

**ANNUAL MEETING OF THE BOARD OF MANAGERS  
OF SPECIAL IMPROVEMENT DISTRICT #2  
OF THE RIO GRANDE WATER CONSERVATION DISTRICT  
February 9, 2022, 9:00 a.m.  
Rio Grande Water Conservation District Conference Room  
Alamosa, CO 81101  
And by Zoom/Teleconference**

**Present:** Karla Shriver, President; Eric Hinton, Vice-President; Scot Schaefer, Secretary/Treasurer  
Harold Stoeber, BOM; Michael Schaefer, BOM; and, Greg Higel, Ex-Officio.

**Absent:** Gerald Ziegler, BOM; and, Mark Deacon, BOM.

**Staff and Consultants:** Pete Ampe, Hill & Robbins P.C.; Amber Pacheco, Program Manager; Rose Vanderpool, Program Assistant; Wylie Keller, Water Resource Specialist; Casandra McCuen, HCP Coordinator/Program Assistant; Linda Ramirez, Program Assistant; Clinton Phillips, Davis Engineering; Michael Carson, Database Administrator; and, April Mondragon, Administrative Assistant.

**Guests:** David Hofmann, Deb Sarason, Rick Davey, Ryan Unterreiner, Monica McCafferty, Roy Weaver, Jeremiah Cummons, Morgan Cummons, Brian Rue, Mike Dill and Mike Kruse.

**Meeting Called to Order**

President Shriver called the meeting to order at 9:07 a.m. A quorum was present. The Pledge of Allegiance was recited.

**Approval of the Agenda**

President Shriver asked for amendments or approval of the agenda. A motion was made by Eric Hinton to approve the agenda as presented. The motion was seconded by Harold Stoeber and unanimously approved.

**Election of Officers**

President Shriver asked for Election of Officers. Pete Ampe opened the floor for nominations including self-nominations for President or a motion to retain the officers as currently appointed. A motion was made by Michael Schaefer to retain all of the current officers. No other nominations were made. the motion was seconded and was unanimously approved.

**Approval of Minutes:**

President Shriver asked for approval of the following meeting minutes:

- November 2, 2021-Quarterly Meeting
- November 2, 2021-Executive Session
- November 22, 2021-Special Meeting

A motion was made by Michael Schaefer to approve the minutes as presented. The motion was seconded by Eric Hinton and unanimously approved.

**Public Comment**

President Shriver asked for public comment. There were none.

**Attorney's Report**

President Shriver asked for the Attorney's report. Pete Ampe reported there would be a few contracts to discuss, otherwise it had been a quiet quarter for this Subdistrict.

**Program Manager's Report**

President Shriver asked for the Program Manager's report.

- Financial Report: Amber Pacheco presented the financial report through the end of December 2021. She highlighted the Subdistrict Tracking Sheet, Balance Sheet, Profit and Loss Sheet and the amount remaining in the Subdistrict checking account. Ms. Pacheco reported when the forbearance agreements would be paid out and provided the estimated total acre-feet of water remaining.

- Update on Replacement Operations for 2021 Annual Replacement Plan: Amber Pacheco reported replacements through the winter months would be made with the Closed Basin Project deliveries. She highlighted the Subdistrict would start back up with forbearance or releases from the reservoir once the irrigation season begins.

- 2022 Annual Replacement Plan: Ms. Pacheco provided an update on the Preliminary Water Report and the Annual Replacement Plan as well as the process that goes into preparing the reports. She reported working on leases to add to the amount of water in storage. Ms. Pacheco provided the estimated acre-feet of water the Subdistrict may need for replacements and gave an update on the grants that are in progress.

### **Discussion and Possible Action on Participation Contracts**

President Shriver asked for the discussion and possible action on participation contracts.

- Santi (tabled at 11/02/2021 meeting): Amber Pacheco reminded the Board of a request made by the Santi's to be removed from Subdistrict No. 1 and be included in Subdistrict No. 2. She highlighted what their argument was, how Subdistrict No. 2 responded to the argument and what has been determined. Ms. Pacheco reported the Santi's had submitted a contract requesting to be included in the 2022 Annual Replacement Plan and become a Subdistrict No. 2 well and that the Division of Water Resources concurred with the request as this well was included in Subdistrict No. 1 due to a mistake. She provided how the well is used and the average amount of water used. She also reminded the Board there would be no sustainability requirement for the well.

A motion was made by Scot Schaefer to approve the request made by Santi to become a Subdistrict No. 2 well. The motion was seconded by Harold Stoeber and unanimously approved.

- Colorado Parks and Wildlife (amendment to existing contract): Amber Pacheco reported the CPW contract had already been approved and highlighted why it was being amended. She updated the Board on the agreement to allow 100-acre feet of firm storage in Beaver Reservoir at a value of \$70 per acre-foot to offset their Subdistrict fees. She further highlighted the benefits the amendment to the contract would have to the Subdistrict. Ms. Pacheco reported on a well CPW has outside the model that is not covered by the Subdistrict. She reported the well is used for a small kid fishing pond and that they would calculate their own depletions. Ms. Pacheco reported the pond is lined and the only consumptive use is evaporation. David Hofmann highlighted filling the pond is the larger issue.

A motion was made by Eric Hinton to table the amendment to the existing Colorado Parks and Wildlife participation contract to further work out the agreement and discussion of the contents of the proposed amendment. The motion was seconded by Michael Schaefer and unanimously approved.

- Davey Ranch (possible exchange from CPW): Amber Pacheco updated the Board on the conversation held at the last meeting regarding the discussion on the upper Rio Grande Response Area contract wells and the depletions those contracted wells bring in to Subdistrict No. 2. Ms. Pacheco provided the acre-foot amount of depletions and highlighted the challenges the Subdistrict faces trying to cover those depletions. She reported the Subdistrict did vote to approve another year of inclusion in the ARP but has asked these contract wells to find ways to help the Subdistrict cover their depletions. Ms. Pacheco explained how Rick Davey plans to work with CPW to be a benefit to the Subdistrict as well as cover his fees. Rick Davey further explained the conversations he had with Tony Aloia at CPW to use storage as an offset to Mr. Davey's fees.

A motion was made by Eric Hinton to approve the Davey Ranch Contract as amended. The motion was seconded by Scot Schaefer and unanimously approved.

Rick Davey requested support from the Board as he goes through court to make Poage Lake water an augmentation pool to offset depletions.

### **Discussion and Possible Action on 2022 Forbearance Bonus Resolution**

President Shriver asked for discussion and possible action on the 2022 Forbearance Bonus Resolution. Amber Pacheco reported the Board approved the Forbearance Bonus the last two (2) years. She highlighted an item that had come up in another Subdistrict meeting to offer five (5) year or multi-year Forbearance Agreements with the same \$300 bonus for each of the five (5) years.

A motion was made by Eric Hinton to offer up to five (5) year multi-year Forbearance Agreements with the sign on bonus. The motion was seconded by Michael Schaefer and unanimously approved.

**Discussion Regarding the Setting of a Policy to Manage Assets Purchased by the Subdistrict**

President Shriver asked for the discussion regarding the setting of a policy to manage assets purchased by the Subdistrict. Amber Pacheco highlighted the purpose of the policy and how the discussion came about. She reported a future meeting would be scheduled to discuss setting up a system and requested anyone with thoughts, ideas or comments send them to her prior to that meeting.

**Executive Session to Receive Legal Advice Regarding Negotiation for the Lease of Real Property**

President Shriver asked for a motion to enter into executive session to receive legal advice regarding negotiation for the lease of real property. A motion was made by Michael Schaefer to enter into executive session. The motion was seconded by Scot Schaefer and unanimously approved.

Mr. Ampe stated the Board was entering into executive session pursuant to section 24-6-402(4)(a) to discuss a potential lease/purchase of real property. The Board would take no formal action or position during the executive session.

**Direction for Staff**

A motion was made by Eric Hinton to direct Amber Pacheco to negotiate the contracts for the land and or water and bring them back to the Board of Managers to review. The motion was seconded by Scot Schaefer and unanimously approved.

**Next Meeting**

A special meeting was scheduled for April 13, 2022, at 9:00 a.m.

The quarterly meeting was scheduled for May 3, 2022, at 9:00 a.m.

**Adjournment**

A motion was made by Scot Schaefer to adjourn the meeting. The motion was seconded by Mike Schaefer and unanimously approved.

The meeting was adjourned at 11:41 a.m.

  
\_\_\_\_\_

President

  
\_\_\_\_\_

Secretary/Treasurer

RESOLUTION OF SPECIAL IMPROVEMENT DISTRICT NO.2 OF  
THE RIO GRANDE WATER CONSERVATION DISTRICT  
*(Regarding Forbearance Contracts)*

Resolution 2022-01

**RECITALS**

WHEREAS, Special Improvement District No. 2 of the Rio Grande Water Conservation District (“Subdistrict No. 2”) was created pursuant to section 37-48-108, C.R.S., and pursuant to section 37-48-101.3(1), C.R.S., is a body corporate under the laws of Colorado; and

WHEREAS, Subdistrict No. 2 was formed for the purpose of designing and implementing a cooperative plan for water management to assure the protection of senior surface water rights and promote the maximum beneficial and sustainable use of water resources; and

WHEREAS, Subdistrict No. 2 entered into numerous forbearance agreements with ditches whereby the Subdistrict was able to remedy injury to those ditches caused by groundwater withdrawals from Subdistrict Wells by providing a cash payment rather than introducing water at the top of the affected reach; and

WHEREAS, such forbearance agreements allowed the Subdistrict to meet its goals of remedying injury to senior surface water rights at a lower cost than expected; and

WHEREAS, not all ditches that entered into forbearance agreements received a financial benefit; and

WHEREAS, Subdistrict No. 2 wishes to thank all of those ditches who entered into forbearance agreements for ARP year 2021 and encourage those and other ditches to enter into forbearance agreements for ARP year 2022 and beyond; and

WHEREAS, Subdistrict No. 2 sees great value and increased efficiencies in working closely with other Subdistricts on entering into joint forbearance agreements.

**RESOLUTION**

NOW, THEREFORE, be it resolved by the Board of Managers, as follows:

1. Bonus Payment for ARP Year 2022. Subdistrict 2 will pay a one-time bonus of \$200.00 for each one-year forbearance agreement for ARP Year 2022 with Subdistrict 2. This bonus payment applies to every one-year forbearance agreement for ARP Year 2022 and is in addition to any payments due under a forbearance agreement.

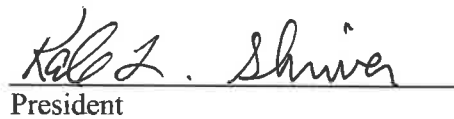
2. Bonus Payment for multi-year forbearance agreement. Subdistrict 2 will pay a bonus of \$300.00 for each year of the ARP to any multi-year forbearance agreement with Subdistrict 2. This bonus payment applies to every forbearance agreement for ARP Year 2022 and is in addition to any payments due under a forbearance agreement. Equal payments of \$300.00 will be made annually through the term of the forbearance agreement.

RESOLVED this 9th day of February 2022.

ATTEST:

BOARD OF MANAGERS  
SPECIAL IMPROVEMENT DISTRICT NO. 2 OF  
THE RIO GRANDE WATER CONSERVATION  
DISTRICT

  
Secretary

  
President