

**QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #5
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
July 22, 2020 at 1:00 p.m.
By Zoom/Teleconference Only**

Present: David Schmittle, President; George Whitten, Vice-President/Secretary/Treasurer; Dale Gerstberger, Manager; Kit Caldon, Manager; Corey Hill, Manager, and, Peggy Godfrey, Ex-Officio Member.

Staff and Consultants: Pete Ampe, Hill & Robbins, P.C.; Chris Ivers, Program Manager; Amber Pacheco, Program Manager; Rose Vanderpool, Program Assistant; Clinton Phillips and Allen Davey, Davis Engineering; Michael Carson, Data Base Administrator; and, April Mondragon, Administrative Assistant.

Guests: Deb Sarason, David Hofmann, Rebie Hazard, William Redden, Mark Allen.

Meeting Called to Order

President Schmittle called the meeting to order at 1:10 p.m. A quorum was present.

Approval of the Minutes

President Schmittle asked for the approval of the following minutes:

- April 22, 2020-Annual Meeting
- April 22, 2020-Executive Session
- May 6, 2020-Special Meeting
- May 6, 2020-Executive Session
- May 15, 2020-Special Meeting
- May 15, 2020-Executive Session
- June 12, 2020-Special Meeting
- June 12, 2020-Executive Session

A motion was made by Dale Gerstberger to approve the agenda as presented. The motion was seconded by Kit Caldon and unanimously approved.

Approval of the Agenda

President Schmittle asked for additions or a motion to approve the agenda. A motion was made by Kit Caldon to approve the agenda as presented. The motion was seconded by Dale Gerstberger and unanimously approved.

Public Comment

President Schmittle asked for public comment. There were none.

Attorney's Report

President Schmittle asked for the Attorney's Report. Pete Ampe reported working with Chris Ivers and Clinton Phillips with the ongoing programs. Mr. Ampe updated the Board on a vote taken at the Subdistrict No. 4 meeting in favor of a yearly bonus payment for Well Injury Payment contracts.

Program Manager's Report

President Schmittle asked for the Program Manager's report. Chris Ivers reported the Subdistrict No. 5 Plan of Water Management had been approved with no objections. Mr. Ivers presented the financial report which included the running total due to the Rio Grande Water Conservation District since the Subdistrict formation. He also highlighted the Balance Sheet as well as the Profit and Loss statement. President Schmittle stated the total expenses will be paid from the total number of wells. Discussion was held on the predicted dollar amount per well and expenses per year.

A motion was made by Dale Gerstberger to approve the financial statements. The motion was seconded by Corey Hill and unanimously approved.

Discussion Regarding Replacement Sources

President Schmittel asked for the discussion regarding replacement sources. Further discussion was held on the fees to be assessed to each well and the fee to contract into the Subdistrict. Mr. Ivers emphasized the bonus payment for Well Injury Payment contracts that was offered and voted on by Subdistrict No. 4 and suggested this Board mimic the bonus schedule. Mr. Ivers reported on the number of Well Injury Payment Contracts Subdistrict No. 5 has received and stressed the need to reach out to others to discuss signing up. Peggy Godfrey reported on a suggestion from a well user in Subdistrict No. 4 who suggested offering a \$1,000 bonus payment for Well Injury Payment contract sign up in order to create good will. Mr. Ivers stated the Subdistrict needs a combination of a Well Injury Payment contracts as well as to have a source of water available. Discussion was held on the possibility of renting a pivot. Corey Hill provided an update on the difficult discussions held within his family regarding the determination of the value of their water. Mr. Ivers explained the different dollar amounts of potential Well Injury Payment contracts as well as some of the amounts other Subdistricts are paying. Further discussion was held on Well Injury Payments and what the value of water may look like. President Schmittel suggested sending out a letter letting individuals know the Subdistrict is prepared to pay bonus payments for Well Injury Payment contract sign ups. Kit Caldon expressed the importance of figuring out the value of water in order to move forward. Dale Gerstberger said examples of how Well Injury Payments work would be very helpful to get others to understand the concept. Pete Ampe highlighted the bonus payments would be paid by ditch and not to each owner of the ditch. Allen Davey asked what the projected injury to the Saguache Creek is for a whole year. Discussion was held on how to incentivize and communicate the impacts Well Injury Payments would have to surface water owners.

A motion was made by George Whitten to set the Well Injury Payment contract yearly bonus payment on San Luis Creek at \$100 for one (1) year, \$200 for three (3) years, and \$400 for five (5) years to be paid annually. The motion was seconded by Kit Caldon and unanimously approved.

A motion was made by Dale Gerstberger to direct Chris Ivers to send out a letter to Saguache Creek Water Users to offer a bonus starting at \$100 per acre foot for one (1) year, \$200 for three (3) years and \$400 for five (5) years for Well Injury Payment contracts. The motion was seconded by George Whitten and unanimously approved.

New Business

President Schmittel asked for the status of the test well. Chris Ivers reported the drilling of the test well had been scheduled.

Executive Session

President Schmittel asked for a motion to enter into executive session to discuss potential property purchases. A motion was made by Kit Caldon to enter into executive session. The motion was seconded by George Whitten and unanimously approved.

Mr. Ampe stated the Board was entering into executive session to discuss potential purchase acquisition, transfer or sale of real property. The Board would take no formal action or position while in executive session.

Action on Executive Session Discussion

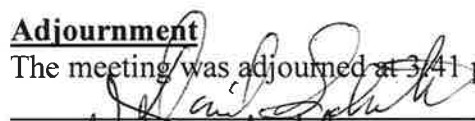
Pete Ampe stated the Board was in executive session and had voted to come out. Discussion was related to potential property purchases. Chris Ivers stated he would work on setting a work session and special meeting.

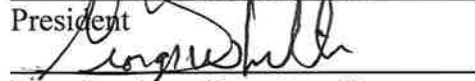
Next Meeting

President Schmittel asked for the next meeting. The next quarterly meeting is scheduled for October 21, 2020 at 1:00 p.m.

Adjournment

The meeting was adjourned at 3:41 p.m.



President


Vice-President/Secretary/Treasurer