

**QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #2
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
November 20, 2024, 1:00 p.m.
8805 Independence Way, Alamosa, CO 81101
And by Zoom/Teleconference**

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

Absent: Gerald Ziegler, BOM.

Staff and Consultants: Pete Ampe, Hill & Robbins P.C.; Angelo Bellah, Program Manager; Rose Vanderpool, Program Assistant; Kylie Gregg, Office Manager; Linda Ramirez, Program Assistant; Michael Carson, Database Administrator; and, April Mondragon, Administrative Assistant.

Guests: Deb Sarason, Karleigh Willschau, Kim Cooley.

Meeting Called to Order

President Shriver called the meeting to order at 1:04 p.m. A quorum was present. The Pledge of Allegiance was recited.

Approval of the Agenda

President Shriver asked for amendments or a motion to approve the agenda. A motion was made by Scot Schaefer to approve the agenda as presented. The motion was seconded by Michael Schaefer and unanimously approved.

Approval of the Minutes

President Shriver asked for approval of the following minutes:

- August 6, 2024-Quarterly Meeting
- August 6, 2024-Executive Session
- October 10, 2024-Special Meeting
- October 10, 2024-Executive Session
- October 14, 2024- Special Meeting
- October 14, 2024-Executive Session
- October 17, 2024-Special Meeting
- October 17, 2024-Executive Session

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

Public Comment

President Shriver asked for public comment. Kaleigh Willschau commented on how approval of the Cooley & Sons participation contract would allow them to use the well to irrigate a large portion of land.

Attorney's Report

President Shriver asked for the Attorney's report. Pete Ampe reported staff was working to wrap up budget tasks and would begin working on new and renewing SWSPs. He updated the Board on the United States' objection and the new Special Master in the Texas vs New Mexico and Colorado case. Mr. Ampe provided an update on the status conference held recently for the case. He commented on the new Special Master's lack of Western water law and his openness to learning. He also described the duties of the Special Master.

Engineer's Report

President Shriver asked for the Engineer's report. Clinton Phillips was not present to report.

Program Manager's Report

President Shriver asked for the Program Manager's report.

- *Financial Report*

Angelo Bellah presented the Financial Report. He went over the formation costs and expenses, reimbursements to the District as well as the remaining balance due to the District. Mr. Bellah

presented the Balance Sheet and the Profit and Loss Statement. He highlighted assets, liabilities, equity, income and expenses. President Shriver asked staff to send out a Profit and Loss Statement in December showing net income.

A motion was made by Michael Schaefer to approve the financial report as presented. The motion was seconded by Scot Schaefer and unanimously approved.

- 2024 Irrigation Season Update

Angelo Bellah provided an update on the forbearance and water used during the 2024 irrigation season to remedy depletions. He went over the current reservoir balances and explained the ongoing stipulation with how Santa Maria water is used. Deb Sarason requested the end of month reservoir balances be added to the monthly reports. President Shriver suggested a study be done on the amount of reservoir water used in the last three (3) years. Mr. Bellah gave an update on the Parma Drain consumptive use rate change request to the Division of Water Resources (DWR) and Craig Cotten's response to BBA's analysis.

- 2025 Irrigation Season

Angelo Bellah updated the Board on the 2025 irrigation season projects including the Taos Valley No. 3 SWSP. Pete Ampe described the changes DWR requested be made to the SWSP renewal and asked a better way be developed to make it more efficient. The Board discussed the potential availability of the Taos Valley water and that, because of the nature of the water right, it could not be relied upon when putting together the ARP, but in years when the Taos Valley No. 3 is in priority, it can supply a large amount of water.

A motion was made by Scot Schaefer to approve the Taos Valley No. 3 SWSP contract for 2025 for 500 acre feet for storage and 500 acre feet for direct replacements. The motion was seconded by Michael Schaefer and unanimously approved.

Mr. Bellah reported on the Santa Maria water being offered to lease by Subdistrict No. 1 for \$250 per acre foot. Kylie Gregg provided the total paid last year for the stored water. Deb Sarason commented on the Subdistrict using the Taos Valley water to pay depletions when in priority.

A motion was made by Scot Schaefer to make a request for 220 acre feet of Santa Maria water for \$250 per acre foot from Subdistrict No. 1. The motion was seconded by Mark Deacon and unanimously approved.

- Contract Request for 2025 ARP-Cooley & Sons

Angelo Bellah explained the situation with the previous owners of the property not wanting to contract into the Subdistrict during formation due to expenses. He reported the well currently does not have a permit or meter and the Cooley's would like to utilize the well for irrigation. Mr. Bellah highlighted the potential fees. Karleigh Willschau reported they would work to finalize the permit pending Subdistrict participation approval. Mr. Bellah presented a map showing the location of the well and an estimate of fee calculations.

A motion was made by Mark Deacon approve the Cooley & Sons request to participate in Subdistrict No. 2 with a \$500 participation contract fee, administrative pumping fee, past administrative fees of \$1,908.64 from 2019-2023, the requirement to install a meter and finalize the well decree/WDID. The motion was seconded by Michael Schaefer and unanimously approved.

Angelo Bellah gave an update on the Navajo Development's Williams Creek Squaw Pass diversion water right.

Discussion Regarding 2024 Administrative and Groundwater Withdrawal Fee Assessments

President Shriver asked for discussion regarding 2024 Administrative and Groundwater Withdrawal Fee Assessments. Angelo Bellah reported the dollar amounts listed in the Resolution are based on the budget, he read the budget into record. He described the largest expense being leased water and administrative expenses. Mr. Bellah explained how Program Managers divide their time amongst the Subdistricts.

Resolution to Approve 2024 Administrative and Groundwater Withdrawal Fee Assessments

President Shriver asked for Resolution to Approve 2024 Administrative and Groundwater Withdrawal Fee Assessments.

A motion was made by Scot Schaefer to approve the Resolution to Approve 2024 Administrative and Groundwater Withdrawal Fee Assessments. The motion was seconded by Harold Stoeber and unanimously approved.

Executive Session to Receive Legal Advice Regarding Negotiations for the Lease/Purchase of Real Property

President Shriver asked for a motion to enter into executive session to receive legal advice regarding negotiations for the lease/purchase of real property. A motion was made by Mark Deacon at 2:28 p.m. to enter into executive session. The motion was seconded by Michael Schaefer 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 regarding negotiations for the lease/purchase of real property. The Board would take no formal action or position during the executive session.

Possible Action from Executive Session

President Shriver asked for possible action from Executive Session. Staff was directed to continue with negotiations as discussed in executive session regarding the potential acquisition of water.

New Business

President Shriver asked for new business. There was none.

Next Meeting


The annual meeting is scheduled for February 12, 2025, at 9:00 a.m.

Adjournment

The meeting was adjourned at 3:14 p.m.



President



Secretary/Treasurer

RESOLUTION TO ASSESS FEES FOR SPECIAL IMPROVEMENT DISTRICT NO. 2 OF THE RIO GRANDE WATER CONSERVATION DISTRICT

A RESOLUTION ASSESSING FEES FOR THE BUDGET YEAR 2025 TO (1) FUND THE ADMINISTRATIVE COSTS OF SPECIAL IMPROVEMENT DISTRICT NO. 2 OF THE RIO GRANDE WATER CONSERVATION DISTRICT'S WATER ACTIVITY ENTERPRISE (SUBDISTRICT NO. 2); AND, (2) TO FUND THE COSTS OF REMEDYING INJURIOUS DEPLETIONS AS REQUIRED BY THE PLAN OF WATER MANAGEMENT FOR SUBDISTRICT NO. 2 FOR THE 2025 BUDGET YEAR.

WHEREAS, the amount of money necessary to balance the budget for Subdistrict No. 2 administrative expenses is \$95,598.50; and

WHEREAS, the amount of money necessary to fund the replacement of injurious depletions is \$815,330.65.

NOW THEREFORE, BE IT RESOLVED BY THE Board of Managers of Subdistrict No. 2, Colorado:

Section 1: That for the purpose of meeting all administrative expenses of the Special Improvement District No. 2 during the 2025 budget year there is hereby assessed a fee of \$454.15 per active Subdistrict Well and \$227.07 per inactive Subdistrict Well as defined by the Plan of Water Management for Subdistrict No. 2.


Section 2: That for the purpose of funding the remedy of injurious depletions of Subdistrict No. 2 there is hereby assessed a fee upon all Subdistrict Wells. Those Subdistrict Wells located within the Rio Grande Alluvial Response Area are hereby assessed a Pumping Fee of \$67.00 per acre-foot under sprinkler application, \$49.00 per acre-foot under flood application and between \$29.87 and \$80.72 per acre-foot for wells under an "other" application based on a five-year average of groundwater withdrawals during the period 2019-2023. All contract wells located within the Upper Rio Grande Response Area are hereby assessed a Pumping Fee of \$81.00 per acre-foot under sprinkler application, \$59.00 per acre-foot under flood application and \$39.00 per acre-foot for wells under an "other" application based on a five-year average of groundwater withdrawals during the period 2019-2023.

Section 3: That the General Manager is hereby authorized and directed to immediately certify to the County Commissioners of Alamosa and Rio Grande Counties, Colorado, the assessments above determined and set.

ADOPTED, this 20th day of November, 2024.



President



Secretary/Treasurer