

RECORD OF PROCEEDINGS
SAN JUAN WATER CONSERVANCY DISTRICT
REGULAR MEETING – OCTOBER 20, 2025, 4 pm

Attendance

A Regular Meeting of San Juan Water Conservancy District was held Monday, October 20, 2025, at 4 pm in person at 46 Eaton Drive and on Zoom.

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

Attending on Zoom were Director Rod Proffitt, Jeff Kane (SJWCD Attorney), Craig Hoover and Robert Huzjak (RJH Engineering Consultants), and Randi Pierce (Pagosa Sun).

Call to Order

The Special Meeting of the San Juan Water Conservancy District (SJWCD) was called to order by Director Jones at 4:00 pm. A quorum was present.

Revisions to Agenda and Approval of Agenda

Director Tedder made a motion to move Item 7, Consideration of RJH Engineering Proposal, ahead on the agenda to accommodate the RJH representatives attending by Zoom. Director Nobles seconded. The motion passed unanimously.

Disclosure of Conflicts of Interest

No conflicts of interests were identified.

Opportunity for Public Comment (limit to 3 minutes)

No public comments were offered.

Consideration of RJH Engineering Proposal

Directors Riehm and Cooper described the response of RJH Engineering to SJWCD's Request for Proposals. RJH Consultants Inc was chosen to pursue the San Juan Headwaters Reservoir project with SJWCD. RJH's proposal had been shared with the Board and Directors. Directors' questions and comments were collected and discussed. RJH's proposal contained 4 phases of planning and engineering work with tasks and subtasks listed. Phase One contained a Gantt chart and estimated costs. The conversation with RJH will continue later this week to define the next level of detail, timeline, specific deliverables, and schedule of payments. A key goal is a February

2026 qualification deadline for a Bureau of Reclamation small storage grant. Director Riehm moved that a subcommittee of Directors Jones, Tedder, Cooper, and Riehm be authorized to negotiate and act on behalf of the full Board. Director Nobles seconded. The motion passed unanimously.

Director Hagberg moved to meet at 3:30 on Friday, October 24. Director Riehm seconded. Approval was unanimous

Consideration of Executive Session

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:

A. 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, for the purpose of receiving legal advice on specific legal questions and to discuss strategy with the District's attorney 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.

B. matters concerning mining and reclamation activity on Running Iron Ranch and the current possession of Running Iron Ranch by the Webers or entities owned and controlled by the Webers pursuant to C.R.S. Section 24-6-402(4)(b) for the purpose of receiving legal advice on specific legal questions from the SJWCD general counsel, and C.R.S. Section 24-6-402 (4)(e)(I) to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiations.

C. matters concerning water rights cases pursuant to section 24-6-402(4) of the Colorado Revised Statutes for the purpose 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 pending water rights cases, settlement negotiations, and public statements.

Director Jones read the legal language that stated reasons for Directors to enter Executive Session. Director Cooper moved to enter Executive Session for the specific purposes of receiving legal advice about (A) PAWSD proposed sale of Running Iron Ranch and related litigation (Case #24CV30069) filed in Archuleta County District Court and (B) matters concerning mining and reclamation activities on Running Iron Ranch. Director Nossaman seconded. A roll call vote resulted in unanimous approval. Randi

Pierce was placed in the Zoom waiting room. The representatives of RJH left the meeting. Executive Session commenced at 4:46.

At 5:13 pm, Director Hagberg moved to end Executive Session. Director Nobles seconded. A roll call vote resulted in unanimous approval. Randi Pierce was readmitted to the Regular Meeting.

Consideration of Actions Discussed in Executive Session

No actions resulted from issues discussed with counsel in Executive Session.

Consideration of Treasurer's Report and 2026 Budget

Director Cooper moved to accept the year-to-date Treasurer's Report. Director Hagberg seconded. The motion passed unanimously.

Director Tedder, SJWCD Treasurer, provided a proposed 2026 Budget, updated after significant decreases, due to the PAWSD lawsuit. Legal and engineering line items were increased. December 15 is the deadline to send the adopted 2026 budget to Archuleta County. Director Riehm moved to approve the 2026 Budget. Director Hagberg seconded. The motion passed unanimously.

Director Tedder moved to present a revised 2026 Budget, as discussed, at the December 11 Regular Meeting. Director Hagberg seconded. The motion carried unanimously.

A motion to legally notice a Budget Meeting with the Regular Meeting on Wednesday, December 10, at 4 pm was made by Director Nobles. Director Cooper seconded. The motion passed with unanimous approval.

Consideration of Resolution 2025-04 to Amend the 2025 Budget

Directors considered the need for an amended budget in 2025 to cover expenses "over budget." Director Tedder described his conversations with Colorado Department of Local Affairs about the emergency situation in which SJWCD finds itself, due to the unplanned expenses to address the PAWSD lawsuit. Legal counsel approved the wording of Resolution 2025-04. Director Hagberg moved to approve Resolution 2025-04. Director Cooper second. The motion passed unanimously.

Consideration of Office Move

Director Tedder and the Executive Assistant visited two properties. Both were discussed. The preferred office at Aspen Plaza ProSuites is on the second floor with access only by a staircase. The requirements of Americans with Disabilities Act access must be met and further research was needed. Both sites required further considerations. The search for ideal office space will continue. First Southwest Bank will

also be researched. Director Hagberg moved to pursue the Aspen Plaza ProSuite office with the contingency that it is ADA compliant. Director Riehm seconded. The motion with the ADA caveat passed unanimously.

Regarding the logistics of the moving, fifteen banker boxes and other needed materials were purchased to store/move the files. Professional movers will move the file cabinets.

Updates from Directors

- Director Hagberg updated directors that the Watershed Restoration project at Turkey Springs was a success. One Zuni bowl and two one-rock dams were constructed with the help of ten volunteers joining SJWCD Americorps intern, Monica Nigon, and Director Hagberg. The recent flood event proved the efficient functioning of the structures. Director Hagberg reported on the success of the project to the recent meeting of San Juan Headwaters Forest Health Partnership. Monica Nigon, newly hired coordinator of SJHFHP, introduced herself to the group. Two relevant grants were discussed. An annual revision is due for Bill Trimarco's Wildfire Resilience Adapted Partnership grant. Wildfire Ready Action Plan Grant, funded by CWCB, and being researched by Matt Ford and Bob Milford.
- Dr. Lyle Nardi, National Center for Atmospheric Research in Boulder, presents on Thursday, October 23, at the Methodist Church on Lewis Street. His topic is the effects of extreme weather events on public lands as a result of climate change.
- Director Jones planned to attend the SW Basin Roundtable meeting by Zoom on Thursday, October 23.

Strategic Objectives Reports (when needed)

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

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

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)

Consideration of Approval of Record of Proceedings from September 15 Special Meeting

Director Hagberg moved to approve the Special Meeting Record of Proceedings from October 6. Director Riehm seconded. Approval was unanimous.

Next Meeting and Adjournment

A Special Meeting was scheduled for Friday October 24 at 3:30 pm. A Regular Meeting and Adoption of 2026 Budget was scheduled for Wednesday, December 10, at 4 pm. There being no further business to come before the Board, the Special Meeting was adjourned at 6:10 pm.

SAN JUAN WATER CONSERVANCY DISTRICT

By /s/ Sally High

Executive Assistant for Board of Directors

DISTRICT SEAL

FINAL