

**SPECIAL MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #4
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
November 4, 2020 at 10:00 a.m.
By Zoom Teleconference**

Present David Frees, President; Pete Stagner, Vice-President/Secretary/Treasurer; Jeremy Uhlenbrock, Manager; Jan Waye, Manager; and Peggy Godfrey, Ex-Officio Member.

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

Guests: John Gerstle, Evan Martellaro, John, Mattingly, Deb Sarason, and David Hofmann.

Meeting Called to Order

President Frees called the meeting to order at 10:18 a.m. A quorum was present.

Approval of the Agenda

President Frees asked for amendments or a motion to approve the agenda. A motion was made by Pete Stagner to approve the agenda as presented. The motion was seconded by Jan Waye and unanimously approved.

Review and Consider Participation Contract

President Frees asked for review and consideration of participation contract. Chris Ivers updated the Board on receiving the Subdistrict's first participation contract from Peggy Godfrey. Mr. Ivers reported on the requirements, how the well has been used and stated the Board of Managers would need to consider approval of the contract. Peggy Godfrey provided an update on why she wants her well to be included in the Subdistrict. David Hofmann reported the Division of Water Resources has approved other wells in the similar situation. He provided some of the requirements which would need to be met in order to meet the Rules and Regulations. President Frees asked if this was the appropriate time for this contract to come before the Board for consideration. Pete Ampe reported the earlier contracts are received, the better it is to plan the Annual Replacement Plan.

A motion was made by Pete Stagner to accept the Peggy Godfrey Participation Contract with zero on the letter of credit or security. The motion was seconded by Jeremy Uhlenbrock and unanimously approved.

Review and Consider Banking Resolution

President Frees asked for review and consideration of a banking resolution. Chris Ivers presented the proposed banking resolution and asked the Board to consider choosing a bank and having two (2) signatories. He recommended that any combination of two signatures from the General Manager, Program Manager, President, and Vice-President/Treasurer/Secretary be the signatories and provided a few banking options chosen by other Subdistricts. Discussion was held on considering a bank that would be accessible to staff as well as one located in the county of the Subdistrict. Amber Pacheco explained the insurance the bank would be required to have because the funds are public funds.

A motion was made by Jan Waye to direct staff to use First Southwest Bank in Saguache and Alamosa to handle the banking needs of Subdistrict No. 4. The motion was seconded by Pete Stagner and unanimously approved.

Discussion on Well Injury Payment Agreements

President Frees asked for discussion on Well Injury Payment Agreements. Chris Ivers updated the Board on several Well Injury Payment agreements the Subdistrict has received. Mr. Ivers reported on the agreements that are being worked on and the ones he has had no response from the owner(s). Discussion was held on who they still need to contact and who they need to continue to have conversations with regarding Well Injury Payment agreements. David Hofmann reminded the Board that without 100% of Well Injury Payment agreements, they would need a form of wet water. Mr. Ivers presented the total fees collected for sustainability

impacts. Discussion was held on setting a max amount, how contract negotiations work and example amounts that have been set. John Mattingly expressed his concern about a potential issue of holdouts and how it impacts the whole system. President Frees commented on the value of the crops and the option the Subdistrict has to make replacements with wet water if Well Injury Payment agreement negotiations are too high. Jeremy Uhlenbrock commented that if someone was holding out on a Well Injury Payment agreement for an unreasonable amount the Subdistrict could ultimately provide wet water. President Frees asked for a discussion on a fallback position if they do not secure 100% Well Injury Payment agreements. David Hofmann reported on the level of difficulty to secure 100% Well Injury Payment agreements. Chris Ivers provided some of the wet water options that may be available to the Subdistrict. Discussion was held on drilling a well, pumping water into the creek to make replacements and the location of the well. Mr. Hofmann reported he would begin conversations with Chris Ivers and the water commissioners to brainstorm what areas and locations would be most practical.

New Business

President Frees asked for new business. President Frees reported Mr. Lovato may submit a special type of inclusion contract with the Subdistrict to cover his depletions to San Luis Creek. Chris Ivers reported sending out another letter to all the well owners that have yet to contract with the Subdistrict to let them know time is running out. Mr. Ivers provided the contract deadline and reported all of the Well Injury Payment agreements that are coming in are for both Subdistricts No. 4 and 5.


Next Meeting

A work session was scheduled for November 16, 2020 at 2:00 p.m. The annual meeting is scheduled for December 1, 2020 at 9:00 a.m.

Adjournment

A motion was made by Jan Waye to adjourn the meeting. The motion was seconded by Pete Stagner and unanimously approved

The meeting was adjourned at 11:33 a.m.



President



Vice-President/Secretary/Treasurer