

**QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #6
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
November 2, 2022, at 9:00 a.m.
RIO GRANDE WATER CONSERVATION DISTRICT CONFERENCE ROOM
AND BY ZOOM/TELECONFERENCE**

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

Absent: Ted Heersink, Manager; and Robert Middlemist, Manager.

Staff and Consultants: Pete Ampe, Hill & Robbins, P.C.; Amber Pacheco, Program Manager; Rose Vanderpool, Program Assistant; Linda Ramirez, Program Assistant; Michael Carson, Database Administrator; Clinton Phillips, Davis Engineering; Wylie Keller, Water Resource Specialist; and, April Mondragon, Administrative Assistant.

Guests: Deb Sarason, Steve Keller, Chris Schaffer, Michelle Lanzoni, Angelo Bellah, and Virginia Christensen.

Meeting Called to Order

President Faucette called the meeting to order at 9:00 a.m. A quorum was present. The Pledge of Allegiance was recited.

Approval of Agenda

President Faucette asked for changes, amendments or a motion to approve the agenda. A motion was made to approve the agenda as presented. The motion was seconded and unanimously approved.

Approval of the Minutes

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

- August 2, 2022-Quarterly Meeting
- August 2, 2022-Executive Session Minutes

Peter Clark reported not being present at the August 2, 2022 meeting and requested his name be removed from the minutes and executive session minutes. A motion was made to approve the August 2, 2022 quarterly meeting and executive session minutes as amended. The motion was seconded and unanimously approved.

- October 6, 2022-Special Meeting

A motion was made to approve the October 6, 2022 special meeting minutes as presented. The motion was seconded and unanimously approved.

Public Comment

President Faucette asked for public comment. There was none.

Attorney's Report

President Faucette asked for the Attorney's report. Pete Ampe updated the Board on the Texas vs. New Mexico litigation and reported it should be wrapped up by the end of the year. He also provided an update on SB22-028. Mr. Ampe reported the District Board of Directors were in the process of developing the application criteria and guidelines. He highlighted no final decisions had been made or money assigned. Mr. Ampe explained the purpose and use of the funds as well as when the funds would need to be obligated by.

Program Manager Update

President Faucette asked for the Program Manager update.

- Financial Report

Amber Pacheco presented the Financial Report as of October 31, 2022. She highlighted the formation costs, reimbursements to the and the remaining balance due to the Rio Grande Water Conservation District. Ms. Pacheco presented the Balance Sheet, Profit and Loss Statement and reported paid forbearance bonuses.

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

- Update on 2022 ARP Replacement Operations

Amber Pacheco reported on the end of the irrigation season and using Closed Basin Project water for depletions on the Conejos River and the Rio Grande River for winter. She provided the total acre-feet of

forbearance on the Alamosa River, Rio Gande and the Conejos River as well as the total cost. Ms. Pacheco reported on the water releases and the reservoir storage balances. President Faucette provided an update on the Monte Vista ATM and augmentation well projects.

Discussion and Possible Action 2023 Forbearance Resolution

President Faucette asked for discussion and possible action on the 2023 forbearance resolution. He reported being in favor of offering longer-term forbearance agreements. Amber Pacheco reminded the Board of the current year's resolution terms and bonuses. She highlighted conversations held at a Subdistrict No. 3 meeting on extending forbearance agreements for up to ten (10) years with an increased bonus payment. Discussion was held on the pros and cons of longer-term forbearance agreements. Board consensus and direction to staff was to: put together a forbearance agreement ten (10) years in length with a one-thousand-dollar (\$1,000) per year bonus payment; the per acre-foot forbearance rate would be negotiated; no automatic accelerant; it would include automatic renewal unless either party gives three (3) year notice; and, the Subdistrict retains the option/ability to release wet water or use the forbearance.

Discussion and Possible Action on an Inclusion Agreement-Wayne and Sandra Cody

President Faucette asked for discussion and possible action on an Inclusion Agreement-Wayne and Sandra Cody. Amber Pacheco reported Wayne and Sandra Cody were in the process of a change of water right case. She explained how the change would affect their operation if it were approved. Ms. Pacheco provided the suggested conditions and her recommendation.

A motion was made to accept the Wayne and Sandra Cody Inclusion Agreement with the conditions written into the agreement. The motion was seconded and unanimously approved.

Discussion Regarding Potential Projects for SB22-028 Funds for Aquifer Conservation

President Faucette asked for discussion regarding potential projects for SB22-028 funds for aquifer conservation. President Faucette explained how the funds are to be used and asked for discussion on how the Subdistrict could utilize the funds. Armando Valdez reported the District Board of Directors would be meeting to discuss the criteria of how to screen projects that apply. Pete Ampe reported on the approval process and how the projects would be evaluated. Amber Pacheco explained groundwater conservation easements would be a way to leverage funds. Discussion was held on tax credits and other benefits of conservation easements. Ms. Pacheco provided an update on the Subdistrict No. 3 CWCB loan.

Direction for Staff

President Faucette asked for direction for staff. He asked the Board how they wanted to proceed with the project on the Monte Vista Canal. President Faucette suggested the Subdistrict follow through with the SWSP as long as the costs do not exceed the cost benefit analysis. He highlighted the deficiencies, issues and challenges outlined in the letter received from the Division of Water Resources. President Faucette directed staff to seek credit for the water filed for in the SWSP in 2022 and not seek any leases/fallow contracts for 2023. Amber Pacheco reported on possible interested participants. Staff was also directed to continue to explore possible purchase opportunities. Clinton Phillips provided an update on the confined aquifer, unconfined aquifer and the change for October 2022.

Next Meeting

The annual meeting was scheduled for February 9, 2023, 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 11:03 a.m.



President



Secretary/Treasurer