

**QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #1
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
June 6, 2023 at 1:30 p.m.
8805 Independence Way, Alamosa CO 81101
And by Zoom Teleconference**

Present: Jake Burris, President; Jamie Hart, BOM; Miguel A. Diaz, BOM; Tony Holcomb, BOM; Chris Miner, BOM; James Cooley, BOM, Michael Jones, BOM, Brett Hemmerling, BOM, and Mike Kruse, Ex-Officio Member.

Absent: Clay Mitchell, Vice President; and Sheldon Rockey, Secretary/Treasurer.

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

Guests: Greg Higel, Brian Rue, Andrea Rue, Deb Sarason, Peggy Godfrey, Steve Keller, Steve Vandiver, Sally Wier, Mirko Kruse, Curt Trimble, Bill Paddock, Dee Greeman, John Justus, and Andy Jones.

Meeting Called to Order

President Burris called the meeting to order at 1:30 p.m. The Pledge of Allegiance was recited, a quorum was present.

Approval of the Agenda

President Burris asked for approval of the agenda. Jamie Hart asked to amend the agenda to move public comment up first, then move to the executive session with the action items following. A motion was made by Jamie Hart to approve the agenda as amended. The motion was seconded by Brett Hemmerling and unanimously approved.

Public Comment

President Burris asked for public comment. There was none.

Executive Session to Receive Legal Advice Concerning Potential Litigation

President Burris asked for a motion to enter into executive session to receive legal advice concerning potential litigation. A motion was made by Chris Miner to enter into executive session. The motion was seconded by Jamie Hart 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 potential litigation. The Board would take no formal action or position during the executive session.

Possible Action from Executive Session

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

Discussion and Possible Action-Plan of Water Management

President Burris asked for discussion and possible action on the Plan of Water Management. Pete Ampe reminded the Board of the requests made to the State Engineer for consideration. Discussion was held on the comments from the State Engineer and the next steps in the approval process.

A motion was made by Jamie Hart to approve the draft Plan of Water Management No. 4 of Subdistrict No. 1. The motion was seconded by James Cooley. Chris Miner disclosed for the conflict-of-interest disclosure that he also owns Santa Maria water. Roll call vote was taken on the motion:

Jamie Hart: YES
Miguel Diaz: YES
Brett Hemmerling: YES
Jake Burris: In support of the plan, ABSTAINED
Chris Miner: YES
Michael Jones: YES
James Cooley: YES
Tony Holcomb: YES
The motion passed.

Pete Ampe highlighted the next steps in the approval process.

Approval of the Minutes

President Burris asked for approval of the following minutes:

- March 7, 2023-Quarterly Meeting
- March 30, 2023-Special Meeting
- April 13, 2023-Special Meeting
- April 24, 2023-Special Meeting
- May 12, 2023-Special Meeting

A motion was made by Miguel Diaz to approve the minutes as presented. The motion was seconded by Jamie Hart and unanimously approved.

Program Manager's Report

President Burris asked for the Program Manager's report. Taylor Chick highlighted the current business including sending out farm unit updates, working on the Plan of Water Management No. 4, and completing fallow field checks. He provided the appeal deadline, total acre feet of surface water credits leased and reported on the 2023 depletion replacement operations. Mr. Chick provided a Subdistrict No. 1 property update, reported on the water diverted for recharge and asked the Board to consider maintenance and construction on recharge ponds. He updated the Board on the 2023 Well Purchase Program, the amount budgeted, the total number of accepted bids and wells, the amount remaining in the budget. Discussion was held on the Closed Basin Project production shortage.

- *Financial Report*

Taylor Chick presented the Balance Sheet, he highlighted the account balances, accounts receivable, prepaid expenses, liabilities, and the amount paid out on appeals. Mr. Chick presented the Profit and Loss Statement and the Statement of Cash Flows.

A motion was made by Miguel Diaz to approve the financial report as presented. The motion was seconded by James Cooley and unanimously approved.

- *2023 CREP Update*

Taylor Chick reported on amendments to the Lobos Farm contract and the cancellation of ALA 52.

Attorney's Report

President Burris asked for the Attorney's report. Pete Ampe updated the Board on the start date of the SWAG trial and his plan to prepare the deeds for the Well Purchase Program. He provided an update on the other Subdistricts and their continued efforts to secure permanent water sources. Mr. Ampe reported on Subdistrict No. 4's purchase of the Peachwood property and Subdistrict No. 3's purchase of Alpha Farms in conjunction with the Trinchera Subdistrict. He updated the Board on the Navajo water right, the Hill supreme court case and the Texas vs. New Mexico case.

Engineer's Report

President Burris asked for the Engineer's report. Clinton Phillips presented the change in the unconfined aquifer storage study update. He provided the change for June 2023, change between June 2022 and 2023, the current aquifer level, the current five (5) year average and the acre feet needed to get to the -400,000 level.

Discussion and Possible Action Items

- *Hooper Pool Discussion-Appeal and Contract Addendum*

Taylor Chick reminded the Board of the year the Hooper Pool joined the Subdistrict. He reported on a staff error originating from 2020. Mr. Chick provided the acre foot amount of groundwater withdrawals, the amount charged and the amount of credits.

A motion was made by Mike Kruse to approve the appeal, be lenient and not require reimbursement due to the original error exceeding one (1) year. The motion was seconded by Michael Jones and unanimously approved.

Taylor Chick explained the request for Board approval to amend the Hooper Pool contract.

A motion was made by Miguel Diaz to amend the Hooper Pool contract based on 12.1 % consumptive use. The motion was seconded by James Cooley and unanimously approved.

- *Appeals*

Taylor Chick explained the two (2) part appeal for Richard and Cheryl Santi and the appeal to reconcile the difference in fees assessed by the Subdistrict for Natural Prairie Organic, the recommendation was approval. Mr. Chick reported on the appeals for Country Road Farm and S&T Farms, staff recommended approval.

A motion was made by Miguel Diaz to approve the appeals as presented. The motion was seconded by Chris Miner and unanimously approved.

- Discussion and Possible Action Regarding Bid Process for Sale of a Portion of the Medano Property

Taylor Chick presented the appraisal from when the Subdistrict purchased the Medano property. He highlighted the split of the parcels and the parcel to discuss possibly selling. Discussion was held on the conservation easement on the property and whether or not selling a portion would be an option. Amber Pacheco reported all concerns had been looked into. Mike Kruse requested written confirmation from the easement holder. Pete Ampe reported he would work on Mr. Kruse's request and reported the property would be sold without water rights. Discussion was held on the bidding process, possibly selling the entire property as a whole rather than individual parcels, constructing recharge pits and recharging it at a different location. Staff was directed to further investigate the options.

- CREP Discussion-Termination of Contracts

Taylor Chick reported on a request to terminate CREP contracts. He highlighted the start date of the contracts and how the participant requested termination. Pete Ampe described the penalties in connection with the termination of a contracts.

A motion was made by James Cooley to enforce the termination penalties contained in the contracts. The motion was seconded by Tony Holcomb and unanimously approved.

- Supplemental Well on CREP Quarter

Taylor Chick reported on a request to drill a supplemental well on a temporary CREP quarter. Discussion was held on how it would fit in with the current CREP program and the conditions that would apply until the completion/expiration of the CREP contract.

- Discussion of CREP Boundary Extension

Taylor Chick highlighted a request from the District Board of Director to see if the Subdistricts had interest in extending the CREP boundaries. He provided the total number of acres currently in CREP. Discussion was held on the possible expansion of the program to include alfalfa and raising the \$50,000 limit.

Board of Mangers Open Discussion

President Burris asked for Board of Managers Open Discussion. There was none.

New Business

President Burris asked for new business. There was none

Next Meeting

The next quarterly meeting is scheduled for September 5, 2023 at 1:30 p.m.

Adjournment

The meeting was adjourned at 4:00 p.m.



President



Secretary/Treasurer