

**QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #2
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
November 3, 2022, 9:00 a.m.
Rio Grande Water Conservation District Conference Room
Alamosa, CO 81101
And by Zoom/Teleconference**

Present: Karla Shriver, President; Eric Hinton, Vice-President; Scot Schaefer, Secretary/Treasurer; Harold Stoeber, BOM; Michael Schaefer, BOM; Gerald Ziegler, BOM; Mark Deacon, BOM; and Greg Higel, Ex-Officio.

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

Guests: David Hofmann, Deb Sarason, Sherry Phillips, Michelle Lanzoni, Angelo Bellah, Patrick Sullivan and Charles Stillings.

Meeting Called to Order

President Shriver called the meeting to order at 9:04 a.m. A quorum was present. The Pledge of Allegiance was recited.

Approval of the Agenda

President Shriver asked for amendments or approval of the agenda. A motion was made by Eric Hinton to approve the agenda as presented. The motion was seconded by Scot Schaefer and unanimously approved.

Approval of the Minutes

President Shriver asked for approval of the following minutes:

- August 2, 2022-Quarterly Meeting
- August 2, 2022-Executive Session
- August 16, 2022-Special Meeting
- August 16, 2022-Executive Session

A motion was made by Gerald Ziegler to approve the minutes as presented. The motion was seconded by Eric Hinton and unanimously approved.

Public Comment

President Shriver asked for public comment. David Hofmann introduced DWR's new staff member Michelle Lanzoni.

Attorney's Report

President Shriver asked for the attorney's report. Pete Ampe provided an update on the compact litigation in the Texas vs. New Mexico case and reported the Board of Directors continue to work on the criteria on how to evaluate projects that qualify for SB22-028 funds.

Program Manager's Report

President Shriver asked for the Program Manager's report.

- **Financial Report**

Amber Pacheco presented the financial report. She highlighted the formation costs, the expenses covered by the District, the payments made and the remaining balance. Ms. Pacheco reported on water storage costs and presented the Balance Sheet as well as the Profit and Loss Statement. She also explained the forbearance costs and administrative expenses.

- **Update on Annual Replacement Plan Operations**

Amber Pacheco provided the preliminary forbearance agreement calculations. She reported on the reservoir releases as well as the reservoir storage balances. Ms. Pacheco highlighted that other Subdistricts are working towards longer-term forbearance agreements.

Discussion and Possible Action on Participation Contracts for 2023 Annual Replacement Plan

President Shriver asked for discussion and possible action on Participation Contracts for 2023 Annual Replacement Plan.

- Rio Grande County

President Shriver introduced Patrick Sullivan, the Supervisor of the Rio Grande County Road and Bridge. Mr. Sullivan explained the change of use process on two (2) wells the county had been working on. He also described the County's goal and what they are trying to accomplish through the change case. Amber Pacheco reported how the Participation Contract would cover the wells and highlighted the conditions that would need to be considered. Mr. Sullivan provided the location of the wells, when they were purchased and how the water is used.

A motion was made by Michael Schaefer to approve the Participation Contract with Rio Grande County with the contingencies outlined in the contract for an SWSP and legal uses of the water. The motion was seconded by Scott Schaefer and unanimously approved.

- James and Sherry Phillips

President Shriver asked for the James and Sherry Phillips contract consideration. Amber Pacheco reported receiving the request for a contract from James and Sherry Phillips. She provided the location of the well and how the water has been used. She reported on a filing with the court to correct the decree and the requirement to install a meter on the well. Discussion was held on covering post-plan depletions and how to prove lag depletions. President Shriver stated for the record Ms. Phillips was online without a microphone on her computer and was invited to comment further using the chat feature. Mr. Phillips reported the property belonged to his parents until August 2021 and was used by Don Wenta from 2009 when his parents moved.

A motion was made by Eric Hinton to table the James and Sherry Phillips Participation Contract application until further information is received. The motion was seconded by Scot Schaefer and unanimously approved.

Forbearance Resolution for 2023 Annual Replacement Plan Year

President Shriver asked for discussion on the Forbearance Resolution for 2023 Annual Replacement Plan Year. Amber Pacheco reported the three (3) year forbearance agreements would be expiring and asked the Board for a discussion on bonus payments prior to seeking new agreements. She highlighted the bonus amounts per year for the expiring agreements and introduced the idea of offering \$1,000 per year for ten (10) year agreements. Mark Deacon suggesting the Subdistrict be able to negotiate the price and that was the consensus of the Board.

Executive Session to Receive Legal Advice Regarding Negotiations for the Lease/Purchase of Real Property

President Shriver asked for a motion to enter into executive session to receive legal advice regarding negotiations for the lease/purchase of real property. A motion was made by Mark Deacon to enter into executive session. The motion was seconded by Harold Stoeber and unanimously approved.

Mr. Ampe stated the Board was entering into executive session pursuant to section 24-6-402(4)(a) to discuss a potential lease/purchase of real property. The Board would take no formal action or position during the executive session.

Discussion and Possible Action from Executive Session

President Shriver directed staff to move forward and seek additional details on a potential purchase of real property, discuss various options with the owner and report back to the Board at a later date.

Next Meeting

A special meeting was scheduled for November 22, 2022, at 8:00 a.m. The next quarterly meeting is scheduled for February 7, 2023, at 9:00 a.m.

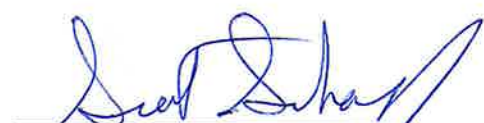
Adjournment

A motion was made by Eric Hinton to adjourn the meeting. The motion was seconded by Gerald Ziegler and unanimously approved.

The meeting was adjourned at 10:03 a.m.



President



Secretary/Treasurer