

**OFFICIAL MINUTES AND ACTIONS TAKEN
ARCH HURLEY CONSERVANCY DISTRICT'S
BOARD OF DIRECTORS**

Tuesday, March 13, 2007

Directors Present: Larry Perkins, President Tom Bruhn, Director
David J. Foote, Vice-President John Gilbertson, Director
UV Henson, Secretary/Treasurer

**Directors/Staff
Absent:**

Staff Present: William A. Conrad, District Manager
Mark Preciado, Supervisor
Jane Dunlap, Office Manager

Guests Present: Landholders: AHCD Ditchriders; Don Lopez; Jimmy Speed;
Pete Tatschl
Quay County
Fire Marshall: Donald Adams

Big Mesa: Fred Stieg

Quay Cty Sun: Chelle Delaney

Competitive Adv.
Consulting Ltd.: Roger Patrick

Finding a quorum present and finding this regularly scheduled meeting of the Arch Hurley Conservancy District's Board of Directors duly advertised, as required by statute, District President Larry Perkins called this meeting to order at 9:03 a.m. in the district office.

President, Larry Perkins called for a motion to approve the draft minutes of the regular meeting as sent out. Corrections were noted on Page 4, 4th paragraph – re-enter is changed to “re-introduce” and in the 5th paragraph, delete the last two sentences completely. Director Foote moved, seconded by Tom Bruhn, to approve the minutes of the February 13, 2007 meeting with the noted corrections. Directors voted: Bruhn – “YES”; Foote – “YES”; Gilbertson – “YES”; Henson – “YES”; and Perkins – “YES”. Motion carried.

In the manager's report, Bill Conrad informed board members of the maintenance throughout the project. The water department is getting ready to run water and has been burning in Units "A" through "D". Unit "G" however, has been neglected for awhile and it will need more attention and will take some time to get it in shape. Nine vehicles have been set aside to go up for auction as well as removed from our insurance. High Desert Hondo demonstrated two 4 wheelers last week which allowed the district to tour all five tunnels. It was noted that Tunnel #1 still has water and Tunnel #2 has some stress cracks; Arch Hurley doesn't have anyone qualified to descend down into the siphons so this will have to be addressed through the Bureau of Reclamation. The manager has been working on salary increases and acquiring health insurance for employees.

Manager Conrad presented a water plan for this year with a recommendation of an 80 c.f.s. turn on / turn off; a start up release of 250 c.f.s. anticipating a mid April turn on date. After some discussion the board agreed to keep the 40 c.f.s. demand since this is a proven number that works well for this project. President Perkins suggested a work session before water turn on with the ditchriders and some experienced farmers and past AHCD employees. Tom Bruhn moved, seconded by David Foote, to set a special meeting (with a single item agenda to approve a packet of questions to be sent to a water attorney) and a work session beginning at 5:00 p.m. at the Ag Science Center on Monday, April 2, 2007.

Bill Conrad introduced Mr. Roger Patrick, Competitive Advantage Consulting, Ltd. He presented technology that measures soil moisture and salinity and explained that there are grants which may be available for pilot projects. The average grant has been around \$400,000.00 and he will let the manager know when these grants are available.

Donald Adams, Quay County Fire Marshall, again approached the board regarding the donation of four (4) army bridge trucks to the Rural Fire Department of Quay County. During the previous board meeting, the finance committee recommended that the district donate these bridge trucks to the fire department subject to the notification of the proper authorities as required by the State Auditor and GSD. Adams also informed the board that the fire department is trying to get a pro-active search and rescue plan started and will need cooperation from the district in the way of permission to enter Tunnel #5; maps of the tunnels along with the district's support. The board stated that the district would help and support the search and rescue plan in any way they could.

Director, John Gilbertson brought up the discussion of legal services. He stated he wants the record to show that the term "relative" is completely interpreted by the board. Gilbertson has contacted Peter B. Schoenfeld, Attorney out of Santa Fe and he will be glad to do any legal work we need done just get him a list of items to research and he will give us a time and cost. David Foote moved to invite this attorney to the April workshop; however with no second, Foote moved to withdraw his motion. After further discussion John Gilbertson moved, seconded by Tom Bruhn, to prepare a packet of documents and questions for legal counsel to be ready for the April 2nd workshop for

review and approval. Directors voted: Bruhn – “YES”; Foote – “YES”; Gilbertson – “YES”; Henson – “YES”; and Perkins – “YES”. Motion carried.

The manager presented a list of equipment items for board approval prior to being sent to the project manager of our 2006 Capital Outlay Grant. The manager is requesting the following items which will cost approximately \$50,000.00:

- a) 44 tires for dump trucks
- b) one (1) copier
- c) floor jacks for the shop
- d) one (1) computer/software
- e) two (2) ATV 4 wheelers
- f) four (4) file cabinets
- g) four (4) office desks with chairs
- h) water measuring devices – water meters

After reviewing the list of proposed equipment items for the legislative grant Director Bruhn moved, seconded by John Gilbertson, to approve the grant expenditures subject to the manager checking with the insurance company about the ramifications of liability, cost and any safety requirements on the ATV’s. Board members asked that the manager get back with them prior to the purchase of the vehicles. Directors voted: Bruhn – “YES”; Foote – “YES”; Gilbertson – “YES”; Henson – “YES”; and Perkins – “YES”. Motion carried.

Board member discussed the auction of 49.01 acres of water rights sold in Lots of 5.50 acres. The opening bid requirement will be an average per acre of delinquent assessments plus current interest. Landowners will be required to come into the office and qualify the land proposed for reclassification before being allowed to bid. Director Bruhn moved, seconded by John Gilbertson, to establish an auction date of May 8, 2007 at 1:30 p.m. for the reclassification of 49.01 acres of water rights and to bid all lots separately to the highest qualified bidder. Directors voted: Bruhn – “YES”; Foote – “YES”; Gilbertson – “YES”; Henson – “YES”; and Perkins – “YES”. Motion carried.

The board reviewed the elevation of Conchas Lake which is currently 4,177.44. The board took no action to allocate additional water at this time.

An amendment to Section #325 – District Provided Housing and Utility Cost Subsidy of the Personnel Manual was discussed as presented. Director Henson moved, seconded by Tom Bruhn, to adopt Resolution **#2007-003** amending Section #325, paragraph #1 to read: “To facilitate this arrangement, it makes available to such employees district managed housing.” This motion also amends #7 & #8 under the Utility portion to read: #7 - “P.N.M. Gas Co. – All charges”; #8 – Butane tanks are filled by the district without charge (no wet lines allowed). The motion also deletes any statement with regards to cell phones. Directors voted: Bruhn – “YES”; Foote – “YES”; Gilbertson – “YES”; Henson – “YES”; and Perkins – “YES”. Motion carried. A copy of the resolution is attached to the original minutes.

President Perkins mentioned that he would still like to establish a retreat for board members and asked that the members continue to work on a mission statement.

The finance committee reviewed the February paid and payable vouchers. UV Henson moved, seconded by John Gilbertson, to pay the February vouchers as presented, subject to the approval of the manager. Directors voted: Bruhn – “YES”; Foote – “YES”; Gilbertson – “YES”; Henson – “YES”; and Perkins – “YES”. Motion carried.

The president turned the floor over to visitors. Questions were addressed to Albert Mitchell, Attorney, regarding the executive session and what section of the Open Meetings Act is quoted. Mitchell stated that the executive session is allowed under Sec. H (6) contract negotiations or (7) client/attorney privilege as per the 2004 revisions. President Perkins called for a 5 minutes recess.

Director Bruhn moved, seconded by David Foote, to recess into an executive session as per the Open Meetings Act, 10-15-1 Sec. H (6) and (7) to discuss limited personnel matters, professional services for approximately one hour. Directors voted: Bruhn – “YES”; Foote – “YES”; Gilbertson – “YES”; Henson – “YES”; and Perkins – “YES”. Motion carried. Everyone was excused at 12:15 p.m.

The meeting resumed at 2:23 p.m. with a motion made by David Foote and seconded by John Gilbertson that nothing but limited personnel matters was discussed. Directors voted: Bruhn – “YES”; Foote – “YES”; Gilbertson – “YES”; Henson – “YES”; and Perkins – “YES”. Motion carried. No action was taken by the board.

With no further business to discuss, the meeting was adjourned at 2:24 p.m. with a unanimous vote.

President, Larry Perkins

ATTEST:

Secretary, UV Henson