

**QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #4
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
September 5, 2023 at 9:00 a.m.
RIO GRANDE WATER CONSERVATION DISTRICT CONFERENCE ROOM
AND ZOOM/TELECONFERENCE**

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

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

Guests: David Hofmann.

Meeting Called to Order

President Frees called the meeting to order at 9:00 a.m. There was a quorum present for the meeting. The Pledge of Allegiance was recited.

Approval of the Agenda

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

Approval of the Minutes

President Frees asked for approval of the following minutes:

- June 6, 2023-Quarterly Meeting Minutes
- June 6, 2023-Executive Session Minutes
- June 26, 2023-Special Meeting Minutes

A motion was made by Pete Stagner to approve the minutes as presented. The motion was seconded by Jeff Regenold and unanimously approved.

Public Comment

President Frees asked for public comment. There was none.

Review and Consider Resolution Expressing Gratitude to Jeremy Uhlenbrock

President Frees asked for review and consider resolution expressing gratitude to Jeremy Uhlenbrock. He reported on Mr. Uhlenbrock's efforts, dedication and expertise to Subdistrict No. 4 since its conception.

A motion was made by Pete Stagner to approve the Resolution Expressing Gratitude to Jeremy Uhlenbrock. The motion was seconded by Jan Waye and unanimously approved.

Attorney's Report

President Frees asked for the Attorney's report. Pete Ampe provided an update on the Special Master's ruling on the Texas vs. Colorado and New Mexico supreme court case. He stated he would inform the Board if exceptions are filed. Mr. Ampe reported on the memorandum on 1041 regulations to be discussed in executive session.

District Engineer's Report

President Frees asked for the District Engineer's report. Clinton Phillips presented the data on the monitoring wells according to model layer and the measurements from the Division of Water Resources. He also highlighted the five (5) year average groundwater withdrawals in the Subdistrict and reported on the change in the composite water head. The sustainability of the Subdistrict was discussed.

Program Manager's Report

President Frees asked for the Program Manager's report.

- Financial report

Chris Ivers presented the financial report. He highlighted the total costs since formation of the Subdistrict in 2017 as well as the remaining balance due to the District. Mr. Ivers presented the Balance Sheet and the Profit and Loss Statement. He highlighted the checking account balance, accounts receivable, total assets, liabilities, administrative fees, groundwater withdrawal fee, utilities, WIPS and special projects.

A motion was made by Pete Stagner to approve the financials as presented. The motion was seconded by Jeff Regenold and unanimously approved.

Chris Ivers updated the Board on an outing with Colorado Open Lands (COL) to do the yearly easement monitoring tour. He reported on the photo points established by COL and on the ground cover. Mr. Ivers provided an update on the request from the Board regarding elk hunting tags. He also reported on issues with the RCPP funds that were to be used toward revegetation costs. Mr. Ivers provided an update on SB22-028. He highlighted the number of applications received, the allocated dollar amount if approved and the amount of water that would be retired. Jan Wayne commented on the lack of participation in the program. Discussion was held on potential changes to the program in the second round. Mr. Ivers reported receiving interest from an individual to purchase the quonset hut located on the west side of the Peachwood property. He asked the Board for comments on selling or leasing the quonset hut. The consensus of the Board was to not sell or lease the quonset hut at this time.

2024 Revegetation, Farm Lease, and Stream Remedies

President Frees asked for 2024 Revegetation, Farm Lease, and Stream Remedies. Chris Ivers asked David Hofmann about the decreed limits in connection with water usage on the revegetation. He provided an update on the revegetation and the inspections that had been done. Pete Stagner reported on a problem with the seed mix. He commented on the weeds and the support they bring to the ground cover. The Board decided a Farm Committee meeting was needed in order to discuss the revegetation plan further. President Frees asked for a discussion on stream remedies. Mr. Ivers reminded the Board of the funds available from the loan proceeds to drill a well. Discussion was held on whether the Subdistrict would need one (1) or two (2) wells for augmentation, renewing Well Injury Payment (WIP) agreements and the possibility of needing a change case and SWSP on priority water rights on the Peachwood property. The Subdistrict's ability to store water in order to offset groundwater withdrawals was also discussed.

2024 Budget Discussion

President Frees asked for 2024 budget discussion. Chris Ivers presented the draft Subdistrict No. 4 2024 budget. He highlighted the unaudited figures, the 2023 approved budget, the actual balance and post budget balance. Mr. Ivers provided the amount collected in 2023 from the administrative fee, groundwater withdrawal fee and the budgeted amount for both fees. He highlighted the lease payment, employee salaries and the amount paid back to the District for building expenses and formation costs. Mr. Ivers reported on the legal and engineering and aquifer recovery expenditures. He highlighted costs associated with the revegetation project, provided the estimated revenue from administrative fees and groundwater withdrawal fees. Mr. Ivers highlighted the budgeted amounts for salaries, office expenses, building expenses, CWCB loan reserve fund, CREP fee, remedy portfolio expenses, and the total groundwater withdrawal budgeted amount and total proposed expenditures. President Frees called for a special meeting on October 3, 2023 at 9:00 a.m.

Executive Session

President Frees asked for a motion to enter into executive session to receive legal advice concerning potential litigation. A motion was made by Pete Stagner to enter into executive session. The motion was seconded by Jeff Regenold and unanimously approved.

Mr. Ampe stated the Board was entering into executive session pursuant to section 24-6-402(4)(a) concerning potential litigation. The Board would take no formal action or position during the executive session.

Possible Action from Executive Session

President Frees asked for possible action from Executive Session. There was none.

New Business

President Frees asked for new business. Pete Ampe reminded the Board of the upcoming Peer Review Team (PRT) meeting. President Frees reported sending Chris Ivers a list of archeology survey practitioners. He highlighted the plan to participate in a mitigation on erosion control and the need to inventory any paleo or other archeologically sites and develop a plan to protect those sites. President Frees reported on the need to put out a bid request for an archeology survey. Staff was directed to advertise for bids and approval of a bid to the October 3rd meeting agenda. President Frees also reported receiving interest from Carlos Silva to fill the open Board of Manager seat.

Next Meeting

A special meeting was scheduled for October 3, 2023 at 9:00 a.m. The next quarterly meeting was scheduled for December 5, 2023 at 9:00 a.m.

Adjournment

A motion was made by Jeff Regenold to adjourn the meeting. The motion was seconded by Jan Wayne and unanimously approved.

The meeting was adjourned at 10:33 a.m.



President



Vice-President/Secretary/Treasurer

RESOLUTION OF THE BOARD OF MANAGERS OF SPECIAL IMPROVEMENT DISTRICT NO. 4 OF THE RIO GRANDE WATER CONSERVATION DISTRICT

(Acknowledging and Expressing Gratitude and Appreciation to Jeremy Uhlenbrock)

RECITALS

WHEREAS, Special Improvement District No. 4 of the Rio Grande Water Conservation District (“Subdistrict”) was created in 2017 to assure that Subdistrict Member wells would comply with the Groundwater Use Rules by remedying injurious depletions and achieving and maintaining a sustainable water supply; and

WHEREAS, Jeremy Uhlenbrock has recently stepped down from the Board of Managers of the Subdistrict as he is no longer eligible to serve on the Board of Managers; and

WHEREAS, Jeremy Uhlenbrock participated in the efforts to form the Subdistrict and served as a member of the Board of Managers of the Subdistrict since its inception; and,

WHEREAS, during this entire time period, Jeremy Uhlenbrock, despite his busy schedule involving both significant personal and professional responsibilities, none-the-less, spent many hours attending meetings of the Board of Managers of the Subdistrict providing his knowledge and expertise to the Board of Managers and the Members of the Subdistrict to assure the success of the Subdistrict and to protect the livelihoods of Subdistrict Members; and

WHEREAS, Jeremy Uhlenbrock has worked closely with the Staff and consultants of the Subdistrict to assure Subdistrict success; and

WHEREAS, Jeremy Uhlenbrock was acutely aware that both conserving and managing the water resources of the Subdistrict, and the San Luis Valley as a whole, and achieving compliance with Groundwater Use Rules are of vital importance to the growth and development of the entire area and the welfare of all its inhabitants; and

WHEREAS, Jeremy Uhlenbrock’s dedication to the citizens of the Subdistrict, and the San Luis Valley as a whole, and his courteous friendly manner were appreciated by all who worked with him; and

WHEREAS, the Board of Managers of the Subdistrict wishes Jeremy Uhlenbrock great happiness and success in his future endeavors.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED by the Board of Managers of Special Improvement District No. 4 of the Rio Grande Water Conservation District that it does hereby acknowledge and express its deepest gratitude and appreciation to Jeremy Uhlenbrock for his service to the Board of Managers of the Subdistrict and for his assistance to the Subdistrict as it has been carrying out its duties to comply.

BE IT FURTHER RESOLVED that the Program Manager of the Subdistrict is instructed to provide a copy of this resolution to Jeremy Uhlenbrock.

ATTEST

BOARD OF MANAGERS SPECIAL IMPROVEMENT DISTRICT NO. 4

By: 
Name: Pete Stagner
Title: Vice President/Secretary/Treasurer

By: 
Name: David Frees
Title: President

ADOPTED this 5th day of September, 2023: