

**QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #6
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
August 6, 2024, at 1:30 p.m.
8805 Independence Way, Alamosa, CO 81101
AND BY ZOOM/TELECONFERENCE**

Present: Tyler Faucette, President; Virgil Valdez, Vice-President; Ronald Reinhardt, Secretary/Treasurer; Mario Curto, Manager; Rodney Reinhardt, Manager; Gerald Faucette, Manager; Austin Miller, Manager; Virginia Christensen, Manager; and, Armando Valdez, Ex-Officio Member.

Absent: Peter Clark, Manager; Robert Middlemist, Manager.

Staff and Consultants: Pete Ampe, Hill & Robbins, P.C.; Angelo Bellah, Program Manager; Rose Vanderpool, Program Assistant; Cleave Simpson, General Manager; Amber Pacheco, Deputy General Manager; Linda Ramirez, Program Assistant; Clinton Phillips, Davis Engineering; Wylie Keller, Water Resource Specialist; Crystal Benevidez, HCP Coordinator/Program Assistant; Kylie Gregg, Office Manager; Taylor Chick, Program Manager; Michael Carson, Database Administrator; and, April Mondragon, Administrative Assistant.

Guests: Scot Miller, Deb Sarason, Chris Schaefer, William Myers, Curtis Shawcroft, Grant Hurley, William Knoll, and Sally Wier.

Meeting Called to Order

President Faucette called the meeting to order at 1:32 p.m. A quorum was present. The Pledge of Allegiance was recited. Ron Reinhardt led the opening prayer.

Approval of the Consent Agenda

President Faucette asked for any changes/amendments or a motion to approve the following consent agenda items:

- Agenda
- May 8, 2024-Quarterly Meeting Minutes
- May 8, 2024-Executive Session Minutes

A motion was made to approve the consent agenda items 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 provided an update on the Texas vs New Mexico and Colorado case and the US Supreme Court's rejection to the settlement agreement. He reported on the resignation of the Special Master and the process to appoint a new one. Mr. Ampe provided the start dates for the upcoming trials in 2026, gave an update on the other Subdistricts and explained how permanent forbearance agreements work.

Engineers Report-Clinton Phillips

President Faucette asked for the Engineers report. Clinton Phillips presented the Subdistrict No. 6 monitoring well update. He reported on the change compared to the 2015 baseline and 2023. He presented the current sustainability metric table and highlighted the five (5) year average groundwater withdrawals. Mr. Phillips presented the composite water head change by response area and the monitoring well charts. A discussion was held on the groundwater withdrawals at the refuge. Ron Reinhardt asked Wylie Keller to put together some numbers on ALA well 4. He reported on the continued decline and asked if management of the well had changed. Chris Schaefer commented on the volumetric path and the consistency in the operation of the well. President Faucette asked Mr. Keller to work with the Division of Water Resources and investigate the weight of the well further.

Program Manager Update

President Faucette asked for the Program Manager update.

- Financial Report

Angelo Bellah presented the financial report. He went over the costs covered by the District for formation and the expenses and reimbursements made. Staff was directed to modify the statement to show the current year reimbursements only. Virgil Valdez asked what the miscellaneous costs were, Kylie Gregg provided a breakdown. President Faucette requested a detailed report of all miscellaneous items to be broken out and provided to the Board to review as part of the packet going forward. Virginia Christensen requested the Board be provided a quarterly Profit and Loss statement on a meeting-to-meeting basis. Discussion was held on water storage/leases being a part of the miscellaneous category. Mr. Bellah presented the Balance Sheet, he highlighted the assets, liabilities, equity and that the books balance. Ms. Christensen asked if a sub note could be added to the assets in order to show the value. Mr. Bellah then presented the Profit and Loss Statement. Amber Pacheco explained miscellaneous and how items are coded in QuickBooks.

A motion was made to approve the financial report as presented. The motion was seconded and unanimously approved.

- 2024 Irrigation Season Update

Angelo Bellah provided an update on forbearance agreements and water used during the 2024 irrigation season on the Rio Grande, Alamosa and Conejos Rivers. He gave the reservoir balances as of August 1st in Beaver, Continental, Rio Grande, Santa Maria, Platoro and Terrace Reservoirs. Mr. Bellah reported on the 2023 ARP forbearance payments, provided the total paid and the total acre feet on each river. He gave an update on the Alamosa Creek Canal, TPR and the Taos Valley No. 3 SWSPs.

- U.S. Fish and Wildlife Services-Overview of Operations within Subdistrict No. 6

Angelo Bellah reported on the request from Manager Ron Reinhardt for an overview of U.S. Fish and Wildlife Services operations within Subdistrict No. 6. He presented an analysis done by Wylie Keller on the model. Mr. Bellah highlighted the historical pumping, five (5) year average, and reported on a meeting held with the Fish and Wildlife Services. He presented a summary of the wet water agreements with government entities. Discussion was held on the depletions being higher than the amount being paid by the Fish and Wildlife Services and the need for them to fully cover their fees. Chris Schaefer explained their plan moving forward to reduce/retire wells, lower depletions and how to potentially pay taxes. Scot Miller reported on the idea to turn pivots on and off in order to become more efficient and how to potentially work with farmers. He explained how these conversations need to be held with the new Project Leader.

- 2025 Irrigation Season Projects

Angelo Bellah gave an update on the Monte Vista Canal SWSP, the Alamosa River ATM, and the Los Sauces SWSP. President Faucette reported on the lead taken by Nathan Coombs from Subdistrict No. 3 and Jason Lorenz on the Los Sauces SWSP project.

Angelo Bellah presented the miscellaneous transaction detail by account report provided by Kylie Gregg. He highlighted a payment that was not billed correctly with the Fish and Wildlife Service. He reported the Subdistrict would be refunded through County collections.

Ratify Proxy Votes

President Faucette asked for the ratification of proxy votes.

- M. Miller Contract

Angelo Bellah reported reaching out to the Board of Managers with Mr. Miller's counter offer. He reported on the majority "no" vote and asked for ratification of the decision. Gerald Faucette highlighted the set of guidelines that were set when the program was developed. He asked that the Board be provided with all of the information going forward in order to make educated decisions in these situations. Pete Ampe explained how the program was designed with a set of criteria and the complexities of the Miller offer. Austin Miller commented on the exemptions and the offer not being presented correctly. Mr. Bellah reported misunderstanding the situation until recent conversations with Mitch Miller and has invited him to the next meeting in November to further the discussion:

A motion was made to ratify the no vote on the M. Miller contract. The motion was seconded and unanimously approved.

- Pine-Weaver Water Purchase

Angelo Bellah reported reaching out to the Board regarding an offer from Rosalind Weaver to sell 110 ac feet of water being stored in the Rio Grande Reservoir to the Subdistrict.

A motion was made to ratify the yes vote on the Pine-Weaver water purchase. The motion was seconded and unanimously approved.

President Faucette turned the meeting over to Vice President Virgil Valdez and recused himself from the next agenda item. He reported his legal counsel was present on Zoom and could answer questions.

Additional Review of Information and Possible Action on Colorado Catch Groundwater Withdrawal Offer

Vice President Virgil Valdez asked for additional review of information and possible action on Colorado Catch groundwater withdrawal offer. Angelo Bellah gave an update on a meeting held with the Division of Water Resources regarding a letter submitted by Colorado Catch. He reported receiving an email from Craig Cotten regarding the lack of information provided to determine the historical volumetric production of the well and the inability to provide further information on the amount of diversions from the well. William Knoll described the consistency of pumping within the decreed rate and the consumption at the fish production site being lower than the cu allowed by the decree of hot well No. 1. He highlighted the pumping from the confined aquifer occurring at the maximum rate and believes the letter from Mr. Cotten contained misconceptions regarding the expansion of use. Pete Ampe asked Mr. Knoll to confirm that based on his review he believes Colorado Catch can continue to pump the hot well at the historic amount and be within the decree. Mr. Knoll confirmed and explained. Tyler Faucette reported he would be ordering fish today if the Board didn't want to pursue his offer at this time. He also reported on the need to have the deal resolved before 2025. Mr. Ampe asked Mr. Knoll to provide Mr. Cotten with a revised analysis to specifically address the consumptive use. Rod Reinhardt highlighted additional information was needed including how it would impact the budget. Virginia Christensen asked if grant funding from CWCB would be an option. Gerald Faucette reported how approval of the offer would allow the Subdistrict to protect sprinklers and retire water. Staff was directed to research how the purchase would impact the budget, if there would be potential for a grant, and follow up on clarification from DWR.

Contracts for 2025 Annual Replacement Plan (ARP)

President Faucette asked for contracts for 2025 ARP.

- **Grant Hurley-Participation Contract**

Angelo Bellah presented a map showing the location of the property and explained the intent of the well. He reported on the unknown amount of groundwater to be pumped per year, the need for the well to be re permitted and have a meter installed. He provided the gallons per minute (gpm), the depth of the well and the WDID of the well. Grant Hurley provided the history of the well and explained his plan to pump 100-200 gpm during the winter to keep the fish alive in the pond. Mr. Hurley reported the well had never been used, is inactive, and is decreed for aqua culture and stock water. Clinton Phillips provided the approximate acre foot amount to be pumped. Discussion was held on possibly putting a limit in the contract, whether or not the well could be changed to exempt and the option Mr. Hurley has to purchase augmentation water. Deb Sarason explained beneficial use and why the well would not justify as exempt. Pete Ampe suggested Mr. Hurley gather additional information and bring it back to the Board for consideration.

- **Melvin Coblentz-Participation Contract**

Angelo Bellah reported on the co-filed SWSP between Melvin Coblentz and Ben Coblentz. He explained the contingencies in order for DWR to approve the SWSP. Ron Reinhardt highlighted no new depletions just a change of use.

A motion was made to approve the Coblentz participation contract. The motion was seconded and unanimously approved.

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

President Faucette 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 at 4:36 p.m. to enter into executive session to receive legal advice regarding negotiations for the lease/purchase of real property. The motion was seconded and unanimously approved.

Mr. Ampe stated the Board was entering into executive session pursuant to section 24-6-402(4) to receive legal advice regarding negotiations for the lease/purchase of real property and the Board would take no formal action or position during the executive session

Possible Action Following Executive Session

President Faucette asked for possible action following executive session. There was none.

Direction for Staff

President Faucette asked Clinton Phillips to research the Mumm Well and Angelo Bellah to research feasibility/value with the U.S. Fish and Wildlife Services. Ron Reinhardt voiced his concerns with the bank accounts not drawing interest. Discussion was held on the options available to the Subdistrict and types of accounts. Pete Ampe described the Subdistrict as unique and not a Special District as it has its own statute rather than relying on the more general special district statutes. Virginia Christensen provided current interest rates of the local banks. Staff was directed to further research a CWCB loan and move forward on the Pine Weaver SWSP.

New Business

President Faucette asked for new business. There was none.

Next Meeting

The next quarterly meeting is scheduled for November 5, 2024, at 1:30 p.m.

Adjournment

A motion was made to adjourn the meeting. The motion was seconded and unanimously approved. The meeting was adjourned at 5:16 p.m.


President


Secretary/Treasurer