

Republican River Water Conservation District
Minutes of the Fourth 2023 Quarterly Board Meeting of the Board of Directors
November 21, 2023
Cobblestone Inn & Suites, Conference Room
35952 US Hwy 385, Wray CO 80758

A. The Board of Directors of the Republican River Water Conservation District convened their fourth quarterly meeting, November 21, 2023, pursuant to notice required by statute and the District's by-laws. President Rod Lenz opened the meeting at 9:59AM.

- a. President Rod Lenz led the group in the pledge of allegiance. Rod Lenz conducted the prayer.
- b. Treasurer Aaron Sprague conducted a roll call of Board members. Board members present for roll call were:

Rod Lenz, President
Greg Larson, Vice President, **excused**
Aaron Sprague, Treasurer
Gil Anderson, Secretary
Wil Bledsoe
Don Brown
Brooke Campbell
Jim Hadachek
Steve Kramer
Josh Lechman
Robin Liming
Rod Mason, **walked in after roll call**
Steven Meakins
Tim Pautler, **present over Zoom**
Kevin Penny
Kristen Schneider
Roger Seedorf

Quorum was declared by President Rod Lenz, with the above notes.

There was a motion to change the agenda by removing item e, discuss and vote on Third Amendment to Purchase and Sales Agreement under Board Discussion and Action Items. There was a secondary amendment to add approving the agenda and also correct Steve Kramer as representing Kit Carson County not Plains Groundwater Management District. There was a motion to accept the changes to the agenda. There was a second and the vote was unanimous.

Deb Daniel, RRWCD General Manager
Reon McBride, RRWCD Finance and Office Manager
Payton Liming, RRWCD Administrative Assistant
Pete Ampe, RRWCD General Counsel, Hill & Robbins, P.C.
David Robbins, RRWCD General Counsel, Hill & Robbins, P.C., present over Zoom
Randy Hendrix, Hendrix Wai

- c. Guests present were: Kevin Rein and Tracy Kosloff
- d. President Lenz announced the reappointments of directors: Steve Kramer representing Kit Carson county, Brooke Campbell representing East Cheyenne Groundwater Management District, and Aaron Sprague representing Phillips County.
- e. Lenz then read Resolution 23-08 honoring Gilbert Anderson for his years of service. **There was a motion and second and unanimous vote accepting Anderson's resolution.**
- f. Lenz then read Resolution 23-09 honoring Rodeny Mason for his years of service. **There was a motion and second and unanimous vote accepting Mason's resolution.**

- g. Tim Fetzer was sworn in as the new representative for Marks Butte Groundwater Management District.
- h. Dennis Weiser was sworn in as the new representative for Arikaree Groundwater Management District.

i. There was a motion to approve the minutes of the August 15, 2023 meeting. There was a second and the vote was unanimous.

ii. There was a request to change the executive session minutes to change the minutes by altering the statement from saying, "Vice President Larson" to stating "President Rod Lenz stated," in the last sentence of the first paragraph. There was a motion to approve the executive session minutes of the August 15, 2023 meeting with above-said changes. There was a second and the vote was unanimous.

B. Administration Reports

- a. President Lenz gave the President's report. President Lenz discussed recent familial losses for members of the board and stated life is short. He then discussed the week-long meeting he attended while BOR had serious discussions about how to proceed with Bonny Dam. Lenz discussed the opportunity to utilize produced water from oil wells. Lenz then spoke about using the board retreat to figure out the water use fee.
- b. Deb Daniel gave the General Manager's report thanking everyone for attending the meeting. Daniel discussed Kevin Rein's retirement at the end of the year. She also discussed the retirement of Gil Anderson and Rod Mason. Daniel stated she is excited to work with the new board members, Tim Fetzer and Dennis Weiser. Daniel discussed the new amendments to Resolution 21-05: discounting upfront payments for future contracts (throughout the Basin) and asking for an increase for RAMP payments for those who retire 50 percent and more of their irrigated acres. Lenz also stated he wanted to clarify that the board will not be "sweetening the pot" for the retirement of acres.
- c. Reon McBride reported on the 2023 third quarter financial report. McBride discussed the resolution making budget line transfers to cover items that went over the expected budget.
- d. Payton Liming gave the SFFZ report; There are now 11,322.69 acres retired in the SFFZ, with pending contracts for 610 acres in the SFFZ and pending contracts for approximately 470 acres outside the SFFZ. There was additional discussion on interest in upcoming enrollments in EQIP and CREP.
- e. Tracy Travis gave the CCP operation report. He stated the pipeline started October 5, 2023. We are pumping approximately 60 acre feet per day and have approximately 1,300 acre feet under our belts. Travis discussed the maintenance he has done and how it has been similar to years past.

C. Hearing of the Board

- a. At 10:34 AM the Board opened a Public Hearing on the proposed 2024 Budget for the RRWCD and the RRWCD Water Activities Enterprise. Notice of the hearing had been published in accordance with law. Aaron Sprague, Budget Committee chairman opened the Public Budget Hearing. Sprague discussed that the committee has already gone through the discounting process and they recommend the board approving allowing the 10 percent discount for one-time program payments. Justin Dodsworth, RRWCD Accountant, began by informing the Board that the Budget Committee had met previously to prepare the 2024 Proposed Budget. Mr. Dodsworth gave a presentation on the 2024 Budget, going through the budget line by line. There was discussion on cashing out the investments with Cetera (David Carter) early, the budget committee will look into the opportunity cost of pulling that money early and moving it back into the Basin into more accessible growth opportunities. There was discussion on the ARPA fund balance analysis; Are the DWR, State and RRWCD allocations set? Ampe clarified the amounts shown are maximums. There was discussion on how many acres have been retired using ARPA funds. Ampe stated that Rio Grande has pending contracts for all but \$4 million of the ARPA funds. At 11:29 AM Sprague asked for any public comment related to the Budget hearing. There was no public comment.

Seedorf stated the following change needs to be made on page 1 and also page 4: The District has around \$30 million federal funds allocated through the State of Colorado through Senate Bill 22-028 for retiring acres in the SFFZ.

At 11:31 AM the Budget hearing was closed.

D. RRWCD Committee Reports

Reports with asterisks signify the report was out of order according to the agenda to accommodate those giving reports and their time.

*PTAC- Chairperson Pautler thanked retiring member Rod Mason for his time on the committee. Pautler thanked Travis for doing his job well and said that not hearing from him is a good sign. Pautler stated the committee is working to complete the Third Amendment to Purchase and Sales Agreement. The agreement has not been finalized yet, because the other party is still meeting to finalize the language on their part. After Pautler hears from the other party about changes to the agreement, he will bring the agreement back to the PTAC committee and then bring the agreement forward to the board. Robbins clarified the holdup is that some of the wells still have pumps in them. The owner has a legal obligation created by the original contract to protect the Aquifer by capping those wells.

*CGC-Pautler spoke about the town of Bennett (Bennett sits atop 4 aquifers) asking for variances that he is concerned do not serve the future residents of Bennett. Pautler stated that the commission is concerned about the "pump it or lose it" mindset and is concerned with how to address that issue. The commission meeting also hosted a workshop for GWMDs and water commissioners. The GWMD asked for yearly updated scripts to help transition employees. Robbins stated Pautler and Daniel were instrumental in suggesting the GWMD workshop to help during this transition period for DWR.

c. Budget committee-The Budget hearing stands as Sprague's report.

d. Conservation committee-Kramer discussed the Farm Bill is a big hold up because the District needs the funds the agencies bring to the table. The Dryland farmable CREP program has great potential but Daniel and Kramer have been working to get the language more usable throughout the District. Kramer is concerned with the "use it or lose it" mindset. The GWMD's drafting conservation programs cannot impact the historical use of the wells. Kramer stated the conservation conversation is hard and the group needs to be prepared to answer those questions coming from the community. Kramer stated his family has retired almost 1,000 acres and it has impacted his personal farm. But the committee needs to get together to draft answers for the communities. Lenz stated the impact is on you and your neighbors, but the water does still stay in the ground.

e. Fee Evaluation committee-Penny began by discussing a brief history of the Fee Evaluation committee. Penny plans to take feedback from the board members at retreat to bring a plan to the board.

f. Innovation/Technology committee-Meakins discussed the water that is produced near Cope from oil and gas activities and potentially moving that water to the South Fork. There would be many miles of pipe required, which the District does not have the budget built for. Robbins clarified that he met with James Eklund and his partner and there are two issues; The water is not clean enough to put into the streams, and there is an extremely high cost to putting in a pipeline to get the water anywhere. Robbins stated there is a legal difference between potable water and dischargeable water. Robbins stated this is an opportunity to let the entrepreneurs figure out the money and then build a plan after funding is found.

*The group jumped to Stuart Dykstra's report. Dykstra stated they were at the meeting at Bonny Dam and the trigger for the BOR meeting was that there are cracks at Bonny Dam and failure at the spillway. The group meeting was exploratory, and Dykstra feels whatever happens, it is not going to happen quickly. The Dam will need to be repaired for safety or other options will need to be explored. SFRRRC is in the midst of modeling the stream, Dykstra is using data collected in 2020 and also running new modeling routing streamflows. Dykstra is looking to get numbers finalized to seek serious funding. Dykstra showed a map that is sub-meter accurate in width and sub-centimeter accurate height wise. Dykstra is looking at habitating, and he expects to be getting an original topo map, which will be helpful in knowing the soil before the dam was built.

*Mike Leerar-The Yuma County Water Authority budget has been approved. Leerar stated there is potential to build a solar facility north of Yuma, and for construction the group will be trucking water in from North Sterling. The facility will cover 2,300 acres.

g. Legislative-Bledsoe spoke about avoiding two governmental shutdowns and supporting Senator Simpson who is attempting to pass some additional legislation. Daniel added that two or three of the Board members may need to head back to Washington D.C.

h. Negotiation-Larson asked Roger Seedorf to give the report: Seedorf discussed the FPI purchase for three irrigation systems and one small capacity well. The District currently owns 14,500 acre-feet. The District will be required to pump 12,500 acre feet this year. Seedorf stated that gives the District approximately 6 years before the District has maxed out the allocation on Compact Compliance Pipeline. Daniel discussed having Wray State Bank as the place for folks to turn their bids in for FPI property lease. Seedorf stated there were issues with the paperwork at closing and he thanked Daniel and Montgomery for pushing through those issues.

i. Nominating-Meakins stated elections are this afternoon.

j. Personnel-Campbell stated she has collected the survey results, and the committee will be meeting with Deb, Payton, and Reon in December.

E. Associated Organizations Reports

a. Colorado Water Congress-Kramer discussed how RRWCD board members participated on a panel and told their personal stories and then discussed their jobs serving on the RRWCD board. They also met with many representatives and got to spend one-on-one time discussing the RRWCD's mission and issues the District has working with federal agencies. Kramer stated Water Congress is important for building relationships and a good opportunity if any board member has the chance to go.

The group broke for lunch at 12:25 PM. The group reconvened at 1:15 PM. Public comment began at 1:15 PM.

Brandi Baquera, water commissioner and Colorado Master Irrigator, asked about using the land in the FPI purchase for conservation practices for CMI. Baquera also mentioned attending the East Cheyenne meeting and spoke about how Plains has looked into changing the state code language. Baquera also asked about using extra ARPA funds to match on grant funds?

Sue Jarrett, spoke about lobbying against the legislation that initially created the RRWCD. Jarrett thanked President Lenz for doing such a wonderful job as chair.

Public comment closed at 1:23PM.

b. South Platte Basin Roundtable-Daniel stated the group is meeting today, and they are going through their grant requests today. Daniel stated she is disappointed with the applications. She read through some of their applications and most of the grants are requests for maintenance/payment on ditches which have not been properly maintained.

F. Professional Reports

a. Lobbyist updates

i. Constitution Partners-CP is working on the CREP Improvement Act. Buck will not be running again, so there will be a new member in fall 2024. There is a new Speaker of the House, he is navigating the obstacles that took down his predecessor as well. There have been two continuing resolutions signed this fall. The plan is a ladderred continuing resolution. The Farm Bill will get a one-year extension. Although the Farm Bill is extended to Sept. 30, 2024, that is a long runway, and Firth expects it to be more likely after Labor Day. Firth suggests making sure changes are in the base bill so groups don't have to fight to get into the amendments. Firth mentioned there is an EQIP Improvement act, which would change the amount maximum per entity allowed from \$450,000 to \$150,000.

ii. Capitol Focus-Landon Gates spoke about a shuffling in the leadership in the Senate because Denver elected a new mayor and hired some former legislators for his staff. Gates gave a rundown of the bills of interest to the District. Gates spoke extensively about the Task

Force for the Colorado River. The Western Slope is heavily represented as their water rights are heavily at risk. Gates expects the Polis administration to get serious about WOTUS legislation as changes have occurred. Special sessions have been happening to get the Budget finalized.

- b. Engineer's Report-Hendrix stated he submitted the Sept. compact compliance estimate. Hendrix discussed developing an equivalent for the commercial and municipal wells for the Fee Evaluation report.
 - c. Legal report-This quarter has been focused on getting the ARPA contracts completed. The closing on FPI was difficult because of issues but it got done. The Rio Grande had enough applications pending to spend all but \$4 million of their funds. There has been compact litigation on the Rio Grande; Texas sued New Mexico and Colorado. The three states reached a settlement among themselves. The US asked the Special Master to reject the settlement, the Special Master denied the US' request and upheld the settlement. The US appealed to the full US Supreme Court. This case is important to follow because of federal impacts in our Basin.
- a. Darlene Carpio representative for Congressman Buck's office: The race for Buck's seat is going to be extremely competitive with many candidates.

J. Report from State Engineer's Office

*Kevin Rein spoke about the importance of being out in the Basin. Rein discussed the sub district format for Rio Grande Basin is not sustainable. Rio Grande worked with Rein to build a new plan to implement. They plan to not take more from the Aquifer than they can recharge.

The Republican River Compact Administration meeting was in August. Rein met with the commissioners of Kansas and Nebraska and requested formal documentation to recognize the work the district has done to get 10,000 acres retired. The RRCA engineering committee will work to build that verification process, because Colorado state staff has that data.

*Tracy Kosloff, deputy state engineer, spoke about funding received to add additional staff. Ivan Franco listed a requirement for the RRCA engineering committee as having those wells in the SFFZ that have been retired listing the RRWCD on their permits and how timely and how completely we can get that data compiled. Kosloff thanked the group for their patience now and ongoing patience as we work through this process.

*Rein talked the group through what will happen at the SEO office after his retirement. Gibbs will name an acting engineer in December and will begin the search for a new engineer in January.

Rein spoke about having trouble making his decision to retire because he kept thinking about the RRWCD.

President Lenz read Resolution 23-10 honoring Kevin Rein for his years of service. There was a motion and second and unanimous vote approving the resolution honoring Rein.

b. Report from Chris Kucera

*SF-non-existent flow practically

Pioneer-shutoff Oct. 25, 2023

North fork-57 cfs, 16 is natural flow, the rest is pipeline

1,633 structures reported-lower pumping number than usual

Right at 550,000 acre foot usage projected for the 2023 year

3 confirmed over pumpers so far

Daniel and Kucera discussed the conservation easement on the North Fork and how because of said easement nothing can be done to prevent the land flooding on the North Fork.

K. Board Discussion and Action Items

a. Discussion was held on accepting the RAMP blind evaluation. **There was a motion to approve all of the applications for RAMP for entering into the RAMP conservation program. There was a second, the vote was unanimous to approve all of the contracts on the evaluation.**

b. There was discussion on approving the amendments to Resolution 21-05. **There was a motion to approve the amendments to Resolution 21-05. There was a second.** Extensive discussion was held on changes for 21-05. **There were changes made during the meeting and projected for board approval. The person who made the motion and the person who made the second accepted the amendments as shown during the meeting. The vote was unanimous.**

- c. **There was a motion to accept the professionals 2024 service billing rates, except for Premier Accounting, as presented. There was a second. Amending the motion, the executive committee will have a discussion with Premier Accounting about their 2024 service billing rate. The second approved the amendment. The vote was unanimous.**
- d. **There was discussion about the Arikaree Groundwater Management District grant application. There was a motion to accept the grant application request, there was a second. The vote was unanimous.**
- E. *action item e was deleted by the amendment to the agenda.*
- f. **McBride discussed the various budget line-item transfers. There was a motion to accept Resolution 23-11 as presented. There was a second and the vote was unanimous.**
- g. **There was a motion to accept Resolution 23-12 with the changes suggested earlier in the morning during the Budget hearing, this is altering page 1 and also page 4: The District has around \$30 million federal funds allocated through the State of Colorado through Senate Bill 22-028 for retiring acres in the SFFZ. There was a second and the vote was unanimous.**
- h. **There was a motion to accept Resolution 23-13 as presented. There was a second and the vote was unanimous.**
- i. **There was a motion to accept Resolution 23-14 as presented. There was a second and the vote was unanimous.**
- j. **There was a motion to accept Resolution 23-15 as presented. There was a second and the vote was unanimous.**
- k. **There was a motion to accept Resolution 23-16 as presented. There was a second and the vote was unanimous.**

l. Discuss on leasing/management of newly acquired property. Daniel discussed the lease/management of the newly acquired property. Weiser asked if the board could immediately change the use of the wells to leave the water in the hole. There was extensive discussion on what changes would trigger for the wells if the water was retired now vs. leasing the property as irrigated. Seedorf suggested three-year leases and also suggested having two leases between the two tracts. There was extensive discussion on the language for the lease bid packet. The negotiating committee asks the board to send any suggestions to them before the board retreat so they can complete a presentation for retreat.

m. At 3:42 PM the election of officers began for 2024. Rod Lenz submitted his name for President, Kristen Schneider submitted her name for Vice President, Steve Kramer submitted his name for Secretary and Aaron Sprague for Treasurer. Meakins stated he spoke to Schneider and Kramer and asked if he could swap their positions to suit their strengths.

- i. Nominating committee chairperson Steven Meakins stated Rod Lenz had submitted his name for the position of President. There were no nominations from the floor. A motion to cease nominations was made and seconded. There was a unanimous vote to accept Lenz as President for 2024.

Steve Kramer submitted his name for Vice President. There were no nominations from the floor. A motion to cease nominations and cast a unanimous vote for Steve Kramer as Vice President was made, seconded and passed unanimously.

Aaron Sprague submitted his name for Treasurer. There were no nominations from the floor. A motion to cease nominations and cast a unanimous vote for Aaron Sprague as Treasurer was made, seconded and passed unanimously.

Kristen Schneider submitted her name for Secretary. There were no nominations from the floor. A motion to cease nominations and cast a unanimous vote for Kristen Schneider as Secretary was made, seconded and passed unanimously.

The Election of Officers closed at 3:50 PM.

Lenz stated the board members have the board committee forms in their emails. Please fill those forms out and get them back to Reon.

L. Old Business

- a. No Old Business

M. New business

- a. No New Business

N. Executive Session

- a. There was no executive session.

O. Adjourn Meeting

- a. **At 3:51 PM there was a motion to adjourn the meeting, there was a second and the vote was unanimous.**

Kristin M Schneider

Secretary

2/23/24

Date