

**ANNUAL MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #4
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
December 1, 2020 at 9:00 a.m.
By Zoom/Teleconference**

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

Staff and Consultants Present: Pete Ampe, Hill and Robbins, P.C.; Chris Ivers, Program Manager; Rose Vanderpool, Program Assistant; Michael Carson, Data Base Administrator; Clinton Phillips, Davis Engineering; and April Mondragon, Administrative Assistant.

Guests: David Hofmann, Deb Sarason, Patrick Shea, John Mattingly, John Gerstle, Sean Toner, and, Mike Dill.

Meeting Called to Order

President Frees called the meeting to order at 9:01 a.m. A quorum was present.

Approval of the Agenda

President Frees asked for amendments or a motion to approve the agenda. The Election of Officers was added to the agenda after the Attorney's report. A motion was made by Pete Stagner to approve the agenda as amended. The motion was seconded by Jeremy Uhlenbrock and unanimously approved.

Approval of the Consent Agenda

President Frees asked for amendments or a motion to approve the following consent agenda items:

- March 3, 2020-Quarterly Meeting Minutes
- April 6, 2020-Special Meeting Minutes
- May 11, 2020-Special Meeting Minutes
- September 1, 2020-Quarterly Meeting Minutes
- September 30, 2020-Special Meeting Minutes
- September 30, 2020-Executive Session Minutes
- November 4, 2020-Special Meeting Minutes

A motion was made by Jeremy Uhlenbrock to approve the consent agenda items as presented. The motion was seconded by Pete Stagner and unanimously approved.

Election of Officers

President Frees announced the current officers including their rolls and asked for the election of officers. Pete Ampe opened up the nominations for president, vice president/secretary/treasurer and self-nominations.

A motion was made by Jeremy Uhlenbrock to keep all of the officers the same. 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 what he has been working on in this Subdistrict as well as the other Subdistricts. Mr. Ampe highlighted the contract due date and reported some of the other Subdistricts are working to extend the due date with a change to the Rules and Regulations. He stated the change would be an internal process which this Subdistrict has the option to do as well. Chris Ivers' recommendation was to consider the change in this Subdistrict as well.

Program Manager's Report

President Frees asked for the Program Manager's report. Chris Ivers presented the financial report which included the balance sheet and profit and loss statement.

A motion was made by Pete Stagner to approve the financial Report as presented. The motion seconded by Jan Waye and unanimously approved.

Mr. Ivers updated the Board on the ongoing discussions with well owners regarding Well Injury Payment agreements.

Review and Consider Participation Contract

President Frees asked for review and consider participation contract. Chris Ivers presented the participation contracts for Richard Blumenhein and highlighted the details. Mr. Ampe reported the Board would approve each contract separately. Mr. Ivers provided the Board with his recommendations to approve the contracts. Discussion was held on the amount the wells can produce and the use of the wells.

A motion was made by Pete Stagner to approve the Richard Blumenhein participation contracts with zero formation costs and zero security amount. President Frees stepped out of the President's chair and seconded the motion, and called roll. Jeremy Uhlenbrock recused himself from the vote. The motion passed.

Mr. Ivers presented the Quintana Ranch inclusion contract and highlighted the details. He provided the Board with his recommendations.

A motion was made by Pete Stagner to approve the Quintana inclusion contract with zero formation costs. The motion was seconded by Jan Wayne and unanimously approved.

Mr. Ivers presented the John Mattingly participation contract; he highlighted the details and provided the Board with his recommendation to approve the contract. John Mattingly reported why he wanted to participate in the Subdistrict and provided further information about his wells.

A motion was made by Jeremy Uhlenbrock to approve the John Mattingly participation contract with zero formation costs and zero security amounts. The motion was seconded by Pete Stagner and unanimously approved.

Mr. Ivers reported how the Subdistrict will move forward with contracts that continue to be submitted and was asked to put together a list of outstanding wells that have not yet requested to participate in the Subdistrict. Mr. Ivers highlighted that the contracts are year to year and can be amended with higher sustainability metrics if need be.

Discussion Regarding 2020 Administration and Groundwater Withdrawal Fee Assessments

President Frees asked for discussion regarding 2020 administration and groundwater withdrawal fee assessments. Mr. Ivers presented the 2020 budget scenarios and explained how fees are calculated per well/parcel number. Discussion was held on whether or not the Subdistrict should charge an administration fee on a certain type of well. Mr. Ivers highlighted the amount at the time the Board approved the budget, then presented the amount after updated pumping numbers were added. Discussion was held on what fees are based on and using meters as the measuring device.

Resolution to Approve 2020 Administrative and Groundwater Withdrawal Fee Assessments

President Frees asked for resolution to approve 2020 administrative and groundwater withdrawal fee assessments. Mr. Ivers amended the resolution and added the updated numbers he presented.

A motion was made by Pete Stagner to approve the resolution to approve the 2020 administrative and groundwater withdrawal fee assessments. The motion was seconded by Jeremy Uhlenbrock and unanimously approved.

Mr. Ivers reported he would submit the certifications to the County.

Discussion on Well Injury Payment Agreements

President Frees asked for discussion on Well Injury Payment Agreements. Mr. Ivers provided an update on discussions he has had with Bob Bunker regarding a Well Injury Payment agreement as well as the ongoing negotiations. Discussion was held on the amount of injury, location of the injury, how to administer, and the importance of securing the agreement. Mr. Ivers presented an example of how the contract would be administered and explained the benefits to the Subdistrict. Mr. Ivers provided an update on discussions he had with the Shallenberger's and what they require from the Subdistrict in order for them to sign a Well Injury Payment agreement. Mr.

Ivers provided an update on the other individuals he is negotiating with and will continue to have discussions. Staff was given direction to continue to research ideas on the San Luis Creek and Crestone Creek. Jeremy Uhlenbrock requested a summary spreadsheet of where they are and what they are trying to accomplish in the next few months.

General Board Discussion

President Frees asked for general Board discussion. There were none.

Next Meeting

A special meeting was scheduled for January 6, 2021 at 4:00 p.m. The next quarterly meeting is scheduled for March 2, 2021 at 9:00 a.m.

Adjournment

A motion was made by Jeremy Uhlenbrock to adjourn the meeting. The motion was seconded by Pete Stagner and unanimously approved

The meeting was adjourned at 10:53 a.m.



President



Vice-President/Secretary/Treasurer