

**QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #3
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
December 1, 2022 at 8:00 a.m.
8805 Independence Way, Alamosa CO 81101
And By Zoom/Teleconference**

Present: LeRoy Salazar, President; Nathan Coombs, Vice-President/Secretary/Treasurer; Warren Crowther, Manager; Sam Vance, Manager; Ruben Sandoval, Manager; Doug Bagwell, Manager; and Dwight Martin, Ex-Officio Member.

Staff and Consultants: Pete Ampe, Hill & Robbins, P.C; Amber Pacheco, Program Manager; Rose Vanderpool, Program Assistant; Linda Ramirez, Program Assistant; Kylie Gregg, Office Manager; Cassandra McCuen, HCP Coordinator/Program Assistant; Michael Carson, Database Administrator; Clinton Phillips, Davis Engineering; and, April Mondragon, Administrative Assistant.

Guests: David Hofmann, Deb Sarason, Michelle Lanzoni, and Sally Weir.

Meeting Called to Order

President Salazar called the meeting to order at 8:03 a.m. A quorum was present. The Pledge of Allegiance was recited. Doug Bagwell led the opening prayer.

Approval of the Consent Agenda

President Salazar asked for changes, additions or a motion to approve the consent agenda items:

- Agenda
- September 14, 2022-Quarterly Meeting Minutes
- September 14, 2022- Executive Session Meeting Minutes

A motion was made by Nathan Coombs to approve the consent agenda as presented. The motion was seconded by Sam Vance and unanimously approved.

Public Comment

President Salazar asked for public comment. Sally Weir introduced herself and explained the difference between a traditional conservation easement and a groundwater conservation easement. She reported on the closing of the first in the nation groundwater conservation easement in Subdistrict No. 4. Ms. Weir described the land transition plan being implemented as well as how conservation easements are funded and the financial options available to the landowners.

Attorney's Report

President Salazar asked for the Attorney's report. Pete Ampe asked for direction on the two (2) Subdistrict owned properties for next year. Discussion was held on starting SWSP plans on both properties and the goal of not losing the value of the well water. Mr. Ampe provided an update on SB22-028 and explained what type of projects the funds could be used for. He also gave an update on the Texas vs. New Mexico and Colorado case.

Program Manager's Report

President Salazar asked for the Program Manager's report.

- Financial Report: Amber Pacheco presented the financial report which included the Balance Sheet and the Profit & Loss Statement. She highlighted the annual payment to the Rio Grande Water Conservation District and stored water the Subdistrict received from Subdistrict No. 1.

A motion was made by Doug Bagwell to approve the financial report as presented. The motion was seconded by Ruben Sandoval and unanimously approved.

- Report on Water Replacement Operations and Costs: Amber Pacheco provided an update on replacements and costs as well as the winter time depletions being covered by the Closed Basin Project. Ms. Pacheco provided the preliminary acre-feet amount of water covered by forbearance agreements on the Alamosa River, Conejos River and the Rio Grande. She presented a breakdown of the calls on the rivers and highlighted the ditches the Subdistrict did not have forbearance agreements with. Ms. Pacheco described the conversations being held on forbearance agreement bonus payments and the dollar amount to offer. She explained the benefits of offering longer term

agreements. Ms. Pacheco updated the Board on her promotion to Deputy General Manager of the Rio Grande Water Conservation District. She described her duties and roll in the new position.

District Engineer's Report

President Salazar asked for the District Engineer's Report. Clinton Phillips presented the yearly change in confined wells from October 2015 compared to 2022 organized by model layer for Subdistrict No. 3. He reported on the wells that saw recovery and the wells that had declined in the last year. Mr. Phillips presented the composite water head measurements from DWR by response area. He highlighted the dates the measurements were taken and location of the wells.

Discussion Regarding 2022 Administrative and Groundwater Withdrawal Fee Assessments

President Salazar asked for discussion regarding 2022 Administrative and Groundwater Withdrawal Fee Assessments. Amber Pacheco reported on the completed calculation of the fee assessments for 2022. She reminded the Board of the projected fees from the budget

Resolution to Approve 2022 Administrative and Groundwater Withdrawal Fee Assessments

President Salazar asked for the Resolution to Approve 2022 Administrative and Groundwater Withdrawal Fee Assessments. Ms. Pacheco presented the Resolution; she highlighted the key points and explained the certification process with the Conejos County Treasurer. Ms. Pacheco provided the total assessment dollar amounts.

A motion was made by Nathan Coombs to approve the Resolution to Approve the 2022 Administrative and Groundwater Withdrawal Fee Assessments. The motion was seconded by Doug Bagwell and unanimously approved.

Executive Session to Receive Legal Advice Concerning the Purchase of Real Property

President Salazar asked for an executive session to receive legal advice concerning the purchase of real property. A motion was made by Ruben Sandoval to enter into executive session. The motion was seconded by Nathan Coombs 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 the purchase of real property. The Board would take no formal action or position during the executive session.

Possible Action from Executive Session

President Salazar asked for possible action from the executive session. A motion was made by Nathan Coombs to move forward on the Lupita Sandoval land to ensure the water is usable for the Subdistricts purposes. Staff was directed to perform the engineering, and whatever else is necessary, to complete a court application for a decree on the water for the Subdistrict to be able to use it for augmentation by 2024 and to offer the water back to the El Coda in exchange for forbearance. The motion was seconded by Warren Crowther and unanimously approved.

President Salazar reported on the commitment to purchase a portion of Alpha Farms to use for augmentation. Amber Pacheco highlighted the request for a loan from CWCB. She reported the loan was approved and provided the loan amount, projected costs and other conditions and requirements of the loan. Ms. Pacheco also described the next steps of the loan process.

A motion was made by Sam Vance to direct staff to close on the loan with CWCB, proceed to get an SWSP done by January in order for the Subdistrict to use the water for exchange to offset depletions, coordinate with the Trinchera Subdistrict to order an environmental impact report, begin process to dispose of a portion of the assets through a public bidding process following the closing, and direct Amber Pacheco to train the new Program Manager very well. The motion was seconded by Doug Bagwell and unanimously approved.

New Business

President Salazar asked for new business. He directed the Board and staff to encourage longer term forbearance agreements.

Next Meeting

A work session with Subdistrict No. 6 was scheduled for December 15, 2022. The annual meeting was scheduled for March 2, 2023, at 8:00 a.m.

Adjournment

The meeting was adjourned at 10:23 a.m.



President



Vice-President/Secretary/Treasurer

RESOLUTION TO ASSESS FEES FOR SPECIAL IMPROVEMENT DISTRICT NO. 3 OF THE RIO GRANDE WATER CONSERVATION DISTRICT

A RESOLUTION ASSESSING FEES FOR THE BUDGET YEAR 2023 TO (1) FUND THE ADMINISTRATIVE COSTS OF SPECIAL IMPROVEMENT DISTRICT NO. 3 OF THE RIO GRANDE WATER CONSERVATION DISTRICT'S WATER ACTIVITY ENTERPRISE (SUBDISTRICT NO. 3); (2) TO FUND THE COSTS OF REMEDYING INJURIOUS DEPLETIONS AS REQUIRED BY THE PLAN OF WATER MANAGEMENT; AND, (3) TO FUND THE COSTS OF RECOVERING THE AQUIFER AS REQUIRED BY THE PLAN OF WATER MANAGEMENT FOR SUBDISTRICT NO. 3 FOR THE 2023 BUDGET YEAR.

WHEREAS, the amount of money necessary to balance the budget for Subdistrict No. 3 administrative expenses is \$49,170.04; and

WHEREAS, the amount of money necessary to fund the replacement of injurious depletions is \$474,841.45.

WHEREAS, the amount of money necessary to fund aquifer recovery is \$133,675.18.

NOW THEREFORE, BE IT RESOLVED BY THE Board of Managers of Subdistrict No. 3, Colorado:

- Section 1: That for the purpose of meeting all administrative expenses of the Special Improvement District No. 3 during the 2021 budget year there is hereby assessed a fee of \$330.00 per active Subdistrict Well and \$165.00 per inactive Subdistrict Well as defined by the Plan of Water Management for Subdistrict No. 3 for the year 2022.
- Section 2: That for the purpose of funding the remedy of injurious depletions of Subdistrict No. 3 there is hereby assessed a fee of \$21.35 per acre-foot under sprinkler application, \$15.43 per acre-foot under flood application and between \$0.08 and \$25.72 per acre-foot for wells under an "other" application based on a five-year average of groundwater withdrawals during the period 2017-2021 as defined by the Plan of Water Management for Subdistrict No. 3.
- Section 3: That for the purpose of funding the recovery of the aquifer there is hereby assessed a fee of \$5.00 per acre-foot of groundwater withdrawn through a Subdistrict Well based on a five-year average of groundwater withdrawals during the period 2017-2021.
- Section 4: That the General Manager is hereby authorized and directed to immediately certify to the County Commissioners of Conejos County, Colorado, the assessments above determined and set.

ADOPTED, this 1st day of December, 2022.



President

Attest: 

Secretary/Treasurer