

RECORD OF PROCEEDINGS
SAN JUAN WATER CONSERVANCY DISTRICT
REGULAR MEETING – FEBRUARY 17, 2025, 4 PM

Attendance

A Regular Meeting of San Juan Water Conservancy District (SJWCD) was held Monday, February 17, 2025, at 4 PM in person at 46 Eaton Drive and on Zoom.

The following Directors were present in person: Candace Jones, Joe Tedder, Randy Cooper, Susan Nossaman, Rob Hagberg, and Chuck Riehm. Also present in person was Sally High (SJWCD Executive Assistant).

Attending on Zoom were Director Rod Proffitt, Jeff Kane (Attorney), Josh Pike (Pagosa SUN), Trey Fricke (Real Estate Broker), and Mark Barone (interested citizen).

Call to Order

The Regular Meeting of the San Juan Water Conservancy District (SJWCD) was called to order by President Candace Jones at 4:05 PM. A quorum was present.

Consideration of Executive Session

Director Jones read the statute defining SJWCD's use of Executive Session.

Upon an affirmative vote of at least two-thirds of the members present, the San Juan Water Conservancy District will go into executive session pursuant to section 24-6-402(4) of the Colorado Revised Statutes to discuss matters concerning the transfer or sale of real, personal or other property interest pursuant to section 24-6-402(4)(a) of the Colorado Revised Statutes, to confer with the District's attorney for the purposes of receiving legal advice on specific legal questions pursuant to section 24-6-402(4)(b), C.R.S., and to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators pursuant to section 24-6-402(4)(e), C.R.S., all regarding the potential sale of the Running Iron Ranch on the initiative of the Pagosa Area Water & Sanitation District and related litigation (Case No. 24CV30069 filed in Archuleta County District Court), settlement negotiations and public statements.

Director Hagberg moved to enter Executive Session. Director Cooper seconded. A roll call vote resulted in unanimous approval.

Non-board members were placed in the Zoom waiting room. The SJWCD Board of Directors entered Executive Session.

No action was taken in Executive Session. Director Hagberg moved to end Executive Session. Director Nossaman seconded. A unanimous roll call vote ended Executive Session at 5:20 PM.

Consideration of Actions Regarding Running Iron Ranch and Related Litigation

Upon leaving Executive Session, SJWCD Directors discussed PAWSD's litigation (Case No. 24CV30069 filed in Archuleta County District Court) and matters for which the Executive Session was convened. Non-board members were re-admitted to Zoom.

Director Hagberg moved that SJWCD invite the full PAWSD board to a joint Work Session. The public Work Session would follow an agenda, pre-approved by both boards, at a location to be determined. Director Nossaman seconded. The motion was approved unanimously. Directors will send agenda items to Director Jones.

Director Riehm moved that SJWCD meet with Trey Fricke, the real estate broker who made an offer to PAWSD to purchase RIR. The motion died for lack of a second.

Consideration of Attorney's Report

Attorney Jeff Kane reported on pending water rights cases. Kane stated that he knows of no actions regarding the Boot Jack Ranch cases. The Colorado Parks and Wildlife Piedra Pass cases seem to be in a "Status Conference holding pattern." There was a Status Conference last week regarding the Bureau of Land Management's Treasure Pass cases. BLM has 30 days to submit comments to the court. Opposers have 30 days after that to submit responses to the court. Kane will keep SJWCD updated.

Kane described the Caribou Ditch and Caribou Springs' recent filing to make their conditional right to 1 cubic foot per second absolute in order to water 2.25 acres. The water comes directly from the river. The recent Public Notice published in the Sun may have mis-stated the details and Kane will seek clarity. If the intended amount of water in the filing is 1 cfs, SJWCD directors favor filing opposition, citing an unnecessary amount requested and the 2004 St. Jude's Adjudication. Kane has until the end of the month to file opposition. Director Hagberg moved to authorize Kane to research and to file opposition, if indicated. Director Cooper seconded. Unanimous approval. Kane will work with Director Tedder, if needed.

PAWSD's reply to SJWCD's counterclaims is expected by this Friday (2/21). The deadline for discovery and other deadlines will then be defined.

Consideration of Treasurer's Report

The Board Packet contained a Budget VS Actual spread sheet through February 13 and an AIR form defining potential actions. Director Tedder moved to move \$15,000 from the Engineering line item to the Litigation line item. Director Hagberg seconded. The

motion passed unanimously. Director Tedder canceled the CenturyLink Internet contract and engaged Verizon Business to provide Internet service to the office.

Consideration of Adoption of 2025 Strategic Objectives and Director Assignments

Directors considered the three Strategic Objectives agreed to in the February 4 Work Session. The Strategic Objectives, relevant subpoints, and Directors' assignments are:

Strategic Objective 1: Redefine the financial partnership for Running Iron Ranch. (Directors Tedder, Riehm, Cooper, Proffitt)

- Defend SJWCD's water and property rights in the PAWSD litigation.
- Help PAWSD with debt relief.
- Consider how the litigation can bring SJWCD and PAWSD to cooperate in a municipal water demand study / planning exercise.

Strategic Objective 2: Make the case for a reservoir at RIR by defining feasibility and demand. (Directors Cooper, Hagberg)

- Engineering studies. Move ahead with technical work to understand conditions at the ranch as a reservoir site, plan for future geotechnical work, and engage a consulting engineer to prioritize the work.
- Planning / Demand Study. Consider existing supply and demand for residential users in areas of SJWCD outside the PAWSD boundaries and other demands for water in Archuleta County.
- Document results well so that we can break the cycle of repeating planning steps, except to the extent that updates are needed.
- Approximate cost of the reservoir. Investigate sources of funding. Pursue funding opportunities.

Strategic Objective 3: Engage with the community, including PAWSD, on a project that advances a common community interest, like a planning/municipal water demand study and/or wildfire mitigation. (Directors Hagberg, Nobles, Nossaman, Tedder)

- Participate in Archuleta County Growing Water Smart efforts.
- Continue to be visible to the public and contribute to the public's understanding of water resources. Examples include public presentations by SJWCD and other water entities, including the release of "Threats to Our Water," video 3 in the "This is Your Watershed: Upper San Juan River" film series.

Director Riehm moved to adopt the 2025 Strategic Objectives and Directors' Assignments. Director Cooper seconded. The motion passed unanimously. Director Jones will participate when and where needed.

Consideration of Agreement to End the Weber Leases at Running Iron Ranch

Director Hagberg moved to take up the issue of the Weber leases through the SJWCD and PAWSD subcommittees, and to include Kathy Weber in discussion. Director Riehm seconded. Unanimous approval.

Update on Contract with Yeh Engineering

Directors Cooper reported that he will update the board when he receives an update from Yeh.

Updates from Directors

- Southwestern Water Conservation District plans to announce their 2026 grants soon. Director Jones encouraged directors be ready for a relevant application to be written this summer.
- Owen O'Dell, Archuleta County assistant planner, was informed that SJWCD Director Nobles will participate in the Growing Water Smart activities. The deadline for the GWS application is February 28.
- Director Hagberg will attend San Juan Headwaters Forest Health Partnership meeting Friday, February 21.
- Director Hagberg will attend the San Juan-Chama Watershed's 9th Annual Rio Chama Congreso and 2-3-2 meeting at Ghost Ranch on Friday and Saturday, February 28 and March 1.
- SWCD will review the collaborative process used in their 2024 application for the successful Infrastructure Partnership B2E grant.
- The SWCD Risk Assessment presentation is March 25 at the Pagosa Springs Center for the Arts at 4 PM. Presenters include Steve Wolff of SWCD and Pete Foster of Wright Water Engineers. Craig Dollar of local Division of Water will present about the new (pending) water measurement rules. CWCB is working on potential grant opportunities for irrigators.
- The SWCD Annual Conference is March 28 at the Sky Ute Casino Conference Room. Registrations are in the SJWCD budget. Director Tedder can pay once if directors send him their intentions to attend this week.
- The Water Education Colorado (WECO) Southwest Basin Tour is tentatively scheduled for June 3 and 4, or June 4 and 5. The audience is primarily legislators and water professionals. Two 8-hour days are planned with speakers on the bus of participants. The first day will be tours toward Mancos and Towaoc. The second day will be tours in either Silverton or Pagosa, with a focus on river restoration projects, trans-mountain diversions, or mine restoration.
- The Colorado Division of Water Engineers will meet in Pagosa October 1, 2 and 3. Pagosa Lodge is reserved.
- Director Cooper will attend the Colorado Water Congress this summer.

Discussion of Board Vacancies and Expiring Terms

Directors Hagberg and Riehm intend to submit re-application letters to Judge Wilson. Recruiting a qualified person to fill the open seat is underway.

Discussion of Video Three, "Threats to Our Water"

Discussion centered around finding a venue for the release of the third video in late April or early May. The Executive Assistant will research, follow up on Director Jones's contact with PSCA, and report to Director Tedder. Director Tedder communicates with the filmmaker.

Consideration of Approval of Record of Proceedings

Director Cooper moved to approve the Record of Proceedings from the January 20 Special Meeting. Director Riehm seconded. Approval was unanimous.

Special Meeting Date Set and Adjournment

A Special Meeting was scheduled for Monday, March 17, at 4 PM. Director Cooper moved to adjourn and Director Riehm seconded. There were no objections. There being no further business to come before the Board, the Regular Meeting was adjourned at 6:45 PM.

SAN JUAN WATER CONSERVANCY DISTRICT

By /s/ Sally High

Executive Assistant for Board of Directors

DISTRICT SEAL