

**SPECIAL MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #2
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
December 14, 2020, 9:00 a.m.
By Zoom/Teleconference**

Present: Karla Shriver, President; Eric Hinton, Vice-President; Scot Schaefer, Secretary/Treasurer; Mark Deacon, BOM; and, Michael Schaefer, BOM.

Absent: Harold Stoeber, BOM; Gerald Ziegler, BOM; and, Greg Higel, Ex-Officio.

Staff and Consultants: Amber Pacheco, Program Manager; Rose Vanderpool, Program Assistant; Michael Carson, Database Administrator; and, April Mondragon, Administrative Assistant.

Guests: David Hofmann, Brian Rue, and Dee Greeman.

Meeting Called to Order

President Shriver called the meeting to order at 9:09 a.m. A quorum was present.

Approval of the Agenda

President Shriver asked for amendments or a motion to approve the agenda. A motion was made by Scot Schaefer to approve the agenda as presented. The motion was seconded by Mark Deacon and unanimously approved.

Public Comment

President Shriver asked for public comment. Brian Rue described his well situation and asked if the Subdistrict was going to extend the contract deadline. President Shriver provided Mr. Rue with direction and stated more conversations would be needed to understand what the best way to proceed would be.

Discussion and Possible Action to Amend the Rules and Regulations in Regards to the Deadline for Contracting with the Subdistrict to Include Wells in Future ARPs

President Shriver asked for discussion and possible action to amend the Rules and Regulations in regards to the deadline for contracting with the Subdistrict to include wells in future ARPs. Amber Pacheco presented the section in the Rules and Regulations with the proposed change. President Shriver highlighted the benefits the change would be to the Board of Managers.

A motion was made by Michael Schaefer to amend Subdistrict No. 2 Rules and Regulations to add language in two (2) places to extend the contract deadline in unusual situations on a case-by-case basis at the Board's discretion, however, such waiver may not adversely impact the Subdistrict's ability to timely submit an ARP. The motion was seconded by Eric Hinton and unanimously approved.

Discussion and Possible Action on Resolution to Temporarily Extend the Deadline for Wells to Contract with the Subdistrict

President Shriver asked for discussion and possible action on resolution to temporarily extend the deadline for wells to contract with the Subdistrict. A resolution was prepared to allow a temporary extension of the deadline to contract for the 2020 ARP under special circumstances.

A motion was made by Scot Schaefer to approve the resolution to temporarily extend the deadline for wells to contract with the Subdistrict as presented. The motion was seconded and unanimously approved.

Discussion and Possible Action Concerning Two Colorado Parks and Wildlife (CPW) Wells

President Shriver asked for discussion and possible action concerning two (2) Colorado Parks and Wildlife wells. Ms. Pacheco updated the Board on the discussions held with Ryan Unterreiner from CPW and asked the Board for direction on how to proceed with the terms of a contract. Discussion was held on the Subdistrict's options and the benefit a water storage option would be to the Subdistrict. The Board of Managers directed Ms. Pacheco to proceed with the discussion with CPW to amend the contract to add the wells and to offset fees with storage in Beaver Reservoir.

Discussion and Possible Action on Participation Contract for Upper Rio Grande Contracts

President Shriver asked for discussion and possible action on participation contract for Upper Rio Grande Response Area. Ms. Pacheco reported she had Participation Contracts from Gayle

Froehlich and Rich Forrest. She reminded the Board why these contracts waited until this year to request the Board add their wells into the Subdistrict ARP.

Ms. Pacheco described the details of the Froehlich well and the contract for the Board's consideration. A motion was made by Michael Schaefer to accept the Froehlich Participation Contract as presented. The motion was seconded by Scot Schaefer and unanimously approved.

Amber Pacheco described the details of the Jan-Rich Grande 2013 Living Trust Participation Contract filed by Rich Forrest. Discussion was held on the well's depletions and if Mr. Forrest would be bringing water to the Subdistrict to cover his depletions. A motion was made by Mark Deacon to table the Jan-Rich Grande 2013 Living Trust Participation Contract until they have received the Davey and Colville contracts. The motion was seconded by Michael Shaefer and unanimously approved.

President Shriver asked for a discussion regarding Brian Rue's wells. Amber Pacheco provided the response area the wells are located in and highlighted some of the obstacles this Subdistrict would encounter if the wells become part of Subdistrict No. 2. Scot Schaefer commented on the potential sustainability issue the wells would bring to Subdistrict No. 2. Discussion was held on the depth of the wells, amount of pumping per year, the crops being raised on the property and the need to hold a work session in order to collect all of the details. President Shriver asked Mr. Rue to compile a list of documents and the Board would hold a work session in the future in order to review the information.

Next Meeting

President Shriver reported the next meeting is the Subdistrict's Annual Meeting which is scheduled for February 2, 2021 at 9:00 a.m. (tentatively). and a work session would be scheduled in January.

Amber Pacheco provided an update on Subdistrict No. 1's ongoing litigation and reported the objection does not affect this Subdistrict, Ms. Pacheco also announced her new role as Acting Deputy Manager of the Rio Grande Water Conservation District while Cleave Simpson is in session at the State Senate.

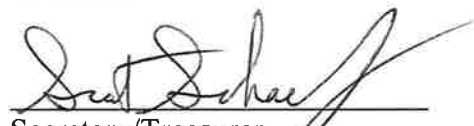
President Shriver thanked Ms. Pacheco for the update and all her efforts.

Adjournment

President Shriver asked for a motion to adjourn the meeting. A motion was made by Michael Schaefer to adjourn the meeting. The motion was seconded by Mark Deacon and unanimously approved. The meeting was adjourned at 10:44 a.m.



President



Secretary/Treasurer

RESOLUTION OF THE
SPECIAL IMPROVEMENT DISTRICT NO. 2 OF THE RIO GRANDE WATER
CONSERVATION DISTRICT
(Temporarily Extending the Deadline for Wells to Contract with the Subdistrict)

RECITALS

WHEREAS, the Special Improvement District No. 2 of the Rio Grande Water Conservation District (“Subdistrict No. 2”) was created pursuant to section 37-48-108, C.R.S., and pursuant to section 37-48-101.3(1), C.R.S., is a body corporate under the laws of Colorado; and

WHEREAS, Subdistrict No. 2 was formed for the purpose of designing and implementing a cooperative plan for water management to assure the protection of senior surface water rights and promote the maximum beneficial use of water resources; and

WHEREAS, Subdistrict No. 2 has adopted Rules and Regulations that govern the ability of wells to contract with the Subdistrict to be included in an Annual Replacement Plan (“ARP”), including a deadline of December 1 of the year preceding the ARP for which the well may be covered by the Subdistrict (see Rule 8.1.6); and

WHEREAS, it has been brought to the attention of Subdistrict No. 2 that certain wells in the area where Alluvial Response Area overlays the Alamosa-La Jara Response Area were mistakenly assigned to or reasonably believed to be in the Alamosa-La Jara Response Area rather than the Alluvial Response Area, which is the Response Area that contains Subdistrict No. 2; and

WHEREAS, the owners of said wells relied upon the Division of Water Resources regarding the proper classification of the wells; and

WHEREAS, the Division of Water Resources has now correctly assigned said wells the Alluvial Response Area; and

WHEREAS, Subdistrict No. 2 and the owners of said wells discovered the mistakes and correction too late to enter into a contract by December 1, 2020 for the 2021 ARP; and

WHEREAS, the strict application of the December 1 deadline in this particular manner would cause usual hardship to the owners of said wells and said hardship is not due to any action or inaction taken by the owners of said wells.

RESOLUTION

NOW, THEREFORE, be it resolved by the Board of Managers, as follows:

1. For the 2021 ARP, and that ARP only, the December 1, 2020 deadline to contract with Subdistrict No. 2 is hereby waived as to any well that was incorrectly assigned or believed to be in a Response Area that was not the Alluvial Response Area.

2. The deadline for wells that meet this criteria is extended to March 15, 2021.

RESOLVED this 14th day of December, 2020.

ATTEST:

BOARD OF MANAGERS
SPECIAL IMPROVEMENT DISTRICT NO. 2 OF
THE RIO GRANDE WATER CONSERVATION
DISTRICT


Secretary


President