

**SPECIAL MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #1
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
September 26, 2023 at 6:00 p.m.
8805 Independence Way, Alamosa CO 81101
And by Zoom/Teleconference**

Present: Jake Burris, President; Clay Mitchell, Vice President; Sheldon Rockey, Secretary/Treasurer; Jamie Hart, BOM; Tony Holcomb, BOM; Chris Miner, BOM; Miguel A. Diaz, BOM; James Cooley, BOM; Michael Jones, BOM; and Mike Kruse, Ex-Officio Member.

Absent: Brett Hemmerling, BOM;

Staff and Consultants: Pete Ampe, Hill & Robbins P.C.; Taylor Chick, Program Manager; Linda Ramirez, Program Assistant; Wylie Keller, Water Resource Specialist; Michael Carson, Database Administrator; Crystal Benevidez, HCP Coordinator/Program Assistant; and April Mondragon, Administrative Assistant.

Guests: Steve Keller, David Hofmann, Sally Wier.

Meeting Called to Order

President Burris called the meeting to order at 6:04 p.m. A quorum was present, the Pledge of Allegiance was recited.

Approval of the Agenda

President Burris asked for changes, additions or a motion to approve the agenda. A motion was made by Jamie Hart to approve the agenda as presented. The motion was seconded by Sheldon Rockey and unanimously approved.

Public Comment

President Burris asked for public comment. There was none.

Discussion and Possible Action-Resolution for Subdistrict No. 1 Senate Bill Incentives

President Burris asked for discussion and possible action on Resolution for Subdistrict No. 1 Senate Bill incentives. Taylor Chick presented the draft Resolution which was drafted after the Subcommittee meeting. He described the Subdistricts goal to incentivize the Senate Bill money. Mr. Chick explained ideal candidates would be the producers without any surface water who operate solely on groundwater. He provided an overview of the application process and the guidelines in place for the current program. Mr. Chick presented the Subdistrict No. 1 SB22-028 incentive funding 2023 budget. He highlighted the balance remaining in the fund, the max contract rate and number of contracts left to fund. Discussion was held on the exclusion of surface water. Mike Kruse reported being confused on the rules of the program in connection with surface water. Wylie Keller provided clarification. Mr. Kruse reported recusing himself from the discussion/involvement and development of the program process. Jamie Hart reported on what was discussed and reviewed in the Subcommittee meeting. Mr. Chick provided the average acre feet being retired. Mr. Kruse reported on how most of Subdistrict No. 1 would be excluded from the program due to surface water ownership. Mr. Hart highlighted the need to get the "best bang for our buck" and utilize the senate bill money in Subdistrict No. 1. Discussion was held on how the program could offer a soft landing to some producers and how the District's number of participants compared to the Republican River. Mr. Chick asked the Board for direction on a deadline and price. Direction was given to have a December 31st deadline.

A motion was made by Sheldon Rockey to approve the Resolution as recommended by the Subcommittee with a change to the deadline date and using the response area rather than political boundary.

Tony Holcomb asked for further clarification on the surface water exclusion. Wylie Keller provided clarification. Mr. Rockey highlighted the Subdistricts need to be aggressive and pursue non-surface water users.

The motion was seconded by James Cooley.

Mike Kruse suggested anyone not happy with the price to vote no.

Roll call vote was taken on the motion:

Jamie Hart: YES
Miguel Diaz: YES
Jake Burris: YES
Chris Miner: NO
Michael Jones: NO
James Cooley: YES
Tony Holcomb: NO
Clay Mitchell: NO
Sheldon Rockey: YES

The motion passed with five (5) yes votes and four (4) no votes.

President Burris thanked the Subcommittee and Taylor Chick for their work on the matter.

Discussion and Possible Action-Changes to 2024 Detailed Budget for Subdistrict No. 1 Senate Bill Incentives

President Burris asked for discussion and possible action on changes to 2024 detailed budget for Subdistrict No. 1 Senate Bill incentives. Taylor Chick presented the budget which had been reviewed and discussed at the prior meeting. He highlighted the only change made was an additional line item for conservation programs.

A motion was made by Tony Holcomb to approve the addition of the new line item and the use of the full amount available in the budget for the Subdistrict No. 1 Senate Bill incentives. The motion was seconded by Michael Jones and unanimously approved.

Board of Managers Open Discussion

President Burris asked for Board of Managers open discussion. There was none.

New Business

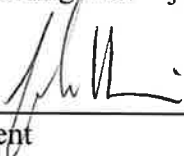
President Burris asked for new business. There was none.

Next Meeting

The next quarterly meeting is scheduled for December 5, 2023 at 1:30 p.m.

Adjournment

The meeting was adjourned at 7:06 p.m.



President



Secretary/Treasurer

**RESOLUTION
SPECIAL IMPROVEMENT DISTRICT NO. 1 OF THE
RIO GRANDE WATER CONSERVATION DISTRICT
BOARD OF MANAGERS**

Adding Additional Incentives to the RGWCD Groundwater Compact Compliance and Sustainability Fund within Subdistrict No. 1

WHEREAS, as part of its approved Plan of Water Management, Special Improvement District No. 1 of the Rio Grande Water Conservation District (Subdistrict No. 1) is required to recover and maintain the unconfined aquifer under Subdistrict No. 1 to certain levels; and,

WHEREAS, Subdistrict No. 1 has funded numerous short and long term conservation programs to reduce consumptive use of groundwater and to assist in recovering the unconfined aquifer to meet the requirements of the Plan of Water Management ; and,

WHEREAS, Water Division No. 3 remains in a long-term reduction in water supplies; and,

WHEREAS, despite the efforts and financial support of Subdistrict No. 1, the unconfined aquifer has not recovered to the level as required by the Plan of Water Management; and,

WHEREAS, Subdistrict No. 1 remains committed to meet the terms of the Plan of Water Management; and,

WHEREAS, Subdistrict No. 1 has determined that permanent retirement of ground water wells and the associated irrigated acreage is needed; and,

WHEREAS, the Rio Grande Water Conservation District has adopted a Groundwater Compact Compliance and Sustainability Fund (June 14, 2023) (“SB22-028 Program”), attached hereto and incorporated herein; and

WHEREAS, any disbursement of the SB22-028 Program funds must support a verifiable reduction in groundwater withdrawals from non-exempt wells that are subject to aquifer sustainability requirements as outlined in the State’s Rules and Regulations for Groundwater Withdrawals in Colorado Water Division No. 3.

WHEREAS, the participation in the SB22-028 Program within Subdistrict No. 1 has not been at the levels Subdistrict No. 1 anticipated; and,

WHEREAS, Subdistrict No. 1 desires to add additional incentives to increase voluntary participation in the SB22-028 Program within Subdistrict No. 1 under Paragraph 9.2 of the SB22-028 Program.

R E S O L U T I O N


NOW, THEREFORE, be it resolved by the Board of Managers of Special Improvement District No. 1, acting by and through its Water Activity Enterprise, that:

1. Subdistrict No. 1 hereby establishes a Supplemental SB22-028 Incentive Program under the following terms:

1.1 Interested Subdistrict Members (“Producers”) may offer water rights and permits for purchase under the RGWCD’s SB22-028 Program.

- 1.2 Producers who wish to participate in the Supplemental SB22-028 Incentive Program must meet all requirements of the RGWCD's SB22-028 Program and be accepted into that Program.
 - 1.3 Producers must comply with all terms and conditions of the RGWCD's SB22-028 Program, including but not limited to the execution of a dry-up covenant and transfer of the well permit and/or decree to the RGWCD.
 - 1.4 Both the point of diversion and legal place of use for the groundwater right must be within the boundary of Response Area No. 1 as defined by the Rules Governing the Withdrawal of Groundwater in Water Division No. 3 (The Rio Grande Basin) and Establishing Criteria for the Beginning and End of the Irrigation Season in Water Division No. 3 for all Irrigation Water Rights.
2. Producers will be eligible for the following incentives, which are in addition to the payments to be paid under the RGWCD's SB22-028 Program:
 - 2.1 The Supplemental SB22-028 Incentive Program will pay to the producer One-Thousand Two-Hundred and Fifty dollars (\$1,250) per acre-foot of historical groundwater withdrawal.
 - 2.2 The historical groundwater withdrawal will be determined under the RGWCD's SB22-028 program and will be applied to the Supplemental SB22-028 Program.
3. Application for the Supplemental SB22-028 Incentive Program will be on a form provided by the Subdistrict and must be submitted with the application for the RGWCD's SB22-028 Program.

4. All such payments will be made by Subdistrict No. 1 to the Producer at the time mutually agreed to between the Subdistrict and the Applicant, but not before August 31, 2024.
5. Funding for this Supplemental SB22-028 Incentive Program is solely from Subdistrict No. 1 funds. The RGWCD will have no obligation to any Applicant under this Supplemental SB22-028 Incentive Program. This Supplemental SB22-028 Incentive Program is dependent upon the Subdistrict's budget and the Subdistrict may modify or withdraw the Program at any time and in its sole discretion.
6. The Supplemental SB22-028 Incentive Program will cease at 4:00 pm on December 31, 2023 without further action from the Subdistrict or RGWCD. Completed applications must be received by the Subdistrict prior to this day and time to be eligible under the Supplemental SB22-028 Incentive Program.



Jake Buris
President

Attest:



Sheldon Rockey
Secretary/Treasurer