

**BUDGET HEARING OF THE BOARD OF MANAGERS  
OF SPECIAL IMPROVEMENT DISTRICT #1  
OF THE RIO GRANDE WATER CONSERVATION DISTRICT  
December 2, 2020 at 1:00 p.m.  
By Zoom Teleconference**

**Present:** Brian Brownell, President; Carla Worley, Vice-President; Jamie Hart, BOM; Miguel A. Diaz, BOM; Sheldon Rockey, BOM; Clay Mitchell, BOM; Chris Miner, BOM; Les Alderete, BOM; Tony Holcomb, BOM; Asier Artaechevarria, BOM; Mike Kruse, Ex-Officio and Greg Higel, Board of Directors.

**Staff and Consultants:** Pete Ampe and David Robbins, Hill & Robbins P.C.; Cleave Simpson, General Manager; Marisa Fricke, Program Manager; Linda Ramirez, Program Assistant; Clinton Phillips, Davis Engineering; Michael Carson, Data Base Administrator; and April Mondragon, Administrative Assistant.

**Guests:** William Myers, Deb Sarason, Mike Dill, Peggy Godfrey, Dale Bartee, Margaret Goehl Trujillo, Brian Rue, Karla Shriver, Todd Smith, Ramstetter Farms, Ian McWilliam, Chad Spearman, Brad Grasmick, Steve Bachan, Rob Phillips, David Warsh, Michael and Rob Jones, Ernie Myers, Dee Greeman, Craig Cotton, Patrick McDermott, and Steve Keller.

**Meeting Called to Order**

President Brownell called the budget hearing to order at 1:15 p.m. A quorum was present.

**Approval of the Agenda**

President Brownell asked for amendments or an approval of the agenda. The agenda was amended to add an executive session after approval of the agenda. The approval of the agenda as amended was voted on and was unanimously approved.

**Executive Session**

President Brownell asked for a motion to enter into executive session to receive legal advice concerning the purchase of real property and to receive legal advice regarding the ongoing litigation. A motion was made by Miguel Diaz to enter into executive session. The motion was seconded by Chris Miner and unanimously approved.

Mr. Ampe stated the Board was entering into executive session to discuss a potential real property purchase. The Board would take no formal action or position during the executive session.

**Action on Executive Session Discussion**

Pete Ampe stated the Board was in executive session and had voted to come out. Discussion was related to a potential property purchase.

**Public Comment**

President Brownell asked for public comment. Brad Grasmick commented on the draft budget and the ongoing litigation. Mr. Grasmick asked for confirmation on an email he sent out this morning. Pete Ampe confirmed receiving the email and stated it would be part of the budget hearing record. **(ATTACHED)** Marisa Fricke provided the history of the budget process and highlighted the change to the 2021 Subdistrict No. 1 budget.

**Discussion and Approval of the Revisions to the 2021 Subdistrict #1 Budget**

President Brownell asked for discussion and approval of the Revisions to the 2021 Subdistrict No. 1 Budget.

Mike Kruse reported he has not had the opportunity to review nor consider the NEWUA proposition. Pete Ampe asked Brad Grasmick for permission to make the email public, Marisa Fricke presented the email via screen share. Mr. Grasmick highlighted the main points of his email. Ms. Fricke presented the proposed budget and provided the estimated and actual total net pumping **(ATTACHED)**.

Discussion was held on last year's pumping numbers and this year's pumping numbers. Ms. Fricke stated the actual net groundwater pumped for 2020 is 49,548. The net groundwater pumped is usually estimated for the budget process but the 49,548 is the actual number pumped this year. Ms. Fricke stated last year's pumping was 35,374, the lowest in Subdistrict history. Ms. Fricke stated comparing 2020 to 2018 as far as being another dry year, 10,000 acre feet less of water was pumped

in 2020. Ms. Fricke explained the changes in the budget due to the Judge's ruling and updated the Board on the current farm bill rental rates set by the government and the impact it could have. Ms. Fricke explained increasing the CREP fee to \$12.00 an acre in order to continue with funding the 7 CREP contracts. Ms. Fricke explained the current Farm Bill and how rental rates can be recalculated on an annual basis and how those changes would affect the budget and the gap payment made by the Subdistrict. Mr. Ampe discussed the chain of command before a final decision would be made on the rental rates by FSA.

Discussion was held on possibly using the variable fee to fund programs other than CREP to help restore the aquifer and how excess funds in the CREP budget are treated. Ms. Fricke reported what has been done in previous budgets in estimating CREP contracts and discussion was held on the well permit program implementation. Ms. Fricke explains the Subdistrict has received offers to sell well permits in excess of the amount allotted in the budget. Ms. Fricke states she has received 8.4 million dollars worth of well offers in writing presented to the Board. Ms. Fricke has different scenarios in the budget for this line item to cover these offers. Ms. Fricke states she has three other offers pending which will be presented in writing. The well permit program would be permanent retirement of wells which is what the Subdistrict needs.

Board of Managers provided suggestions and commented on how the Subdistrict should move forward in order to reduce pumping as well as permanent solutions and being responsible with the budget. Further discussion was held on the CREP budget, the well permit program offers and potentially amending the Plan of Water Management.

A motion was made by Carla Worley to approve the budget as presented with the CREP fee of \$12.00 and the water/variable fee at \$150. The motion was seconded by Jamie Hart.

Asier Artaachevarria, Sheldon Rockey and Les Alderete expressed their concerns with the dollar amounts in the motion. Discussion was held on the variable fee rate and how much money to put into the well permit program.

Roll call vote was taken as follows:

Les Alderete- NO  
Asier Artaachevarria- NO  
Sheldon Rockey- NO  
Miguel Diaz- NO  
Brian Brownell-YES  
Carla Worley-YES  
Jamie Hart- YES  
Clay Mitchell- YES  
Chris Miner- YES  
Tony Holcomb- YES

The motion passed with four (4) no's and six (6) yeses.

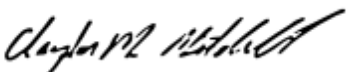
Pete Ampe confirmed that Brian Brownell's vote counted.

**Adjournment**

The meeting was adjourned at 4:40 p.m.



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President



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Secretary/Treasurer