

**Minutes of the Special Board meeting of the
Board of Directors of the Republican River Water Conservation District
January 9 & 10, 2025**

offered virtually and in person
Historic Cow Palace
1301 N. Main Street, Lamar CO 81052

- A. The board of Directors of the Republican River Water Conservation District convened their special board meeting, January 9, 2024 pursuant to notice required by statute and the District's by-laws. President Rod Lenz opened the meeting at 1:17 PM.
- a. Lenz led the group in the pledge of allegiance and Schneider led the group in prayer.
 - b. Secretary Kristen Schneider conducted a roll call of Directors. Board members present for the roll call were:
 - i. Rod Lenz, president
 - ii. Steve Kramer, vice president
 - iii. Aaron Sprague, treasurer
 - iv. Kristen Schneider, secretary
 - v. Don Brown
 - vi. Brooke Campbell
 - vii. Tim Fetzer
 - viii. Greg Larson, excused
 - ix. Josh Lechman
 - x. Trent Leoffler
 - xi. Robin Liming
 - xii. Steven Meakins
 - xiii. Tim Pautler
 - xiv. Kevin Penny
 - xv. Roger Seedorf, excused
 - xvi. Dennis Wieser
 - xvii. A quorum of the board was declared with Greg Larson excused and Roger Seedorf excused. There are only 16 members of the board without the position of Cheyenne Wells being filled.
 - c. Introduction of guests
 - i. Daniel introduced Robert Sakata, Colorado Department of Agriculture, Agricultural Water Policy Advisor.
 - d. Approve the agenda
 - i. **There was a motion to approve the agenda. There was a second, and the vote was unanimous.**

B. Board Discussion and Action Items

- a. Discuss & vote on personnel committee recommendations – Brooke Campbell, Personnel Chairperson
 - i. **There was a recommendation from the personnel committee to hire Tracy Travis as the Pipeline Operator at \$35.00 an hour. There was a second, the vote was unanimous.**
 - ii. **There was a recommendation from the personnel committee to increase the General Manager salary to \$129,000, the administrative assistant salary to \$54,000, and the Finance and office manager salary to \$65,000. There was a second. Robin Liming recused himself from the vote. The remaining board members voted unanimously to accept the recommendation.**

C. Discussion of Economic Impact Study –Update from Dale Manning & Jordan Suter

- a. Professor Suter began discussing the study assigned to CSU by HB 23-1220. Suter went into detail discussing the data used in the study which includes overlays from USDA-Cropland Data Layer (CDL)

and Colorado Decision Support System (CDSS). The prices for the commodities were pulled from CSU Extension Data, Southwest Kansas data, and NASS data. Suter also discussed the three scenarios likely to occur if the district fails to retire the entirety of 25,000 irrigated acres in the South Fork Focus Zone. The first scenario would be the entire basin transitioning to all pasture/grazing. The second scenario is proportions of fallow, pasture, dryland crop production based on how land is allocated on EQIP acreage. The third scenario is proportions of fallow, pasture, dryland crop production derived from statistical modeling that accounts for field-specific variation in soil characteristics and location.

- b. The board discussed the scenarios portrayed by the presentation conducted by Suter and Manning. The board specifically discussed their concerns with the fallowed acres numbers, the acres that would go into grazing and the labor/employment numbers. Kramer also discussed his concerns that the cattle production numbers are not accounted for because most of the cattle production feed, during winter, is on irrigated corn stalks. Discussion ensued regarding the percentage of cow/calf operations that fall into that category, and it was agreed that approximately 95 percent of winter feed for cow/calf production is on irrigated corn stalks. Sprague asked what is the projection for confinement operations? The group discussed confinement operations would likely be impacted by the curtailments because they technically pump more than 50 ac. ft per year for non-irrigated use. Next steps for the study include a presentation to the Joint Ag Committee next week, and then the board will have the report for a few weeks and have the opportunity to give feedback.

D. 2:52 PM Public Comment, there was no public comment.

E. 2:55 PM BREAK, the board reconvened at approximately 3:10 PM.

F. Discussion of 2024 board priorities (attached as Exhibit A)

- a. Review 2024 priorities and discuss updating - Rod Lenz, President of the Board
 - i. Lenz introduced the priorities from the 2024 board retreat for discussion. He stated that there are properties on the SFFZ and the Arikaree which the board should consider. Wieser particularly discussed properties along the SFFZ which were temporarily retired but do not qualify for any programs because they have not been irrigating.
 - ii. Lenz asked Hendrix to read the priorities from the previous retreat. Meakins asked how many alluvial wells exist along the North Fork? Hendrix stated there are likely only one or two wells as there are approximately 300 acres for alluvial wells along the North Fork.
 - iii. Lenz asked the board, what do we do with the wells that do not fall into the priorities that could be developed? There was discussion on how to proceed, Robbins discussed there is a precedent for purchasing wells. Lenz will discuss this issue with Seedorf to follow up on through the Negotiating committee.
 - iv. Lenz discussed Greg Stultz and his passion for getting flow through the Black Wolf, is this a priority for the district if wells which impact the flow of the Black Wolf come up for sale?
 1. Meakins discussed future water purchases need to be based on water, not on acres.
 - v. Lenz asked are priorities 4 and 5 in the correct order? Hendrix stated that he believes they are in the correct order because there are higher acres along the Arikaree and that would yield higher acre-feet and flow on the Arikaree.
 - vi. There was discussion on creating a program to purchase water rights along the Arikaree and North Fork, Sprague suggested bringing this idea to the budget and conservation committees for discussion.
 - vii. Sprague clarified that the expansion and the maintenance portion of the CCP does not fall under priority 6.

G. Podcast Exercise

- a. Daniel led the group in a quick ice breaker to prepare the board members for the podcast exercise.
 - i. The board members were randomly paired up and spent approximately 30 minutes roleplaying, interviewing and being interviewed with preselected questions.
 - ii. There was discussion about comments from interviews with suggested topics.

H. Closing Comments – Robert Sakata, CDA Agricultural Water Policy Advisor

- a. Daniel introduced Robert Sakata, Agricultural Water Policy Advisor for the Colorado Department of Agriculture. Sakata discussed his father’s legacy and how Sakata Farms ended up in Colorado. Sakata then discussed his pivotal role in creating the Colorado Fruit & Vegetable Growers Association, the very first annual meeting was charged to his personal card to make the gathering happen. Sakata discussed the difficult transition to a smaller workforce and farm size when the water curtailments occurred and how making those tough decisions seriously impacted his mental health. Sakata discussed his desire to serve the state of Colorado when the advisory position was created and how the position allowed him to continue believing in the future of agriculture.

I. 5:49 PM – Recess Meeting

J. 8:03 AM - Re-open Board Meeting –Rod Lenz, President of the Board

- a. Pledge of Allegiance & Prayer
- b. There was a quorum declared with Tim Pautler and Greg Larson excused.
- c. There were no guests present for introductions.
- d. **Lenz amended the agenda by moving the final opportunity to promote favorable concepts to the end of the Budget Impact discussion. There was a second and the vote was unanimous.**

K. 8:15 AM - Public Comment

- a. **No one present for public comment**

L. President’s Report – Rod Lenz, President of the Board

- a. President Lenz discussed the agenda for this retreat being similar to the board retreat agenda last year. However, the discussions have moved in the right direction. He discussed the staff spending the past year compiling data to build the well database. Lenz discussed traveling 1,017 miles to complete the board tour. In his discussions, the newer board members requested a board orientation to help familiarize themselves with the workings of the board and there was also the request for board members to have a refresher course if needed. Lenz discussed board unity moving forward.

M. Presentation – Dr. Willem A. Schreüder, President, Principia Mathematica

- a. Willem discussed his previous work with the RRWCD and his work building the Groundwater Model for the Republican River Compact Administration. Schreüder discussed the 600,000 acre/foot goal set by Hendrix to extend the life of the Aquifer. Meakins asked, does retirement of acres in a specific area impact the Aquifer more? Schreüder stated yes, based on the physics of how water flows and the allocations per tributary. Seedorf asked, if the District has the goal to only pump 9,000 acre feet through the CCP will that positively impact the District? Schreüder stated it will help for 10 to 15 years down the road, but the accounting cannot predict the deliveries that will be required in 10 to 15 years. Schreüder discussed that being an eternal pessimist has never proven him wrong. Schreüder stated that based upon the Glover Model the wells that are closer to the stream are more economically viable because of how they more quickly impact the groundwater model.

Tim Pautler entered the meeting at 8:49 AM.

N. Discussion of Fee Evaluation Concepts

- a. Report on RRWCD Resolutions – Reon McBride, RRWCD Finance & Office Manager
 - i. McBride discussed her findings of the previously signed Resolutions 04-01, 08-07, 19-03, 21-04, and 21-13 discussing conservation.
 - ii. Discussion on why the GWMDs have not already implemented conservation plans. Robbins discussed how the GWMDs have the legal ability to tell the well owners how much water they can pump. The District is charged with assisting the state in meeting compliance.
 1. Extensive discussion was held on the reasons why the GWMD have not already implemented conservation programs. The reasons include the GWMDs do not have

the data to support their decisions, the potential for lawsuits, the lack of funds, and the belief they will not be able to implement an effective program. The point was also made that if one GWMD implements a program and the others do not follow suit, that district only causes harm to its constituents and still fails the plan of Compact Compliance. Lechman discussed Nebraska has a tool in place to solve problems before they come up, and he believes the change in the Water Use Fee is that tool for the district.

- b. Discussion of Fee concepts – Kevin Penny, Fee Evaluation Committee Chairperson
 - i. Penny discussed the four concepts the board has been considering implementing for the collection of funds through the water use fee.
 - 1. Option 1: \$30 per irrigated acres
 - 2. Option 2: 100 percent based on acre/feet pumped
 - 3. Option 3: split fee based on irrigated acres and acre/feet pumped
 - 4. Option 4: split fee based on irrigated acres and a surcharge on acre/feet pumped above 46 percent of the appropriation on the well permit
 - 5. Penny read the pros and cons submitted by the staff.
 - 6. Penny repeated the pros and cons submitted by the board members for the board workshop.
 - ii. Well data illustration – Rod Lenz, President of the Board
 - 1. Lenz discussed the four field types demonstrated by the data in the spreadsheet example and the percentage of the basin that they represent. Lenz then discussed the costs per acre/well going through all of the concepts for a \$15 million budget. Lenz then discussed the same for an \$18 million budget.
 - 2. There was discussion on the current structure and how concept 3 does not address the \$15.50 sunseting at the end of 2029.
 - iii. Lenz discussed the change of the Water Use Fee is such an important decision that the entire board will be discussing everything moving forward, not just the Fee Evaluation Committee.
- c. Executive Committee's Comments/Goals of the Retreat
 - i. Draft actions to be taken at February Board meeting
 - 1. Lenz discussed all of the hurdles the board will face moving forward including: the statutory language changes required for the district to invoice the water use fee, the potential loss of funds to the counties, potentially working with the state for red tagging wells which have not paid their fees, how to decide the process to narrow the field from four concepts to at least two concepts, the process of informing the public, the hearing process, and then the potential changes to the budgeting process.

O. 10:30 - BREAK

P. 10:51 - Budget Impact Discussion – Aaron Sprague, Treasurer of the Board

- a. Discussion of funding remainder of SFFZ obligation
 - i. Sprague discussed the cash flow shifting in the current budget because less acres were retired than initially projected for the budget when it was built in June. There was extensive discussion on the rates paid for SFFZ program retirements. Daniel discussed the CREP payment rates significantly dropping for the 2025 year in Kit Carson, Lincoln and Cheyenne counties.
- b. Discussion of PTAC requirements
 - i. Sprague compared the limitations of the current cash flow to the current projected costs for the pipeline maintenance and expansion projections. There was extensive discussion on the monetary burden to the District to extend the life of the pipeline. Phase 2 is to get to the current legal pumping capacity of the pipeline and safeguard the pumping season. Phase 3 is an extension of the life of the pipeline to account for lag depletions and continued Compact Compliance.
- c. Discussion of North Fork goals (Sprague added Arikaree to this discussion)

- i. Sprague discussed budgeting more funds to the line items dedicated to retiring wells within one mile of the streams for the North Fork and the Arikaree tributaries, because these wells are high on the priority list, and they significantly impact the groundwater modeling.
- d. Budget cap, budget shortfalls
 - i. Sprague asked, does the board want a budget cap or does the board want a cap on the reserve funds the District has?
 - ii. Sprague discussed the cash inflows falling below the cash outflows in 2030/2031.
 - iii. Seedorf stated the board needs to discuss potentially borrowing the money for large purchases in the future.
 - iv. There was discussion on the water use fee sunset in 2029 and correctly communicating the significant future financial demands on the board. There was discussion on the budget being built on maximum spending.
 - v. The budget committee and PTAC committees will meet to discuss timeline and budgetary preparations to meet pipeline maintenance and expansion requirements.
 - vi. PTAC committee will work with Hendrix and Willem to locate favorable wells for purchase for the expansion of the pipeline for the negotiating committee to pursue.
- e. Final opportunity to promote most favorable concept - Kevin Penny
 - i. There was discussion regarding which concept of the potential Fee Evaluation concepts each board member favored.
 - ii. **Through the roundtable discussion the board agreed that elimination of option one and two is acceptable. W-Y and Central Yuma representatives noted that their constituents' preferences were for no change to the Water Use Fee Structure.**

Q. 11:45 AM Discuss water rights lease – Roger Seedorf, Negotiating Chairperson

- a. Dr. Monte Uymerua approached the District about leasing his surface water rights for Chief Creek. The current lease agreement is for \$1,000 for the first year and then \$10 per year for the next nine years. The lease has a temporary dry-up covenant on the property and there is a clause for first right of refusal if the property becomes available for sale.

R. 11:40 AM RRWCD Committee Assignment –Rod Lenz, President of the Board

- a. **There was a motion to accept the 2025 Committee Assignments. There was a second. There was additional discussion where Brown requested to be removed from the Legislative Co-Chair position and also be removed from the Legislative committee.** Brown had previously gone through the Executive Committee meeting on Dec. 3, 2024 recording and disputed points made on the recording. Meakins requested Brown reconsider his removal. Fetzer agreed. **The motion was amended to approval of the committee assignments striking Don Brown as Co-Chair and also member of the Legislative committee. The motion was approved through mostly ayes, noting some members did not vote.**

S. No executive session was held.

T. 1:03 PM Adjourn meeting

Kristin M. Schneider
Secretary

2/18/25
Date

RRWCD

Meeting Sign-in Sheet

Date JAN 9 - 10

Name	Address	Representing	Phone	Email
Robert Sakata	612 Base Dr Brighton	CDA	720-512-6868	
Troy Shumail	COSE CO			