

<p>DISTRICT COURT, CONEJOS COUNTY, COLORADO</p> <p>Conejos Combined Court 6683 County Road 13 P.O. Box 128 Conejos, CO 81129</p>	<p style="text-align: center;">▲ Court Use Only ▲</p>
<p>IN THE MATTER OF THE RIO GRANDE WATER CONSERVATION DISTRICT,</p> <p>CONEJOS COUNTY,</p> <p>Rio Grande Water Conservation District 8805 Independence Way Alamosa, Colorado 81101 Telephone: 719-589-6301</p> <p>PETITIONER.</p>	
<p>David W. Robbins, #6112 Peter J. Ampe, #23452 Hill & Robbins, P.C. 1441 18th Street, Suite 100 Denver, CO 80264 Phone: 303-296-8100 Fax: 303-296-2388 E-mail: davidrobbins@hillandrobbins.com peterampe@hillandrobbins.com</p>	<p>Case Number: 18CV _____</p>
<p>PETITION FOR ESTABLISHMENT OF SPECIAL IMPROVEMENT DISTRICT NO. 6 OF THE RIO GRANDE WATER CONSERVATION DISTRICT</p>	

The Rio Grande Water Conservation District hereby petitions the Court to enter an order establishing a subdistrict of the Rio Grande Water Conservation District as set forth below.

1. The statutory authority for this Petition and for the establishment of the proposed Subdistrict is Chapter 37, Article 48, C.R.S., and specifically sections 37-48-108 and 37-48-123.

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2. The proposed name of said Subdistrict is “Special Improvement District No. 6 of the Rio Grande Water Conservation District.”

3. The property within the proposed Subdistrict will be benefited by creation and effectuation of the Subdistrict’s plan of water management to conserve and stabilize the water supply and groundwater storage in a portion of the confined aquifer in Alamosa, Conejos and Rio Grande County, for irrigation, commercial, industrial, municipal, and other beneficial uses within the boundaries of the Subdistrict and by allowing Subdistrict Wells to operate without administration by the State Engineer.

4. The estimated cost of the plan will not exceed \$10 million per year in 2018 dollars, including the annual costs of operation and administration, to prevent injury to senior vested water rights, if necessary protect and/or recover the level of hydrostatic pressure in the confined aquifer system underlying the Rio Grande Decision Support System Alamosa-La Jara Response Area and to prevent unreasonable interference with the state of Colorado’s ability to fulfill its obligations under the Rio Grande Compact.

5. The nature of the benefits anticipated from the plan may include a sustainable supply of water from the confined aquifer for groundwater users, mitigation of material injury to vested senior water rights, higher average hydrostatic pressure levels, reduced costs for pumping groundwater, and the avoidance of administration of groundwater withdrawals by the State Engineer in the proposed Subdistrict.

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6. The territory to be included in the proposed Subdistrict is territory within the Rio Grande Water Conservation District. A map of the proposed territory is attached as Exhibit A and is made a part of such Petition by reference. The proposed included territory is described on Exhibit B, and is made a part of such Petition by reference. A list of the current Subdistrict Wells providing groundwater to Subdistrict Lands is included as Exhibit C and is made a part of such Petition by reference.

7. The methods proposed to finance the Subdistrict plan include:

7.1. reasonable service and user fees to be imposed for the benefits to be conferred by the Subdistrict on any person or property;

7.2. Special Improvement Bonds to be paid by special assessments on the property benefited by the plan in an amount on each tract not in excess of the appraised benefits; and,

7.3. the imposition of an ad valorem mill levy on all taxable property in the Subdistrict sufficient in amount to raise the funds to pay any amount due on any contract, lease, of general obligation bond installment.

8. The annual revenues from all fees, assessments, or levies on all property within the Subdistrict shall not exceed \$10 million per annum, in 2018 dollars. These proposed methods of financing are automatically authorized by the signatures of a majority of the landowners within the proposed Subdistrict on petitions to the Board of Directors of the District for formation of the Subdistrict, and by those on this Petition, and without further election.

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9. Petitioners request that a Board of Managers composed of ten members and one *ex officio* member be established to carry out the general supervision and operational management of the subdistrict plan. The Board of Directors of the Rio Grande Water Conservation District will select and appoint the Managers from a pool of persons who will be nominated under the following procedures:

9.1. Each member of the Board of Managers, except the *ex officio* member, must be the owner, or representative of an owner of a subdistrict well, and must own land included within the subdistrict, or be a designated representative of a landowner with land included within the subdistrict.

9.2. The Rio Grande Water Conservation District Board will choose members of the Board of Managers nominated by the entities and in the numbers set forth below:

9.2.1. Two (2) members with irrigated lands under the Terrace Irrigation Company;

9.2.2. Two (2) members with irrigated lands under the Commonwealth Irrigation Company;

9.2.3. Two (2) members with irrigated lands under the Monte Vista Canal;

9.3.4. Two (2) members with irrigated lands within the Alamosa-La Jara Water Conservancy District;

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9.3.5. One (1) member who is a shareholder in the San Luis Valley Well Owners Association, Inc.; and

9.3.6. One (1) at large member, not a member, shareholder, or otherwise affiliated with the above entities (self-nominated).

9.4. The *ex officio* member will be appointed directly by the Rio Grande Water Conservation District Board of Directors. The *ex officio* may be a member of the Board of Directors, but does not have to be a landowner or legal representative of a landowner in the Subdistrict.

9.5. Within thirty (30) days of final judicial approval of creation of the subdistrict, and thereafter when vacancies on the Board of Managers occur, individual entities will notify the Rio Grande Water Conservation District's General Manager in writing as to the nominee to represent that entity.

9.6. Members of the Board of Managers will serve staggered 4 year terms with no limit upon the number of terms an individual manager may serve. One member from each of the entities listed in paragraph 9.2.1. through 9.2.4., above, will serve an initial term of 2 years. The Member appointed under Paragraph 9.2.5. and 9.2.6. will serve an initial term of 4 years. The *ex officio* member will serve a term of indeterminate length at the pleasure of the Board of Directors.

9.7. If no qualified individual volunteers to serve from a particular area, above, for an expiring seat on the Board of Managers or if a seat on the Board of Managers becomes

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vacant within the term of such seat, then the Board of Directors is free to make an appointment of its choosing, meeting the applicable criteria. An appointment to fill a vacant seat will be for the remainder of the term of such seat.

9.8. The Board of Managers will select from among its members one member to serve as president of the Board and may select such other officers as it deems necessary. Each Manager shall have one vote; the *ex officio* member will only vote to break a tie.

9.9. The Board of Managers will elect from among its members one person to serve as President of the Board and may select such other officers as it deems necessary.

9.10. The Board of Managers will operate both separately and in conjunction with the Board of Directors of the Rio Grande Water Conservation District.

9.11. The Board of Managers will report to and coordinate with the District Board of Directors.

9.12. The Ex Officio member will provide regular updates concerning the Board of Managers activities at Rio Grande Water Conservation District Board meetings.

9.13. The Board of Managers will adopt by-laws governing meeting conduct and procedures and such other matters the Board of Managers deem necessary, in conformance with this Petition.

10. In October of each year, the Board of Managers will provide a written report to the Rio Grande Water Conservation District Board detailing the prior year's operations, achievements,

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expenditures, and budget, as well as the anticipated operations, expenditures, and budget for the coming year. The annual report will include a certification of the total amount of Subdistrict assessments to be levied in the coming year, subject to final approval by the Rio Grande Water Conservation District Board of Directors prior to December 1st. In addition, the Board of Managers will consult with the Rio Grande Water Conservation District Board on an as needed basis to obtain approval for contract bids, acquisition of property, and other matters for which the Rio Grande Water Conservation District Board approval is required.

11. The scope of responsibility of the Board of Managers will include the authority to:
 - 11.1. prepare and submit an official Subdistrict plan of water management for approval by the Rio Grande Water Conservation District and take such future actions to comply with the approved plan;
 - 11.2. determine the amount, if any, of acreage served with groundwater that must be withdrawn from irrigation under varying hydrologic conditions or determine the manner in which injurious depletions to senior surface water rights caused by withdrawal of groundwater by Subdistrict Wells will be replaced to the affected streams or what other means other than providing water may be used in order to remedy injury to senior water rights;
 - 11.3. cooperate with the Rio Grande Water Conservation District Board of Directors to execute and operate all works and improvements in the Subdistrict plan;

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11.4. solicit and approve bids, and recommend their acceptance by the Rio Grande Water Conservation District Board of Directors, for contracts to carry out the works and improvements in the Subdistrict plan;

11.5. recommend and request that the Rio Grande Water Conservation District Board of Directors, enter into any other contracts reasonably necessary to effectuate the purposes of the plan, including contracts with United States and state governments, corporations, special districts, municipalities and other public and private entities to remedy injurious depletions caused by the withdrawal of groundwater within or outside of the Subdistrict and for other purposes;

11.6. request that the Rio Grande Water Conservation District retain employees and other personnel in conjunction with or separate and apart from the Rio Grande Water Conservation District;

11.7. monitor measurement devices and collect scientific data in order to effectuate the purposes of the plan;

11.8. after consultation with, and with the approval of the Board of Directors, enter upon any lands within or without the Subdistrict to make surveys and examinations necessary for the express purpose for the operational activities of the Subdistrict only;

11.9. after consultation with, and with the approval of the Board of Directors, improve any watercourse and alter or remove any structure connected to a watercourse, as

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reasonably necessary to effectuate the plan, with any costs and notices to be undertaken as provided in section 37-48-132, C.R.S.;

11.10. recommend and request that the Board of Directors of the Rio Grande Water Conservation District purchase, lease, or acquire property as reasonably necessary to effectuate the purposes of the plan in coordination with the Board of Directors of the Rio Grande Water Conservation District and sell or convey such property that is no longer reasonably necessary to effectuate the purposes of the plan in coordination with the Board of Directors of the Rio Grande Water Conservation District;

11.11. recommend and request that the Board of Directors of the Rio Grande Water Conservation District acquire and use water rights or other property by purchase or long or short term leases with or without a pledge of general or specific revenues of the Subdistrict;

11.12. annually determine and certify to the Rio Grande Water Conservation District Board of Directors the total amount of assessments to be levied, subject to final approval and levy by the Rio Grande Water Conservation District Board of Directors; and,

11.13. conduct any other functions and duties as provided for the Board of Managers in sections 37-48-123, *et. seq.*, C.R.S. , and in particular, sections 37-48-127 to 37-48-133, C.R.S.

12. **All contracts are subject to approval** by the Rio Grande Water Conservation District Board of Directors and all property acquired, developed, or constructed shall be held in the name

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of the Rio Grande Water Conservation District **exclusively for** the purposes and benefit of the Subdistrict.

13. A majority of landowners owning a majority of the land within the Subdistrict has petitioned the Rio Grande Water Conservation District's Board of Directors to organize the Subdistrict, and a copy of the foregoing petitions is attached as Exhibit D.

14. A conceptual plan of water management for the Subdistrict has been proposed and is attached hereto as Exhibit E and incorporated herein by this reference. The plan is designed to provide a mechanism to prevent injury to senior vested water rights, prevent unreasonable interference with the state of Colorado's ability to fulfill its obligations under the Rio Grande Compact, provide an alternative to state administration of groundwater withdrawals in the proposed Subdistrict, achieve and maintain a sustainable water supply in each aquifer system, with due regard for the daily, seasonal, and long-term demand for underground water, as may be required by Colorado law and, if necessary, reduce the total amount of groundwater consumption occurring within the Subdistrict and an equitable means to finance that reduction.

15. A conceptual budget for the proposed Subdistrict is attached as Exhibit F and incorporated herein by reference. This conceptual budget is not binding upon the future Subdistrict, but is intended to provide information regarding the anticipated costs and fees of the future Subdistrict for planning purposes by Landowners.

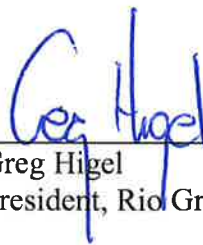
16. **By voluntarily petitioning land into the Subdistrict, Landowners explicitly authorize, and agree to abide by, any groundwater allocations or limits imposed by the**

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Board of Managers. Landowners further understand and agree that the Board of Managers may impose economic disincentives or penalties reasonably necessary to further the goals or objectives of the Plan of Water Management or to comply with Colorado law. These covenants, as specifically set forth in the Individual Petition, will run with the land petitioned into the Subdistrict and bind all current and future owners of Subdistrict Lands.

WHEREFORE, the undersigned qualified petitioners hereby pray for the organization of said territory as a Subdistrict of the Rio Grande Water Conservation District, to be called “Special Improvement District No. 6 of the Rio Grande Water Conservation District” pursuant to the provisions of section 37-48-123, C.R.S. and the unanimous resolution of the Board of Directors of the Rio Grande Water Conservation District.

Signed by: _____



Greg Higel
President, Rio Grande Water Conservation District

