

**QUARTERLY MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #4
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
September 3, 2024 at 9:00 a.m.
8805 Independence Way, Alamosa CO 81101
And by Zoom/Teleconference**

Present: David Frees, President; Jan Waye, Manager; Jeff Regenold, Manager; and, Peggy Godfrey, Ex-Officio Member.

Absent: Pete Stagner, Vice-President/Secretary/Treasurer; and, Jennifer Rodriguez, Manager;

Staff and Consultants: Pete Ampe, Hill and Robbins, P.C.; Chris Ivers, Program Manager; Taylor Chick, Program Manager; Linda Ramirez, Program Assistant; Kylie Gregg, Office Manager; Wylie Keller, Water Resource Specialist; Rose Vanderpool, Program Assistant; April Mondragon, Administrative Assistant; Crystal Benavidez, HCP Coordinator/Program Assistant; Clinton Phillips, Davis Engineering; and, Michael Carson, Database Administrator.

Guests: David Hofmann, Sally Wier, Michelle Lanzoni, Ryan Morgan.

Meeting Called to Order

President Frees called the meeting to order at 9:01 a.m. There was a quorum present for the meeting.

Approval of the Consent Agenda

President Frees asked for approval of the consent agenda:

- Agenda
- June 4, 2024-Quarterly Meeting Minutes

A motion was made by Jan Waye to approve the consent agenda. The motion was seconded by Jeff Regenold and unanimously approved.

Public Comment

President Frees asked for public comment. Ryan Morgan reported on the Mitchell Valley Farms formerly known as Blumenhein Farms property for sale. He provided the Board with a flyer and described what was included in the sale.

Attorney's Report

President Frees asked for the Attorney's report. Pete Ampe gave an update on the US Supreme Court ruling on the Texas vs New Mexico Colorado case. He explained the court's decision to uphold the protest of the United States against the Special Masters approval of the three states settlement. Mr. Ampe reported on the retirement of the former Special Masters and the appointment of a new one. He described the main impact to Colorado. Mr. Ampe reported on the filing by SWAG to form their own water conservancy district within Subdistrict No. 1. He described the formation process and reported they would continue to monitor the situation. Jan Waye asked for further explanation. Mr. Ampe explained how the group plans to form their own Subdistrict within a District in order to not be subject to Subdistrict No. 1. He also explained the difference between an augmentation plan vs a Subdistrict.

Engineer's Report

President Frees asked for the Engineer's report. Clinton Phillips presented the aquifer update. He highlighted the response area on a map and the wells being monitored by the State. Mr. Phillips went over the change compared to the 2015 Baseline and 2023. He updated the Board on wells DW4 and 5 measurement issues that occurred in 2015. Mr. Phillips reported where increases and decreases were seen and provided the individual well charts for each well.

Program Manager's Report

President Frees asked for the Program Manager's report.

- Financial Report

Chris Ivers highlighted the costs covered by the District for formation and the remaining balance due to the District. He presented the Balance Sheet and went over the amount in the checking account, the assessments receivable and total assets. Mr. Ivers presented the Profit and Loss Statement. He highlighted the increase in salaries, utility costs, Well Injury Payment (WIP) agreement costs, total property management costs and payment in lieu of taxes. Mr. Ivers reported on the early payoff on the lease of four (4) quarters. He also reported sending out more forceful letters to those contracted into the Subdistrict.

A motion was made by Jeff Regenold to approve the financial report as presented. The motion was seconded by Jan Waye and unanimously approved.

- Revegetation

Chris Ivers read a text message from Sally Wier at Colorado Open Lands regarding the snags in the process to obtain access to funding for revegetation costs. He highlighted the program being worked on to make the District a project partner in order to access the funds which could be used for seed mix. Mr. Ivers reported on an issue with grasshoppers on the three (3) quarters planted last year and green foxtails taking over the fields planted this year. He stated the Farm Committee plan to meet to see what changes could be made. President Frees commented on the issues with the grasshoppers and green foxtails. He also provided an update on the soil stability.

- Elk Management

Chris Ivers reported on an access agreement Subdistrict No. 1 had been working on with Colorado Parks and Wildlife (CPW). He explained the issues they had been having with elk on their property and how they agreed to let neighbors have access to hunt the elk on the property last year. Mr. Ivers explained the hunting methods described in the access agreement being worked on with CPW and the possibility for it to be a viable option for Subdistrict No. 4. Jeff Regenold reported being in favor. Jan Waye reported on the need to have a plan of action. Mr. Ivers explained the Board of Managers would need to take action on entering into an agreement as well as the District Board of Directors. President Frees asked for more time to study the agreement and have a discussion with the Parks and Wildlife area Manager prior to deciding to move forward. Program Manager Taylor Chick of Subdistrict No. 1 reported on the conversations held with CPW. President Frees and Director Regenold reported not experiencing any issues with elk on the property and did not see an urgency in the matter.

2025 Revegetation, Farm Lease, and Stream Remedies

President Frees asked for 2025 revegetation, farm lease, and stream remedies. Chris Ivers asked the Board if they wanted to move forward with revegetating three (3) quarters and leasing out the other three (3) quarters next year. President Frees was in favor to continue with the plan and requested they revisit the revegetation seed mix, pre irrigation and herbicide application. Mr. Ivers reported crafting the draft budget to include the plan. He went over the stream remedy costs, provided the dollar amount available from the CWCB loan and asked if they wanted to look at augmentation wells for next year. Jan Waye commented on the need to have the total costs for remedies this year in order to be able to begin to evaluate an alternative. Mr. Ivers explained the potential for costs to vary each year. Discussion was held on moving forward with an augmentation well. Mr. Ivers described the augmentation well operations in Subdistrict No. 5. Clinton Phillips updated the Board on the PRT meetings and the areas being studied. David Hofmann reported on the potential changes coming to the model. Pete Ampe described the SWSP and the change case process. Staff was directed to continue conversations on the type of application needed for the augmentation well and include it for action on the December agenda.

2025 Budget Discussion

President Frees asked for 2025 budget discussion. Chris Ivers presented the draft Subdistrict No. 4 2025 budget. He went over the 2023 budgeted and actual groundwater withdrawal fee and administrative fees collected. Mr. Ivers provided the amount collected so far in 2024 for admin, stream impact, and sustainable fees. He reported on the expenses to date as well as the projected expenses. Mr. Ivers went over the amount budgeted for salaries, building expenses and routine engineering. He highlighted the stream impacts and the projected amount for 2024 Well Injury Payment agreements. Mr. Ivers provided the anticipated amount budgeted for admin, stream impact, sustainability fee as well as the amount budgeted for the quarters leased and salaries. He suggested the Board consider raising the amount budgeted for accounting services and audit. President Frees asked it to be raised to \$2,500 due to the increase the last two (2) years. Mr. Ivers reported on the possible increase in legal and engineering fees if the Board goes forward on the

augmentation well. He highlighted the amount budgeted for seed, revegetation, WIPs, projected admin fee per well, amount per acre foot, stream impact fee and sustainability fee.

A motion was made by Jan Waye to approve the preliminary budget as presented. The motion was seconded by Jeff Regenold and unanimously approved.

New Business

President Frees asked for new business. There was none.

Next Meeting

The next quarterly meeting is scheduled for December 3, 2024 at 9:00 a.m.

Adjournment

A motion was made by Jeff Regenold to adjourn the meeting. The motion was seconded by Jan Waye and unanimously approved.

The meeting was adjourned at 10:29 a.m.



President

Vice-President/Secretary/Treasurer