

**SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
Wednesday November 18, 2015
1:00 P.M.
BUREAU OF RECLAMATION CONFERENCE ROOM**

Present: Greg Higel, President; Brian David, Vice-President; Peggy Godfrey, Director; Lawrence Gallegos, Director; Dwight Martin, Director; Lewis Entz, Director

Excused: Cory Off, Director; Kent Palmgren, Secretary/Treasurer; Mike McClure; Director

Staff: Steven Vandiver, General Manager; Amber Pacheco, Deputy Program Manager; Cheryl Anderson, Office Manager; Alberta Medina, Administrative Assistant; Cleave Simpson, Program Manager; Pete Ampe, District's Attorney

Guests: Wayne Schwab, Trinchera Irrigation District

CALL TO ORDER

President Higel called the meeting to order at 1:05 p.m.

APPROVAL OF AGENDA

President Higel asked for a motion to approve the agenda. A motion was made by Dwight Martin to approve the agenda. The motion was seconded by Brian David and unanimously approved.

PRESENTATION OF THE PROPOSED 2016 DISTRICT BUDGET

President Higel asked for the presentation of the 2016 proposed budget. Amber Pacheco explained the proposed budget to the Board (a copy is attached to the minutes). She commented most of the expenses stayed the same except for the new building which is scheduled to be completed February 29, 2016. She also noted Subdistrict # 1 did pay back all of their remaining formation costs, \$350,000, in 2015.

The proposed 2016 Subdistrict Budget was also reviewed with the Board (a copy is attached to the minutes). Mrs. Pacheco noted the Administrative fee that will be collected in 2016 was reduced from \$5.00 to \$2.50. She stated the Board of Managers had reviewed the budget and recommended it for approval to the District Board.

Mrs. Pacheco also reviewed proposed operating costs for the new building. Further discussion was held by the Board regarding a method for reimbursement. A suggestion was made to allocate the building costs split 50% District and 50% subdistricts with the subdistrict costs being allocated by the number of wells in each response area. This allocation would be re-evaluated five years after formation of all the subdistricts to adjust the actual reimbursement based on the actual staff time being charged to each subdistrict. Mrs. Pacheco will draft a policy on what is expected for reimbursement for the Board to review and the Board will also further discuss the concept for allocation during the Budget Hearing on December 2, 2015.

OTHER REPORTS OR COMMENTS

1. Discussion on Potential Litigation Concerning Trinchera Creek Subdistrict. Pete Ampe gave the Board an update on the Trinchera Creek Subdistrict and the legal question they are being faced with in regards to their ability to operate a Plan of Water Management under the Trinchera Water Conservancy District. The Trinchera Creek Subdistrict is not within the boundaries of the District and so they would like an order from the court addressing whether they can operate under a plan of water management or they will need to seek an augmentation plan. Mr. Ampe said he will keep the Board informed on the issue.
2. Cleave Simpson updated the Board on a new concept he and Amber Pacheco are working on with the new subdistricts regarding the subdistricts being their own guarantor for post-plan depletions should the State not allow the wells to continue to withdraw groundwater under a subdistrict Annual Replacement Plan. If approved by the State Engineer, the District and the subdistricts, this would remove the District's need to be the financial guarantor for

subdistricts #3-#6. The Board liked the concept and appreciated the staffs work to find solutions to the problem the District was being faced with.

OTHER REPORTS

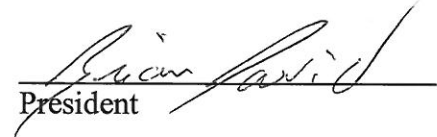
Steve Vandiver asked the Board to accept his resignation as General Manager effective April 2016. He requested to be kept on part-time or as a consultant and offered to train the new manager to help with the transition. He would like the Board to consider his request over the next month and with permission would like to post the position. Mr. Vandiver gave the board a handout on the duties of the General Manager,

President Higel said there will be a work session after the Budget hearing on December 2, 2015 to discuss duties of the General Manager.

ADJOURN

There was a motion to adjourn at 3:30 p.m. The motion was seconded and passed unanimously.

Vice President



Secretary/Treasurer

