion passed with nine (9) yes votes and one (1) no vote.

Next Meeting

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

Adjournment

The meeting was adjourned at 3:25 p.m.



President



Secretary/Treasurer