SPECIAL MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #1
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
July 30, 2026 at 12:00 p.m.
8805 Independence Way, Alamosa, CO 81101
And by Zoom Teleconference

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

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

Guests: William Myers, Andrew Jones, Brian Rue, Andrea Rue, David Hofmann.

Meeting Called to Order

President Burris called the meeting to order at 12:00 p.m. A quorum was present. The Pledge of Allegiance was recited. President Burris commended Pete Ampe, Matt Montgomery, Mason Brown and the Attorney General's Office for their exceptional work during the Plan of Water Management No. 4 trial.

Approval of the Agenda

President Burris asked for any changes, additions or approval of the agenda. The agenda was amended to add review and possible approval of resolutions to allow for CSLIP and CSIP as investment options. A motion was made by Jamie Hart to approve the agenda as amended. The motion was seconded by Miguel Diaz and unanimously approved.

Public Comment

President Burris asked for public comment. There was none.

Discussion and Possible Action Items

President Burris asked for discussion and possible action items:

- *Review and possible approval of Resolutions to participate in Local Government Investment Pools-CSLIP and CSIP*

Quinton Norris presented the resolutions. He described how the investment options act as another tool that would be available to the Subdistrict. Kylie Gregg reported how the local government pools are not FDIC insured or PDPA protected. She commented on the conservative techniques of the investment pools.

A motion was made by Jamie Hart to approve the Resolutions. The motion was seconded by Brett Hemmerling and unanimously approved.

- *Draft 2027 Budget review and approval*

Quinton Norris highlighted on the proposed CREP fee of $12.00, Admin Fee of $5.00, and Variable Fee of $150.00. He reported on the 2027 CREP contracts and the incentives that go along with them. Kylie Gregg explained how legal and engineering were the main factor behind the Admin Fee increase.

A motion was made by Miguel Diaz to approve the draft 2027 Budget. The motion was seconded by James Cooley and unanimously approved.

- *(CD) Maturity-direction on reinvestment*

Quinton Norris presented the Board with four (4) options and staff recommendation on the investment of maturing certificate of deposit (CD) and cash management strategies. President Burris announced he would abstain from voting on the matter. Mr. Norris highlighted the options most feasible for the immediate needs of the Subdistrict and how to capitalize on current interest rates. He reported how the current operating checking account was not interest bearing and asked the Board to consider switching to an account that would earn interest. Mr. Norris went over some of the monthly transactions that take place in that account. President Burris reported how Alamosa State Bank would be a good contender and remain competitive. Mr. Norris went over staff's recommendation referred to as Option 1-Hybrid Strategy. He explained how it would be broken up between different periods. Mr. Norris reported the Subdistrict would be pulling some funds out of the CD to cover some funds and expenses and how a short term three (3) month CD would be beneficial. He presented a list of institutions, terms, interest rates and provided the dollar amounts to be invested. Mr. Norris commented on how Option 1 would allow for about 2/3 of the funds to be invested in local banks and a portion in the local government investment pool. He went over the financial institutions with the most competitive three (3) month CD options. President Burris commented on a way to avoid the hassle of opening new accounts would be if Alamosa State Bank agreed to match the competition. Miguel Diaz asked if Alamosa State Bank would consider matching the top rates. Kylie Gregg reported that Alamosa State Bank had expressed concerns regarding the significant amount of Subdistrict funds currently on deposit with the bank across all Subdistrict accounts. President Burris suggested that the list be presented to Alamosa State Bank to provide the bank an opportunity to outline its services and any incentives it may offer to the District. Michael Jones asked how specific the motion needed to be, as staff has discretion. President Burris asked that the motion provide guidance on what option to pursue. Miguel Diaz asked that the motion not tie the Subdistrict to a certain bank but allow for staff to make the best choice.

A motion was made by James Cooley to pursue Option 1 and try to use Alamosa State Bank if they will hold to the same interest rates as the other banks. The motion was seconded by Michael Jones. President Burris recused. The motion passed.

- *Surface water inclusion renewal request*

Quinton Norris presented the Manny H. Hemmerling Surface Water Inclusion Agreement. He reported the request was the same as the one submitted and approved last year, with no changes.

A motion was made by Miguel Diaz to approve the Hemmerling inclusion renewal request. The motion was seconded by Jamie Hart. Brett Hemmerling recused. The motion passed.

- *Appeal*

Quinton Norris presented the Anderson Farms appeal request and staff recommendation. He explained how the well is a Subdistrict No. 1 well associated with lands assessed by Subdistrict No. 5. Mr. Norris reported the owner has requested the Subdistrict assess the Admin and CREP rate differently. He also reported on the amount of reimbursement being requested.

A motion was made by Miguel Diaz to approve the appeal and reimbursement as staff recommended and set Admin and CREP fee at flat $500. The motion was seconded by Brett Hemmerling and unanimously approved.

Mr. Norris presented the Martinez Farms Appeal requesting the allowance of surface water credit. He explained how the manager of the farm was hospitalized in February and missed the June 1st deadline.

A motion was made by Brett Hemmerling to approve the Martinez Farms appeal and approve inclusion of the surface water credit lease. The motion was seconded by James Cooley. Miguel Diaz recused. The motion passed.

Executive Session to Receive Legal Advice Concerning Potential Purchase of Real Property, and to Receive Legal Advice Thereto

President Burris asked for a motion to enter into executive session to receive legal advice concerning potential purchase of real property and to receive legal advice thereto. A motion was made by Michael Jones at 12:39 p.m. to enter into executive session. The motion was seconded by Miguel Diaz and unanimously approved.

Mr. Ampe stated the Board was entering into executive session pursuant to section 24-6-402 (4)(a) to receive legal advice regarding pending litigation. The Board would take no formal action or position during the executive session.

Possible Action from Executive Session

President Burris asked for possible action from executive session. There was none.

Board of Manager Open Discussion

President Burris asked for Board of Manager open discussion. There was none.

New Business
President Burris asked for new business. There was none.

Next Meeting
The next quarterly meeting is scheduled for September 1, 2026 at 1:30 p.m.

Adjournment
The meeting was adjourned at 12:55 p.m.

President

Secretary/Treasurer

Rio Grande Water Conservation District
Special Improvement District No.1
8805 Independence Way • Alamosa, Colorado 81101
Phone: (719) 589-6301 • Fax: (719) 992-2026
Protecting & Conserving San Luis Valley Water

Financial Institution Authorization Resolution

WHEREAS, the Rio Grande Water Conservation District (District) was established by the Colorado Legislature as a body corporate and as a public agency for specified purposes pursuant to Section 37-48-101, C.R.S. et seq.; and

WHEREAS, the District has formed Special Improvement District No. 1 ("Subdistrict") pursuant to applicable law and District resolutions, and the Subdistrict is governed by its Board of Managers ("Board"); and

WHEREAS, the efficient administration of Subdistrict financial affairs requires the establishment and maintenance of banking and investment relationships with financial institutions included on the District's Approved List of Financial Institutions, Depositories, Brokers, Dealers, and Advisors, as adopted annually by the District Board of Directors; and

WHEREAS, the Board has convened in accordance with its bylaws and governing procedures and finds it necessary, proper, and in the best interests of the Subdistrict to adopt this Financial Institution Authorization Resolution;

NOW, THEREFORE, be it resolved by the Board of Managers of the Rio Grande Water Conservation District Special Improvement District No. 1 that:

1. The Subdistrict is authorized to open and maintain financial accounts for the purpose of managing funds on behalf of the Subdistrict.

2. The following individuals are hereby authorized to act on behalf of the Subdistrict in all financial matters authorized by this resolution:

Cleave A. Simpson
General Manager, District

Amber Pacheco
Deputy General Manager, District

Jake Burris
President of Board of Managers

Clay Mitchell
Vice-President of Board of Managers

Michael Jones
Secretary/Treasurer of Board of Managers

Quinton Norris
Program Manager, District

3. The Board of Managers hereby delegates authority to the authorized individuals listed above to conduct the following financial business for the Subdistrict:
   - Deposits and Withdrawals - making deposits, initiating withdrawals and transferring funds;
   - Check Signing – Signing checks and payment instruments;
   - Electronic Banking – accessing online banking and electronic payment systems;
   - Bank Communications – communicating with financial institutions regarding accounts, transactions and financial instruments; and,
   - Investment Actions – purchasing, renewing, or redeeming CDs or other investment products.

4. Any two of the above authorized signatories are required in order to execute the following:
   - Checks, drafts, ACH authorizations, wire transfers, withdrawals, and any other disbursement of funds;
   - To open, close or modify checking accounts, money market accounts, certificates of deposit, investment accounts, or other banking instruments; and,
   - The execution of or modification of any Board-approved credit or loan documents.

5. Limited Access to information Only. The Board of Managers authorizes the Office Manager to have information-only access to the Subdistrict's accounts. This authorization is limited to:
   - CD Rate Inquiries – Requests for current certificate of deposit renewal rates and terms.
   - Deposit Verifications – Verify deposit amounts and posting dates.
   - Check Status – Confirmation whether checks have cleared.
   - General Account Information – Obtain balances, transaction histories, and other non-transactional information.

   The Office Manager may serve as the administrative point of contact with the financial institution for the purposes of requesting, collecting, organizing, and distributing documentation related to account openings, closings, and signer updates. This role includes initiating paperwork and coordinating required steps but does not include the authority to approve, authorize, or execute financial transactions.

6. The Officers of the Subdistrict Board of Managers are hereby authorized and directed to take any and all actions necessary or advisable to carry out the purposes and intent of this resolution.

This resolution was duly adopted by the Board of Managers of the Rio Grande Water Conservation District Special Improvement District No. 1 on this 30th day of July, 2026.

Jake Burris, President

Michael Jones, Secretary/Treasurer

RESOLUTION OF THE BOARD OF MANAGERS OF THE RIO GRANDE WATER CONSERVATION DISTRICT SPECIAL IMPROVEMENT DISTRICT NO. 1

A resolution authorizing the Rio Grande Water Conservation District Special Improvement District No. 1 ("Subdistrict") to join with other local governments as a Participant in the Colorado Statewide Investment Pool ("CSIP") to pool funds for investment.

RECITALS

WHEREAS, pursuant to the provisions of C.R.S. Section 24-75-601 and 701, et seq., as amended and C.R.S. 24-75-702, et seq. as amended, any local government entity (including cities, towns, school districts, special districts, counties or political subdivisions of the state) is authorized to pool any moneys in its treasury, which are currently surplus funds and not immediately required to be disbursed, with similar moneys from other local government entities, in order for these entities to take advantage of short-term investments and maximize net interest earnings. CSIP is formed as a statutory trust under the laws of the state of Colorado.

WHEREAS, the Rio Grande Water Conservation District ("District") has adopted an Investment Policy that permits the District, including, its special improvement districts, to pool moneys in treasury that are not immediately required to be disbursed with the same such moneys in the treasury of any other local government in order to take advantage of short-term investments and maximize net interest earnings consistent with and pursuant to such Investment Policy.

WHEREAS, the District desires to participate in CSIP formed in accordance with the aforesaid statutes, in order to pool its surplus funds with other local government entities.

WHEREAS, the District desires to authorize any of its Subdistricts to become a Participant in CSIP formed in accordance with the aforesaid statutes, in order for the Subdistrict to pool its surplus funds with other local government entities pursuant to a duly authorized resolution of the Board of Managers of that Subdistrict.

WHEREAS, the Subdistrict has passed, by majority vote the following resolution:

RESOLUTION

NOW THEREFORE, be it resolved by the Board of Managers of the Rio Grande Water Conservation District Special Improvement District No. 1 that:

The Subdistrict has reviewed C.R.S. Section 24-75-601, as amended and C.R.S. Section 24-75-701, et seq., as amended, of the Colorado Revised Statutes and the merits of investing in a trust as permitted by C.R.S. Section 2475-601, as amended and C.R.S. Section 24-75-701, et seq. as amended, including the trust's liquidity, risk diversification, flexibility, convenience and cost compared to the alternative direct purchase of comparable investments and finds it is in the best interest of the local government entity and therefore hereby approves and adopts this Resolution, along with other local government entities in the trust for the purpose of pooling surplus funds. The terms of the above-mentioned trust indenture shall be incorporated herein by this reference and a copy filed with the minutes of the meeting at which warranties, either expressed or implied, are part of this agreement between CSIP and the Subdistrict unless as set forth in the Indenture of Trust, but that CSIP shall use its best efforts in conjunction with the Subdistrict to accomplish these goals.

The Subdistrict is liable for all checks written on its account, authorized or unauthorized. The Subdistrict should implement proper security procedures to safeguard the checks for each account. CSIP does not guarantee the prevention of fraud or theft from a Subdistrict account.

The Authorized Signatories for the Rio Grande Water Conservation District Special Improvement District No. 1 are those persons who hold the positions of General Manager, Deputy General Manager, Program Manager, President, Vice-President, and Secretary/Treasurer. The current persons holding those positions are those persons listed in the Financial Institution Authorization Resolution attached hereto and incorporated herein whom are the approved staff and Board Officers empowered to invest funds of the Participant or his/her successor in function, are hereby authorized and directed to execute the Indenture of Trust and any other documents necessary to establish an account with CSIP. The Authorized Signatories are hereby designated the "Treasurer" as that term is defined in the Indenture of Trust and are therefore authorized to invest money from the Participants' treasury, from time to time, which are not immediately required to be disbursed, by purchasing shares of CSIP with those available funds and is authorized to redeem, from time to time, part or all of those shares as funds are needed for other purposes.

The Authorized Signatories may be changed from time to time by written notice to CSIP.

Any investment in CSIP must be consistent with and pursuant to the District's Investment Policy.

Any Subdistrict of the District may by separate resolution duly enacted by its Board of Managers become a Participant in CSIP. Any such investments must be consistent with and pursuant to the District's Investment Policy.

Adopted, this 30th day of July A.D. 2026

Jake Burris, President

ATTEST: Michael Jones, Secretary/Treasurer

RESOLUTION OF THE BOARD OF MANAGERS OF THE RIO GRANDE WATER CONSERVATION DISTRICT SPECIAL IMPROVEMENT DISTRICT NO. 1

A resolution authorizing the Rio Grande Water Conservation District Special Improvement District No. 1 ("Subdistrict") to join with other local governments as a Participant in the Centennial State Liquid Investment Pool ("CSLIP") to pool funds for investment.

RECITALS

WHEREAS, pursuant to the provisions of C.R.S. Section 24-75-601 and 701, et seq., as amended and C.R.S. 24-75-702, et seq. as amended, any local government entity (including cities, towns, school districts, special districts, counties or political subdivisions of the state) is authorized to pool any moneys in its treasury, which are currently surplus funds and not immediately required to be disbursed, with similar moneys from other local government entities, in order for these entities to take advantage of short-term investments and maximize net interest earnings. CSLIP is formed as a statutory trust under the laws of the state of Colorado.

WHEREAS, the Rio Grande Water Conservation District ("District") has adopted an Investment Policy that permits the District, including, its special improvement districts to pool moneys in treasury that are not immediately required to be disbursed with the same such moneys in the treasury of any other local government in order to take advantage of short-term investments and maximize net interest earnings consistent with and pursuant to such Investment Policy.

WHEREAS, the District desires to participate in CSLIP formed in accordance with the aforesaid statutes, in order to pool its surplus funds with other local government entities.

WHEREAS, the District desires to authorize any of its Subdistricts to become a Participant in CSLIP formed in accordance with the aforesaid statutes, in order for the Subdistrict to pool its surplus funds with other local government entities pursuant to a duly authorized resolution of the Board of Managers of that Subdistrict.

WHEREAS, the Subdistrict has passed, by majority vote, the following resolution:

RESOLUTION

NOW THEREFORE, be it resolved by the Board of Managers of the Rio Grande Water Conservation District Special Improvement District No. 1 that:

The Subdistrict has reviewed C.R.S. Section 24-75-601, as amended and C.R.S. Section 24-75-701, et seq., as amended, of the Colorado Revised Statutes and the merits of investing in a trust as permitted by C.R.S. Section 2475-601, as amended and C.R.S. Section 24-75-701, et seq. as amended, including the trust's liquidity, risk diversification, flexibility, convenience and cost compared to the alternative direct purchase of comparable investments and finds it is in the best interest of the local government entity and therefore hereby approves and adopts this Resolution, along with other local government entities in the trust for the purpose of pooling surplus funds. The terms of the above-mentioned trust indenture shall be incorporated herein by this reference and a copy filed with the minutes of the meeting at which warranties, either expressed or implied, are part of this agreement between CSLIP and the Subdistrict unless as set forth in the Indenture of Trust, but that CSLIP shall use its best efforts in conjunction with the Subdistrict to accomplish these goals.

The Subdistrict is liable for all checks written on its account, authorized or unauthorized. The Subdistrict should implement proper security procedures to safeguard the checks for each account. CSLIP does not guarantee the prevention of fraud or theft from a Subdistrict account.

The Authorized Signatories for the Rio Grande Water Conservation District Special Improvement District No.1 are those persons who hold the positions of General Manager, Deputy General Manager, Program Manager, President, Vice-President, and Secretary/Treasurer. The current persons holding those positions are those persons listed in the Financial Institution Authorization Resolution attached hereto and incorporated herein whom are the approved staff and Board Officers empowered to invest funds of the Participant or his/her successor in function, are hereby authorized and directed to execute the Indenture of Trust and any other documents necessary to establish an account with CSLIP. The Authorized Signatories are hereby designated the "Treasurer" as that term is defined in the Indenture of Trust and are therefore authorized to invest money from the Participants' treasury, from time to time, which are not immediately required to be disbursed, by purchasing shares of CSLIP with those available funds and is authorized to redeem, from time to time, part or all of those shares as funds are needed for other purposes.

The Authorized Signatories may be changed from time to time by written notice to CSLIP.

Any investment in CSLIP must be consistent with and pursuant to the District's Investment Policy.

Any Subdistrict of the District may by separate resolution duly enacted by its Board of Managers become a Participant in CSLIP. Any such investments must be consistent with and pursuant to the District's Investment Policy.

Adopted, this 30th day of July A.D. 2026

Jake Burris, President

ATTEST: Michael Jones, Secretary/Treasurer