

**QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #4
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
March 5, 2024 at 9:00 a.m.
8805 Independence Way, Alamosa CO 81101
And by Zoom/Teleconference**

Present: David Frees, President; Pete Stagner, Vice-President/Secretary/Treasurer; Jan Waye, Manager; Jeff Regenold, Manager; Jennifer Rodriguez, Manager; and Peggy Godfrey, Ex-Officio Member.

Staff and Consultants: Pete Ampe, Hill and Robbins, P.C.; Chris Ivers, Program Manager; Amber Pacheco, Deputy General Manager; Rose Vanderpool, Program Assistant; Taylor Chick, Program Manager; Linda Ramirez, Program Assistant; Kylie Gregg, Office Manager; and, April Mondragon, Administrative Assistant.

Guests: David Hofmann, and William Myers.

Meeting Called to Order

President Frees called the meeting to order at 9:01 a.m. There was a quorum present for the meeting.

Oath of Office-Jennifer Rodriguez

President Frees asked for the oath of office. Pete Ampe administered the Oath of Office to Jennifer Rodriguez.

Approval of the Agenda

President Frees asked to add Engineers Report to the agenda. He asked for any other changes, additions or a motion to approve the agenda. A motion was made by Jan Waye to approve the agenda as amended. The motion was seconded by Jeff Regenold and unanimously approved

Approval of the Consent Agenda

President Frees asked for approval of the consent agenda:

- November 29, 2023-Special Meeting Minutes
- December 5, 2023-Annual Meeting Minutes
- December 5, 2023-Executive Session Minutes
- December 20, 2023-Special Meeting Minutes
- December 20, 2023-Executive Session Minutes
- January 23, 2024-Special Meeting Minutes

A motion was made by Jan Waye to approve the minutes as presented. The motion was seconded by Jeff Regenold and unanimously approved.

Public Comment

President Frees asked for public comment. There was none.

Attorney's Report

President Frees asked for the Attorney's report. Pete Ampe updated the Board on the oral arguments set for March 20, 2024 in Washington D.C. on the Texas vs Colorado/New Mexico compact case. He reported various representatives from the District would be there. Mr. Ampe stated the archeologist was under contract and moving forward. Jan Waye asked for an update on the discussions with the Saguache County Commissioners. Mr. Ampe reported there was none that he was aware of. President Frees highlighted the purpose of the meeting with the County Commissioners.

Program Manager's Report

President Frees asked for the Program Manager's report.

- **Financial Report**

Chris Ivers presented the Subdistrict No. 4 costs covered by the District for formation. He highlighted the amount reimbursed and the total amount remaining. Mr. Ivers reported on the expenses since formation covered by the District and gave a summary of the total expenses paid by the District. He presented the Balance Sheet and the Profit and Loss Statement. Mr. Ivers highlighted the assets/total assets, liabilities, equity and net income. He provided the total loan amount and the amount drawn so far as well as the remaining loan funds available.

A motion was made by Jeff Regenold to approve the financial report as presented. The motion was seconded by Jan Waye and unanimously approved.

- Surveys

Chris Ivers reported Dee Espinoza was scheduled to begin the requested archaeological survey tomorrow and he would meet with Bob to discuss the plan. He explained it could take three (3) days of surveying. President Frees provided an update on a potential delay with the carbon 14 samples on bison bone.

- Preliminary Water Report

Chris Ivers reported submitting the preliminary Water Report to the Division of Water Resources. He highlighted the stream flow forecasts and actual stream flows on Saguache Creek, North Crestone Creek, San Luis Creek and Crestone Creek. Mr. Ivers provided the projected and actual preliminary acre feet of groundwater withdrawals, the amount of depletions and the Well Injury Payment (WIP) agreements for Annual Replacement Plan (ARP) year. Mr. Ivers updated the Board on a Contract behind on payments to the Subdistrict. He provided the original invoiced amount and reported two (2) payments had been made. Mr. Ivers provided the outstanding balance and a request made by the owner to allow an extension to July 1st. Jeff Regenold highlighted the need to get paid and setting a hard deadline. President Frees reported on the progress made by the owner and his plan going forward. Jan Waye suggested the matter be reviewed at each meeting. Pete Stagner highlighted the need for a hard deadline. Jennifer Rodriguez asked how far behind the account was. Pete Ampe highlighted the miscommunication with the County which led to the fees not on the tax roll and the need for a hard deadline.

President Frees stepped out of the Chair and made a motion to direct Pete Ampe to draft a letter and advise the property owner of a deadline of July 1st to receive the outstanding balance of \$25,830, failure to receive payment by that date would result in not being covered in the ARP. The motion was seconded by Jennifer Rodriguez and unanimously approved.

Chris Ivers reported the property owner stated he could pay the balance in full in April, he suggested July. Mr. Ivers highlighted a few other outstanding accounts. He updated the Board on a CREP field visit and described how the fields have changed over time. Mr. Ivers explained some of the farmers main concerns, how planting was done and described some of the tools available to Subdistrict No. 4. Peggy Godfrey commented on some of the issues with CREP in Subdistrict No. 1. Discussion was held on the County Commissioners and the 1041 issue and another conversation with the commissioners regarding solar energy production.

Discuss Participation Contract

President Frees asked for a discussion on a Participation Contract. Pete Ampe reported on a request for a participation contract that was submitted late. He advised the Board of the process should they choose to accept it and reminded the Board of the reasons they rejected the request several years ago. He also explained the former owners had the opportunity to join the Subdistrict during formation but chose not to. Discussion was held on the effects to the creeks and especially sustainability in light of the recent cost of the Peachwood Farm purchase, and the applicant's ability to seek their own augmentation plan. Jan Waye suggested the Subdistrict submit a written response. Peggy Godfrey announced her resignation from the Subdistrict as of December and reported she would like to donate her irrigation right to the Subdistrict should they choose to use it.

A motion was made by Jeff Regenold to reject the RWR proposal and direct Pete Ampe to draft a letter. The motion was seconded by Pete Stagner and unanimously approved.

Engineer's Report

President Frees asked for the Engineer's report. Clinton Phillips presented the map of monitoring wells being measured monthly by the District. He provided the change compared to the 2015 baseline and 2022 well measurements preliminary data. Mr. Phillips highlighted the individual well data and explained the chance for the composite water head to go down this year. He also reported pumping would be close to the five (5) year average. Peggy Godfrey commented on the wells effect on streams and her continued non approval of the Closed Basin Project. President Frees highlighted the current sustainability requirements.

Discussion and Action on 2023 Property Taxes

President Frees asked for a discussion and action on 2023 property taxes. Chris Ivers presented the 2023 property taxes on the Peachwood property. He provided the total, reported being exempt and needing official authorization to pay. Pete Ampe explained the payment would be in lieu of taxes in order to support local districts. Peggy Godfrey requested Mr. Ivers draft a letter to the County to

inform them of the Subdistricts decision to continue to pay taxes when property is purchased. Discussion was held on making a voluntary payment to Saguache County in lieu of taxes and making it considerable every year. Staff was directed to add it to the agenda for consideration each year.

A motion was made by Jennifer Rodriguez to make a voluntary payment in the amount of \$22,402.40 to Saguache County in lieu of taxes for this year. The motion was seconded by Jeff Regenold and unanimously approved.

Discussion 2024 Outlook and Replacements

President Frees asked for a discussion on 2024 outlook and replacements. Chris Ivers asked the Board for their opinion and outlook of the streamflow off Kerber Creek this year. President Frees highlighted the snowpack and his prediction of an average year. Mr. Ivers reported on Well Injury Payment (WIP) agreement renewals. He asked the Board if they had interest in proposing longer term agreements. President Frees highlighted the need for an increased incentive in order to secure longer term contracts. Mr. Ivers provided the current WIP schedules and highlighted the possibility to receive continued participation and longer-term contracts if a higher bonus payment was offered. Discussion was held on the expense, the security that goes along with WIP contracts and the ability to remedy depletions.

A motion was made by Pete Stagner to set the WIPs at \$100 for a one (1) year contract, \$400 for three years, and \$600 for a five (5) year agreement. The motion was seconded by Jennifer Rodriguez and unanimously approved.

Discussion Regarding Future Response Function Changes

President Frees asked for a discussion regarding future response function changes. Chris Ivers updated the Board on meetings with the PRT to review phase seven (7) of the model. He presented a preliminary impact summary from version 7P80 San Luis Creek Response zone and reported Subdistrict No. 4 may owe depletions to Saguache Creek. Clinton Phillips reported on the amount of contentions and work ahead of the PRT. Pete Ampe described what it means to owe remedies to Saguache Creek and explained WIP agreements to Jennifer Rodriguez.

New Business

President Frees asked for new business. Chris Ivers highlighted the direction he was given at the last meeting to remove fence. He reported on the need to get approval from the District Board. President Frees asked the Farm Committee to work on getting measurements of the fences.

Next Meeting

President Frees asked for next meeting. The next quarterly meeting is scheduled for June 4, 2024 at 9:00 a.m.

Adjournment

A motion was made by Pete Stagner to adjourn the meeting. The motion was seconded by Jan Waye and unanimously approved.

The meeting was adjourned at 11:02 a.m.



President



Vice-President/Secretary/Treasurer

