QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #3
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
June 4, 2026 at 8:00 a.m.
8805 Independence Way, Alamosa, CO 81101
And By Zoom/Teleconference

Present: LeRoy Salazar, President; Nathan Coombs, Vice-President/Secretary/Treasurer; Warren Crowther, Manager; Sam Vance, Manager; Doug Bagwell, Manager; and, Brandon Thomas, Manager.

Absent: Elliott Salazar, Ex-Officio Member.

Staff and Consultants: Pete Ampe, and Arthur Sayre, Hill & Robbins, P.C; Amber Pacheco, Deputy General Manager; Angelo Bellah, Program Manager; Chris Ivers, Program Manager; Quinton Norris, Program Manager; Linda Ramirez, Program Assistant; Wylie Keller, Water Resource Specialist; Wesley Seger, Davis Engineering; Kylie Gregg, Office Manager; Michael Carson, Database Administrator; and, April Mondragon, Administrative Assistant.

Guests: Jessica Valdez, Chuck Finnegan, Deb Sarason, and David Hofmann.

Meeting Called to Order
President Salazar called the meeting to order at 8:01 a.m. A quorum was present. The Pledge of Allegiance was recited. Warren Crowther led the opening prayer.

Approval of the Agenda
President Salazar asked to amend the agenda to add a discussion regarding staffing/personnel in executive session, discussions on paying winter depletions, prevent plant and the Sandoval land. He asked for any other changes, additions or a motion to approve the agenda. A motion was made by Warren Crowther to approve the agenda as amended. The motion was seconded by Nathan Coombs and unanimously approved.

Approval of the Consent Agenda
President Salazar asked for any changes, additions or a motion to approve the consent agenda items:

- February 19, 2026-Joint Special Meeting with Subdistrict No. 6 Minutes
- February 19, 2026-Executive Session Minutes
- March 5, 2026-Annual Meeting Minutes
- March 5, 2026-Executive Session Minutes
- April 13, 2026-Special Meeting Minutes
- April 13, 2026-Executive Session Minutes

A motion was made by Nathan Coombs to approve the consent agenda as presented. The motion was seconded by Doug Bagwell and unanimously approved.

Public Comment
President Salazar asked for public comment. There was none.

Election of Officers
President Salazar asked for election of officers. Pete Ampe reminded the Board of the current officers. He opened the floor for nominations for President including self nominations.

A motion was made by Sam Vance to retain Leroy Salazar as President of the Board of Managers of Subdistrict No. 3. The motion was seconded Warren Crowther and unanimously approved.

A motion was made by Doug Bagwell to retain Nathan Coombs as Vice President/Secretary/Treasurer of the Board of Managers of Subdistrict No. 3. The motion was seconded by Sam Vance and unanimously approved.

Oath of Office
President Salazar asked for the Oath of Office. Brandon Thomas was sworn in.

Board of Manager Terms
President Salazar asked for Board of Manager Terms. Angelo Bellah provided the term length of each Board of Manager.

Disclosure of Potential Conflicts of Interest
President Salazar asked for disclosure of potential conflicts of interest. Pete Ampe explained the purpose and procedure of the disclosure and how most Board of Mangers disclosed potential conflicts of interest at the last meeting. Nathan Coombs was not present at the last meeting, and was asked to disclose.

Nathan Coombs: groundwater, Manassa Land and Irrigation, Alamosa/Morgan Drain Ditch.

Attorney's Report
President Salazar asked for the Attorney's report. Pete Ampe updated the Board on the Texas vs New Mexico Colorado US Supreme court case settlement agreement. He gave an update on the Alpha Hay Farms change case, the Subdistrict No. 1 Plan of Water Management trial date, SWAG trial date and the City of Alamosa augmentation plan trial date. Mr. Ampe highlighted the approval of all Annual Replacement Plans throughout the San Luis Valley. Discussion was held on the situation with the Closed Basin Project winter replacement water.

District Engineer's Report-Wesley Seger
President Salazar asked for the District Engineer's report. Wesley Seger presented the Subdistrict No. 3 Conejos monitoring wells map. He went over the change compared to the 2015 baseline and 2024. Discussion was held on how wells were responding differently and which wells show the most impact. President Salazar explained why he felt sustainability needed to be redefined. Nathan Coombs commented on the importance of receiving consistent measurements. Chris Ivers reported on the District's new hire of a Well Technician and the hope to have more consistent well measurements going forward. President Salazar highlighted a meeting with Cleave Simpson regarding the definition of sustainability.

Program Manager's Report
President Salazar asked for the Program Manager's report.

- *Financial Report:*

Angelo Bellah presented the costs covered by the District for formation and expenses since formation. He gave a summary of total formation expenses and remaining balance due to the District. Mr. Bellah presented the Balance Sheet. He highlighted Kylie Gregg's notes and went over the assets, liabilities, equity and total assets. Mr. Bellah presented the January through May 31, 2026 Profit and Loss Statement. He went over the income, total expenses and income. Mr. Bellah also presented the certificate of deposits, fixed asset list and long term liabilities sheet.

A motion was made by Nathan Coombs to approve the financial report as presented. The motion was seconded by Sam Vance and unanimously approved.

Mr. Bellah provided a water accounting update on the Rio Grande, Alamosa, La Jara Creek and Conejos. He presented the 2026 ARP accounting spreadsheet. Mr. Bellah suggested the Subdistrict use a portion of consumptive use to cover the depletions. He went over the reservoir storage analysis and described the ARP project deadline and the process. Discussion was held on taking aggressive measures to redefine sustainability at the legislative level, the Subdistricts being affected and presenting the matter to the District Board at the July meeting. Wylie Keller presented the new Reservoir Storage Analysis tool.

- *2026 ARP Projects*

Angelo Bellah updated the Board on the forbearance agreements submitted to DWR as after acquired sources. He gave an update on the SWSP's and the Alpha Hay Farms projects. Mr. Bellah highlighted the Colorado Realty and Land Co. expiration date on the contract to list the Alpha tracts with

A motion was made by Nathan Coombs to approve and continue the contract with Colorado Realty and Land Co. The motion was seconded by Doug Bagwell and unanimously approved.

Nathan Coombs provided an update on the status of the new reservoir. Angelo Bellah updated the Board on the CWCB loan and the Sowards well. Discussion was held on whether or not to cap the Sowards well. Wylie Keller reported he would look into whether the well could be moved or not. Mr. Bellah reported on the Taos Valley No. 3 SWSP not coming into priority, went over the Los Sauces SWSP operations, and described how and when the payment would be made to Tommy Martinez. Mr. Bellah presented a debt tracker, CU limits and went over the terms to be added to the SWSP letter. He gave an update on the Rio Grande augmentation station, Conejos augmentation station and some of the items that need to be discussed with Subdistrict No. 6 and the Trinchera Subdistrict. Discussion was held on how ditch management and maintenance would be handled. Mr. Bellah provided an update on the Martinez well purchase and went over the history for the new Board of Manager. President Salazar highlighted the water savings in connection with the purchase. Discussion was held on how expensive it has become to be a farmer and the struggle a young farmer would have. Nathan Coombs highlighted the importance of maintaining flexibility and the potential need for a committee of members from Subdistrict No. 3 and 6 to manage sustainability.

- *Affirmation of Vote to Lease a Portion of the City of Monte Vista's Anderson Ditch Water*

A motion was made by Nathan Coombs to affirm the vote to lease a portion of the City of Monte Vista's Anderson Ditch water. The motion was seconded by Brandon Thomas and unanimously approved.

Review and Possible Action on RGWCD Investment Policy

President Salazar asked for review and possible action on RGWCD Investment Policy. Angelo Bellah presented the Rio Grande Water Conservation District Investment Policy. He went over the purpose and objective of the policy. Mr. Bellah explained how approval would give staff authority to explore other investment options. He included a list of approved institutions and list of approved investment pools which are not FDIC insured.

A motion was made by Doug Bagwell to approve the Resolution to Join as a Participant in the COLOTRUST and Authorizing Signatories and the Resolution to Join as a Participant in the CSAFE and Authorizing Signatories. The motion was seconded by Nathan Coombs and unanimously approved.

Warren Crowther asked staff to explore investment options and report back on the rate of return, ability to withdraw as needed, and insurance above $250,000.

Executive Session to Receive Legal Advice Concerning the Purchase of Real Property

President Salazar asked for a motion to enter into executive session to receive legal advice concerning the purchase of real property. A motion was made by Warren Crowther at 10:36 a.m. to enter into executive session. The motion was seconded by Brandon Thomas and unanimously approved.

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

Possible Action from Executive Session

President Salazar asked for possible action from executive session. There was none.

New Business

President Salazar asked for new business.

- *Upcoming Rio Grande Basin Roundtable discussing CWCB's No & Low Regret Strategy*

Angelo Bellah reminded the Board of the discussions being held at the Roundtable meetings. He provided the meeting dates and encouraged Subdistrict members to attend and provide their input. Nathan Coombs reported being on the CWCB Board and explained how the results could be impacted without agriculture representatives. He described the importance of ag perspective to help shape the plan.

- *Letter from the CWCD to the BOM*

Nanthan Coombs described how the letter was developed and its purpose. He commented on the discussion held in connection with the development of the letter and how the CWCD is in full support of Subdistrict No. 3. Discussion was held on voluntary cutbacks, taking potential compulsory approaches, informing producers and the importance of coming up with a sustainability plan.

- *RGWCD Staffing Update*

The Board thanked Angelo Bellah for all he has done for the Subdistrict and wished him well on his future endeavors. Nathan Coombs reported on a request made by Lester Yoder to develop an Amish cemetery on property owned by the Subdistrict. The Board directed Mr. Coombs to discuss the matter further with Mr. Yoder.

Next Meeting
A work session was scheduled for July 23, 2026 at 8:00 a.m. The next quarterly meeting is scheduled for September 3, 2026, at 8:00 a.m.

Adjournment
The meeting was adjourned at 12:14 p.m.

President

Vice-President/Secretary/Treasurer

RESOLUTION OF THE BOARD OF MANAGERS OF THE RIO GRANDE WATER CONSERVATION DISTRICT SPECIAL IMPROVEMENT DISTRICT NO. 3

A resolution authorizing the Rio Grande Water Conservation District ("District") Special Improvement District No. 3 ("Subdistrict") to join with other local governments as a Participant in the Colorado Local Government Liquid Asset Trust (the "Trust") to pool funds for investment.

RECITALS

WHEREAS, pursuant to Part 7, Article 24 (C.R.S.), it is lawful for any local government to pool any moneys in its treasury that are not immediately required to be disbursed with the same such moneys in the treasury of any other local government in order to take advantage of short-term investments and maximize net interest earnings; and

WHEREAS, the District has adopted an Investment Policy that permits the District, including, its special improvement districts ("Subdistricts"), to pool moneys in treasury that are not immediately required to be disbursed with the same such moneys in the treasury of any other local government in order to take advantage of short-term investments and maximize net interest earnings consistent with and pursuant to such Investment Policy; and

WHEREAS, the Trust is a statutory trust formed under the laws of the state of Colorado in accordance with the provisions of Parts 6 and 7, Article 24 and Articles 10.5 and 47 of Title 11 of the Colorado Revised Statutes regarding the investing, pooling for investment, and protection of public funds; and

WHEREAS, the Subdistrict desires to become a Participant in the Trust.

RESOLUTION

NOW THEREFORE, be it resolved by the Board of Managers of the Rio Grande Water Conservation District Special Improvement No. 3 that:

1) Rio Grande Water Conservation District Special Improvement District No. 3 hereby approves, adopts, and thereby joins as a Participant with other local governments pursuant to Part 7, Article 75, Title 24 of the Colorado Revised Statutes that certain Amended and Restated Indenture of Trust entitled the Colorado Liquid Government Asset Trust dated May 1, 2021 as amended from time to time, the terms of which are incorporated herein by this reference and a copy of which shall be filed with the minutes of the meeting at which this Resolution was adopted; and

2) The Designee and Authorized Signatories are those persons who hold the positions of General Manager (Cleave Simpson), Deputy General Manager (Amber Pacheco), Program Manager (Angelo Bellah), President (LeRoy Salazar), and Vice-President/Secretary/Treasurer (Nathan Coombs). The current persons holding those positions are listed on the Trust Registration Form attached hereto and incorporated herein. The Authorized Signatories are authorized by the Participant to direct the investment of such Participants' investment funds.

3) The Designee and Authorized Signatories may be changed from time to time by written notice to COLOTRUST; and

4) The Trust currently has three investment portfolios COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE. Prior to investing in any of the portfolios offered by the Trust, Participants are encouraged to review the COLOTRUST Information Statements and Investment Policies for each portfolio. Any investments in such portfolios must be consistent with and pursuant to the District Investment Policy.

Adopted, this 4 day of June 2026

LeRoy Salazar, President

ATTEST:

Nathan Coombs, Secretary/Treasurer

RESOLUTION OF THE BOARD OF MANAGERS OF THE RIO GRANDE WATER CONSERVATION DISTRICT SPECIAL IMPROVEMENT DISTRICT NO. 3

A resolution authorizing the Rio Grande Water Conservation District ("District") Special Improvement District No. 3 ("Subdistrict") to join with other local governments as a Participant in the Colorado Surplus Asset Fund Trust ("CSAFE") to pool funds for investment.

RECITALS

WHEREAS, pursuant to the provisions of C.R.S. Section 24-75-601 and 701, et seq., as amended and C.R.S. 24-75-702, et seq. as amended, any local government entity (including cities, towns, school districts, special districts, counties or political subdivisions of the state) is authorized to pool any moneys in its treasury, which are currently surplus funds and not immediately required to be disbursed, with similar moneys from other local government entities, in order for these entities to take advantage of short-term investments and maximize net interest earnings. CSAFE is formed as a common law trust under the laws of the state of Colorado.

WHEREAS, the District has adopted an Investment Policy that permits the District, including, its special improvement districts ("Subdistricts"), to pool moneys in treasury that are not immediately required to be disbursed with the same such moneys in the treasury of any other local government in order to take advantage of short-term investments and maximize net interest earnings consistent with and pursuant to such Investment Policy.

WHEREAS, the Subdistrict desires to participate in CSAFE formed in accordance with the aforesaid statutes, in order to pool its surplus funds with other local government entities.

WHEREAS, the Subdistrict has passed, by majority vote the following resolution:

RESOLUTION

NOW THEREFORE, be it resolved by the Board of Managers of the Rio Grande Water Conservation District Special Improvement District No. 3 that:

The Subdistrict has reviewed C.R.S. Section 24-75-601, as amended and C.R.S. Section 24-75-701, et seq., as amended, of the Colorado Revised Statutes and the merits of investing in a trust as permitted by C.R.S. Section 2475-601, as amended and C.R.S. Section 24-75-701, et seq. as amended, including the trust's liquidity, risk diversification, flexibility, convenience and cost compared to the alternative direct purchase of comparable investments and finds it is in the best interest of the local government entity and therefore hereby approves and adopts this Resolution, along with other local government entities in the trust for the purpose of pooling surplus funds. The terms of the above-mentioned trust indenture shall be incorporated herein by this reference and a copy filed with the minutes of the meeting at which warranties, either expressed or implied, are part of this agreement between CSAFE and the District unless as set forth in the Indenture of Trust, but that CSAFE shall use its best efforts in conjunction with the District to accomplish these goals.

The Subdistrict is liable for all checks written on its account, authorized or unauthorized. The Subdistrict should implement proper security procedures to safeguard the checks for each account. CSAFE does not guarantee the prevention of fraud or theft from a District account.

The Authorized Signatories for the Rio Grande Water Conservation District Special Improvement District are those persons who hold the positions of General Manager, Deputy General Manager, Program Manager, Subdistrict President, Subdistrict Vice-President, and Subdistrict Secretary/Treasurer. The current persons holding those positions are those persons listed in the Banking Resolution attached hereto and incorporated herein whom are the approved staff and Board Officers empowered to invest funds of the Participant or his/her successor in function, are hereby authorized and directed to execute the Indenture of Trust and any other documents necessary to establish an account with CSAFE. The Authorized Signatories are hereby designated the "Treasurer" as that term is defined in the Indenture of Trust and are therefore authorized to invest money from the Participants' treasury, from time to time, which are not immediately required to be disbursed, by purchasing shares of CSAFE with those available funds and is authorized to redeem, from time to time, part or all of those shares as funds are needed for other purposes.

The Authorized Signatories may be changed from time to time by written notice to CSAFE.

Any investment in CSAFE must be consistent with and pursuant to the District Investment Policy.

Adopted, this 4 day of June, 2026

LeRoy J Salazar

LeRoy Salazar, President

ATTEST: [signature]

Nathan Coombs, Secretary/Treasurer

OATH OF BOARD OF MANAGER OF SPECIAL IMPROVEMENT DISTRICT NO. 3 THE RIO GRANDE WATER CONSERVATION DISTRICT

I, Brandon Thomas, do solemnly swear to support and defend the constitutions of the United States and of the State of Colorado and to impartially, and without fear and favor, discharge the duties of the office of a Board of Manager of Special Improvement District No. 3 of the Rio Grande Water Conservation District.

Brandon Thomas

STATE OF COLORADO)
) **ss.**
COUNTY OF ALAMOSA)

Subscribed and sworn to before me this 4th day June, 2026.

My commission expires: 6·15·29

APRIL MONDRAGON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20054023915
MY COMMISSION EXPIRES JUNE 15, 2029

Notary Public:
April Mondragon