# RIO GRANDE WATER CONSERVATION DISTRICT BOARD OF DIRECTORS SPECIAL MEETING

March 3, 2023 at 1:00 P.M.

## Rio Grande Water Conservation District Conference Room And By Zoom Teleconference

**Present:** Greg Higel, President; Armando Valdez, Vice-President; Dwight Martin, Secretary/ Treasurer; Peggy Godfrey, Director; Steve Keller, Director; Zeke Ward, Director; Cory Off, Director; and Doug Gunnels, Director.

Absent: Mike Kruse, Director.

**Staff and Consultants:** David Robbins, Hill & Robbins, P.C.; Amber Pacheco, Deputy General Manager; Angelo Bellah, Program Manager; Taylor Chick, Program Manager; Wylie Keller, Water Resource Specialist; Rose Vanderpool, Program Assistant; Kylie Gregg, Office Manager; Michael Carson, Database Administrator; and April Mondragon, Administrative Assistant.

Guests: Rio de la Vista, Deb Sarason, Monty Smith, Chris Lopez, Ben Schmidt, Jason Lorenz, Craig Cotten, William Myers, Michelle Lanzoni.

## **CALL TO ORDER**

President Greg Higel called the meeting to order at 1:03 p.m. There was a quorum present for the meeting.

### **INTRODUCTION OF STAFF AND GUESTS**

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

## **APPROVE AGENDA**

A motion was made by Cory Off to approve the agenda as presented. The motion was seconded by Armando Valdez and unanimously approved.

#### **PUBLIC COMMENT**

President Higel asked for public comment. There was none.

## **DISCUSSION AND POSSIBLE ACTION ON SB 22-028 PROGRAM**

President Higel asked for discussion and possible action on SB 22-028 program. Craig Cotten provided the Board with an analysis of the Groundwater Compact Compliance and Sustainability Fund Guidelines handout. (Copy attached) He reported on the expressed concerns from his staff regarding the plan guidelines and asked to make some comments to the Board. Mr. Cotten suggested not having a base payment and an increase to the payment per acre-foot to save more water. He also suggested not accepting any wells on the abandonment list. David Robbins highlighted the application process. Discussion was held on the timing and the likelihood of CWCB and the State Engineer approving the plan as written. Armando Valdez explained having a base payment could bring forth many lower producing wells.

A motion was made by Cory Off to remove the \$250,000 base payment in 3.1 of the plan. The motion was seconded by Armando Valdez.

Discussion was held on the cap amount and the amount of money to offer per acre-foot in order to encourage participation. Steve Keller commented on the lack of flexibility in the plan.

The motion was voted on, Peggy Godfrey and Doug Gunnels voted no, the motion passed.

A motion was made by Cory Off to raise the rate to \$3,000 per acre-foot. The motion was seconded by Armando Valdez.

Zeke Ward reported \$3,000 being a fair amount for what will be purchased and is progress toward the District's goal of eliminating groundwater withdrawals. Peggy Godfrey commented on the Closed Basin Project groundwater withdrawals. Armando Valdez explained the desire to attract participation to the program and the possibility of raising the per acre-foot as well as the cap.

The motion was voted on and unanimously approved.

David Robbins described the adjustments made to 9.2 regarding revegetation.

A motion was made by Zeke Ward to strike eighteen (18) inches of water per acre at an average rate of six (6) inches of water per acre per year, and replace it with up to eighteen (18) inches of water over three (3) years in section 9.1. The motion was seconded by Cory Off.

Discussion was held on allowing the use of the eighteen (18) inches of water over a three period and the risk of someone raising a crop in one year.

Zeke Ward amended his motion to strike eighteen (18) inches of water per acre at an average rate of six (6) inches of water per acre per year, and replace it with up to eighteen (18) inches of water over three (3) years to establish a permanent cover crop in section 9.1. The motion was seconded by Cory Off.

Discussion was held on the language in the plan regarding establishing a permanent cover crop and the recourse in the event revegetation is not followed through with.

The motion was voted on and unanimously approved.

David Robbins asked for the Board's intentions in section 7 regarding left over funds.

A motion was made by Doug Gunnels to change the amount in section 7 to \$3,000 per acre-foot. The motion was seconded by Peggy Godfrey and unanimously approved.

Amber Pacheco presented the plan with the requested changes made during the meeting.

A motion was made by Zeke Ward to approve/accept the Groundwater Compact Compliance and Sustainability Fund plan as amended and reviewed at 2:40 p.m. on March 3, 2023. The motion was seconded by Peggy Godfrey. Steve Keller voted no; the motion passed.

Amber Pacheco reported on the preparation of the application process and the criteria check list for revegetation. Doug Gunnels explained the reasons for his nay vote on the motion to drop the base payment and raise the per acre-foot amount. David Robbins thanked President Higel and the Board of Directors for their persistence and efforts in getting the plan completed.

## **ADJOURN**

The meeting was adjourned at 2:42 p.m.

The next quarterly meeting was scheduled for April 18, 2023 at 10:00 a.m.

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## Analysis of the Groundwater Compact Compliance and Sustainability Fund Guidelines

## Paragraphs 3.1 and 3.2:

Language: A BASE PAYMENT of \$250,000.00 per groundwater irrigated quarter section. A WITHDRAWAL PAYMENT will also be made to the participating well owner for each participating well, or participating wells, utilized on the submitted quarter section at a compensation rate of \$2,000.00 per acre foot of groundwater withdrawn based on the average withdrawals of the five highest years reported to the Colorado Division of Water Resources, during the period from 2013 to 2022, inclusive. To qualify, wells must have at least 5 years of reported withdrawals at a minimum rate of 50-acre-feet per year for each of the 5 years.

<u>Investigation</u>: A well that pumped 50 acre feet for five years and nothing the other five years in a ten year period would get \$350,000. This is the base payment of \$250,000 plus \$2,000 per acre-foot for the highest 5 years of pumping, (50 acre-feet). The average annual pumping amount over the 10 years is 25 acre-feet. <u>Therefore, the price paid of average pumping would be \$14,000 per acre-foot (\$350,000/25).</u>

Result: If this scenario were to be taken to the extreme, and all payments were made to well owners with this kind of situation, the potential water savings after the expenditure of \$30 million would only be 2,143 acre-feet. This equates to roughly 11 productive circles throughout the San Luis Valley.

$$\frac{\$30,000,000}{x} \times \frac{25 \text{ af}}{\$350,000} = 2,143 \text{ af}$$

$$2,143 \text{ af } \times \frac{productive \text{ circle}}{200 \text{ af}} \sim 11 \text{ circles}$$

# Paragraph 5:

Language: If a parcel of land or a portion of a parcel has not been irrigated for a portion of the period 2013 to 2022, because it has been enrolled in a voluntary conservation program operated by the RGWCD or its subdistricts, but is not participating in federally sponsored or sanctioned conservation programs for which compensation is provided through the federal program (CREP and EQIP as examples), the period of voluntary conservation enrollment will not be considered in calculating the average annual withdrawals in paragraphs 2.1.3, 2.2.3 and 3.2. And, will not be considered in determining if there was a minimum of five years of irrigation at 50 acre feet per year or greater during the period 2013 to 2022 for the parcel to qualify for the Program.

Result: In this case a well owner may get a payment of at least \$250,000 for very little to no water savings.

Taking into account the above two situations, the potential water savings for the payment of \$30 million may be as low as that consumed by 6 or 7 productive circles throughout the valley.

A realistic scenario would be that there may be a water savings equivalent to 15 productive circles throughout the valley under the current draft.

#### Suggestions:

• There should not be a base payment. The payment should be based solely upon recent groundwater production. Perhaps this could be a payment of \$3,000-\$3,500 per acrefoot. This would still result in a payment of approximately \$600,000-\$700,000 per productive circle, but would result in a water savings of 8,571 to 10,000 acre-feet, or roughly 40-50 productive circles throughout the valley. This would be approximately three to five times the amount of water savings as what the current plan may produce.

$$\frac{\$30,000,000}{\$700,000} = 42 \ circles \quad \text{OR} \quad \frac{\$30,000,000}{\$600,000} = 50 \ circles$$

$$42 \ circles \ x \ 200 \ \frac{af}{circle} = 8,400 \ af \quad OR \quad 50 \ circles \ x \ 200 \ \frac{af}{circle} = 10,000 \ af$$

• The RGWCD should not pay for wells that are on the 2020 abandonment list.