

**RIO GRANDE WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS QUARTLERY MEETING
July 18, 2023, at 9:00 A.M.
Rio Grande Water Conservation District Conference Room
And By Zoom Teleconference**

Present: Greg Higel, President; Armando Valdez, Vice-President; Zeke Ward, Secretary/ Treasurer; Peggy Godfrey, Director; Cory Off, Director; Mark Deacon, Director; Mike Kruse, Director; Doug Gunnels, Director; and, Elliott Salazar, Director.

Staff and Consultants: David Robbins, Hill & Robbins, P.C.; Amber Pacheco, Deputy General Manager; Chris Ivers, Program Manager; Taylor Chick, Program Manager; Angelo Bellah, Program Manager; Wylie Keller, Water Resource Specialist; Rose Vanderpool, Program Assistant; Linda Ramirez, Program Assistant; Kylie Gregg, Office Manager; Clinton Phillips, Davis Engineering; Crystal Benevidez, HCP Coordinator/Program Assistant; April Mondragon, Administrative Assistant; and, Michael Carson, Database Administrator.

Guests: Erin Minks, Michelle Lanzoni, Garin Vorthmann, Chris Shaffer, Sharon Vaughn, Sally Weir, Lawrence Crowther, Chris Lopez, Owen Woods, Ryan Unterreiner, Tyler Faucette, Karla Shriver, Thomas Hanson, Rio de la Vista, Austin Malotte, John Irizarry, Todd Doherty, Adam Jokerst, David Hofmann, Virgil Valdez, Rosy Brummette, David Frees, Jan Waye, Monty Smith, Jake Burris, Clay Mitchell, Tony Holcomb, Brett Hemmerling, LeRoy Salazar, Sam Vance, David Schmittel, Kit Caldon, Ron Reinhardt, Rod Reinhardt, Nathan Coombs, Sheldon Rockey, Chris Miner, Jeff Regenold, Gerald Ziegler, and Harold Stoeber.

CALL TO ORDER

President Greg Higel called the meeting to order at 9:04 a.m. There was a quorum present for the meeting. The Pledge of Allegiance was recited.

INTRODUCTION OF STAFF AND GUESTS

President Greg Higel welcomed all those present and asked for introductions.

APPROVE AGENDA

President Higel asked for amendments or a motion to approve the agenda. A motion was made by Cory Off to approve the agenda as presented. The motion was seconded by Elliott Salazar and unanimously approved.

APPROVAL OF THE CONSENT AGENDA

President Higel asked for approval of the consent agenda items:

- April 13, 2023-Special Meeting Minutes
- April 18, 2023- Quarterly Meeting Minutes
- May 1, 2023-Special Meeting Minutes
- June 14, 2023-Special Meeting Minutes

A motion was made by Peggy Godfrey to approve the consent agenda items as presented. The motion was seconded by Cory Off and was unanimously approved.

PUBLIC COMMENT

President Higel asked for public comment. There was none.

FINANCIAL REPORT

President Higel asked for the financial report. Amber Pacheco presented the financial report. She highlighted revenues, county collections, annual formation reimbursements from Subdistricts and an interest rate increase on the CD's. Ms. Pacheco reported on a new expense item to track costs associated with SB22-028. She highlighted the misc. expenses, public education, land structures, special projects and transportation costs. Discussion was held on water storage amounts, the amount of water that ran and where it ran. Ms. Pacheco presented the Balance Sheet for the District as well as the Balance Sheets for each Subdistrict. She also provided the balances for the Operating CD's, the Study Account CDs, and explained how those study funds could be used. David Robbins reminded the Board how the study funds were acquired and kept. Ms. Pacheco presented the bank statement balances for the District and Subdistricts.

A motion was made by Peggy Godfrey to approve the Financial Report as presented. The motion was seconded by Mark Deacon and unanimously approved.

SUBDISTRICT 2 AND 6 PURCHASE OF ROCKY MOUNTAIN HIGH DEVELOPMENT, LLC WATER RIGHTS ON THE RIO GRANDE

President Higel asked for discussion on the Subdistrict 2 and 6 purchase of Rocky Mountain High Development, LLC, water rights on the Rio Grande. Angelo Bellah reported he was seeking Board approval for the purchase of 20% of the Twin Pine Ranch (TPR) water rights. He described the portion Mark Deacon owns and explained the need for a standalone resolution authorizing Greg Higel to sign on behalf of the District at closing. Mark Deacon recused himself from the discussion. Mr. Bellah presented the purchase and sale agreement and explained the dry up agreement. He provided the historical groundwater withdrawals and presented a map of the Rio Grande Ditch No. 1 participating lands. Discussion was held on monitoring the dry up, the location of the dry up and where the water returns. David Robbins explained what would be subject to water court. Mr. Bellah highlighted the buyback agreement with Mr. Deacon, the Subdistricts revegetation plan and goals in connection with the purchase. Discussion was held on Subdistrict No. 2 and 6 funding the project. Cory Off commented on dry ups along the river that were harmful.

A motion was made by Cory Off to approve the PSA for 20% of RMHD, LLC, interest in water rights, approval of the MOU between Subdistricts No. 2 and 6 that detail how Subdistrict No. 2 will payback Subdistrict No. 6 for the purchase, approval of the dry up covenant/purchase agreement that details Mark Deacons agreement to dry up 20% of the TPR land he owns in order to pursue a change case, and approval of the resolution to allow Greg Higel to sign at closing, with the note final documents including the MOU were in draft form today. The motion was seconded by Peggy Godfrey, Mark Deacon abstained, the motion passed unanimously.

DEPUTY GENERAL MANAGER'S REPORT

President Higel asked for the Manager's report. Amber Pacheco introduced Crystal Benavidez as the new HCP Coordinator/Program Assistant for the District. She gave an update on Subdistrict No. 1's Amended Restated Plan of Water Management No. 4 and the next steps in the approval process. Cory Off commented on the timing of the oppositions received. David Robbins explained the legal process. Ms. Pacheco reported submitting copies of the objections to the Board as soon as they were received. She also reported on the completion of the building remodel project and moving forward with bid requests to build a garage. Ms. Pacheco highlighted the number of pending applications received in connection with SB22-028, a Steering Committee update, a request for funding to the USBR and working to finalize the agreement with Mike Sullivan. Ms. Pacheco reported working with Kylie Gregg on the audit and highlighted a conference she attended. She also reported being invited to speak at the Special District's Association Annual Conference in September. She updated the Board on her progress in the Water Leaders Program and the 2023 Colorado Water Congress Summer Conference.

DISTRICT ATTORNEY'S REPORT-DAVID ROBBINS

President Higel asked for the District Attorney's report. David Robbins reported working with staff on 1041 issues and the Navajo/Squaw Pass William's Creek water. Mr. Robbins provided an update on the SWAG trial and on a development which may have occurred. He also updated the Board on the Texas vs. New Mexico and CO case, a Bill dealing with Western Water Resources and one being worked on regarding groundwater easements. Mr. Robbins reported working on Subdistrict matters including working with staff on how to get the funds out the door on the SB22-028. Peggy Godfrey commented on the Closed Basin Project.

DISCUSSION REGARDING BILL INTRODUCED BY SENATORS BENNET AND MORAN REGARDING AN AMENDMENT TO THE FOOD SECURITY ACT OF 1985 TO ESTABLISH A GROUNDWATER CONSERVATION EASEMENT PROGRAM

President Higel asked for the discussion regarding a Bill introduced by Senators Bennet and Moran regarding an amendment to the Food Security Act of 1985 to establish a Groundwater Conservation Easement Program. Erin Minks explained the Farm Bill that was introduced which would act as another tool in the tool box for irrigators. She requested the Board consider a formal letter in support of the bill. Discussion was held on how the Bill compares to the CREP program, who would be responsible for issuing payments and how the water rights would be held under an easement.

A motion was made by Armando Valdez to support and advocate for the enhancement to the Farm Bill. The motion was seconded by Peggy Godfrey and unanimously approved.

COLORADO LEGISLATIVE STRATEGIES-GARIN VORTHMANN

President Higel asked for Colorado Legislative Strategies report. Garin Vorthmann reported the legislative session ended on May 8th and stated water issues were quiet last year. She provided an update on a stream restoration Bill proposal from the Department of Natural Resources and other ongoing stake holder meetings. Ms. Vorthmann highlighted a Bill that created a Colorado River Drought Task Force and provided an update on the interim committee efforts. She reported on an upcoming tour being held in the San Luis Valley by the Water Resources and Agriculture Review Committee. Ms. Vorthmann provided an update on other matters outside of water.

ADJOURN

The meeting was adjourned at 11:13 a.m.

The next quarterly meeting is scheduled for October 17, 2023.



President



Secretary/Treasurer

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**RESOLUTION OF THE BOARD OF DIRECTORS OF THE RIO GRANDE WATER
CONSERVATION DISTRICT**

RECITALS

WHEREAS, the Rio Grande Water Conservation District (“District”) was created pursuant to section 37-48-102, C.R.S.; and,

WHEREAS, pursuant to section 37-48-108, C.R.S., the Rio Grande Water Conservation District is authorized to establish special improvement districts; and

WHEREAS, pursuant to the request of certain water users within the Rio Grande Alluvium and the Alamosa-La Jara Response Areas and section 37-48-123, C.R.S., the District filed a Petition to establish Special Improvement Districts No. 2 and No. 6 of the Rio Grande Water Conservation District (the “Subdistricts”); and

WHEREAS, the Subdistricts are local government entities authorized to establish water activities enterprises pursuant to Article 45.1 of Title 37 of the Colorado Revised Statutes and the Subdistricts have established Water Activities Enterprises (individually, a “WAE” or, collectively, the “WAEs”); and

WHEREAS, the mailing address of the District is 8805 Independence Way, Alamosa, CO 81101; and

WHEREAS, on July 18, 2023, the District, for and on behalf of the WAEs of the Subdistricts authorized a Purchase and Sale Agreement for Twin Pines Reserved Water Rights (the “PSA”) with Rocky Mountain High Development, LLC (“RMDH”); and

WHEREAS, the Board of Directors of the District (“Board”) now wishes to provide the following statement of authority showing who may act on behalf of the District, the Subdistricts, and/or the WAEs to convey, encumber, or otherwise affect title to real property for the purposes of closing on the PSA with RMDH.

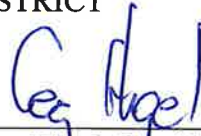
RESOLUTION

NOW THEREFORE, be it resolved by the Board of Directors of the Rio Grande Water Conservation District that:

1. The Board affirms that the District is authorized to execute and close upon the PSA.
2. Greg Higel, President, Rio Grande Water Conservation District, may act of behalf of the District, the Subdistricts, and/or the WAEs to convey, encumber, or otherwise affect title to real property for the purposes of closing on the PSA with RMDH.

RESOLVED this 18 day of July, 2023

RIO GRANDE WATER CONSERVATION
DISTRICT



Greg Higel, President

ATTEST



Zeke Ward, Secretary