

MANAGER'S REPORT

Bill Conrad, District Manager, stated that the BOR attorneys investigated the Skip Vernon issues and reviewed the letter that is in the Board Packet. He read the letter sent to Mr. Vernon, Certified mail with Return Receipt, and Mr. Vernon has thirty (30) days to comply.

District Manager Conrad is not happy with the water report sheets and would like to upgrade them. He will drop water levels in all canals to what we need to deliver to raise our efficiency.

WATER DELIVERY – WAYNE HORNE, JOHNNY COTHERN

Director Bruhn stated that apparently there was an abandonment of the Kay Lateral.

District Manager Conrad gave Director Bruhn a copy of the paperwork on this issue from the office files.

Director Foote stated that if AHCD reopens the abandoned Kay Lateral, we need to be cautious about setting a precedence that others will also want for their property.

Director Bruhn agreed, but there is already a pipeline on the Homer. The pipeline was put in because of the Kay Lateral abandonment.

The District Manager and Directors discussed the issue while looking at the file paperwork with all agreeing that it would take a major maintenance task to remove the trees.

Director Foote stated that Mr. Horne has the right to get the water; it is not AHCD's task to get Mr. Horne the water from the delivery point, only to get the water to the delivery point.

Mr. Johnny Cothorn explained his situation. He has had a verbal agreement allowing him to receive water through others' land from the land owners for the past several years that worked fine until the last couple of years when the land owners decided not to honor the previous agreement. Mr. Cothorn produced a 1907 Homestead Agreement showing that they cannot stop him from getting his water.

Mr. Don Lopez added that it doesn't matter whose land you have to go through, you still get your water. He advised Mr. Cothorn to take the landowners to court to get his water because that policy is already in the water rules and regulations.

Director Bruhn asked District Manager Conrad to send a letter to BOR explaining the situation and the relationship between AHCD and the landowner. Obtain a response from BOR and the State Engineer on this water delivery issue and contact our attorney to get his advice on what AHCD can do. Pursue this until we get an answer.

District Manager Conrad asked the Board how to proceed with Mr. Horne's water issue.

Director Bruhn moved that District Manager Conrad send a letter to BOR and the State Engineer explaining the situation and the relationship between AHCD and the landowner. Obtain a response from BOR on this water delivery issue and contact our attorney to get his advice on what AHCD can do for Mr. Cothorn and that he (Director Bruhn) will contact Mr. Horn to let him know that he can rent AHCD's trencher to open the ditch. Director Henson seconded the motion. Motion carried 4 – 0.

Directors voted:

Bruhn – "YES"
Gilbertson – "YES"

Foote – "YES"
Henson – "YES"

LITIGATION – STATE ENGINEER ON WELL APPLICATIONS BY ROBERT RITTER IN LARGO CANYON

After discovery of an application filed by Robert Ritter and Rim Rock Rose, LLC proposing drilling sixteen (16) wells in the bottom of Largo Canyon, District Manager Conrad talked to our attorney, Peter Shoenfeld, to find out how to proceed. Mr. Shoenfeld stated that the application and notification was not proper notice, two others have already filed their protests, and recommends that we file suit in Santa Fe.

Director Gilbertson stated that we need to find out from Mr. Shoenfeld if we have underground water rights giving us the right to protest.

Director Bruhn stated that this will be a two or three year law suit even if we piggyback on the two that have already protested.

District Manager Conrad stated that Peter Shoenfeld sent a letter to the State Engineer's office regarding this issue and asking that a new and sufficient advertisement be required.

Director Gilbertson moved to table this issue, Litigation – State Engineer on Well Applications by Robert Ritter in Largo Canyon. Director Henson seconded the motion. Motion carried 4 – 0.

Directors voted:

Bruhn – "YES"
Gilbertson – "YES"

Foote – "YES"
Henson – "YES"

REQUEST LEGAL ADVICE ABOUT BRINGING 800 ACRES INTO ASSESSMENT ROLL

Director Bruhn moved to have AHCD's attorney give us a recommendation about bringing the 800 acres back into the assessment roll. Director Gilbertson seconded the motion. Motion carried 4 – 0.

Directors voted:

Bruhn – "YES"
Gilbertson – "YES"

Foote – "YES"
Henson – "YES"

NEW MEXICO GAME & FISH DEPARTMENT – RECLASSIFICATION WATER RIGHTS TO HUDSON AREA

District Manager Conrad contacted the NM Game & Fish Department because the Hudson Lake is going dry and they want AHCD to give them water.

Mr. Jim Hirsch stated that the NM Game & Fish Department leases 160 acres from the BOR.

District Manager Conrad investigated the request and found that the NM Game & Fish Department has twelve (12) acres of water rights on Tukumcari Lake which could be transferred to Hudson Lake.

Mr. Hirsch stated that the Department doesn't support transferring from Tukumcari Lake to Hudson Lake.

Director Foote informed the NM Game & Fish Department that AHCD will not put water in the Hudson Lake.

REVIEW OF BOARD PACKETS – INCOMING CORRESPONDENCE, OUTGOING CORRESPONDENCE, FINANCIAL INFORMATION

District Manager Conrad stated that the office needs to know what the Board wants and doesn't want in the Board Packets each month.

Director Gilbertson stated that he requires the Board Packets and the Preliminary Agenda in his hands before 1 p.m. the Friday before the meeting date.

Director Foote added that the Board Packet will be taken to Shipleys on Friday and the Agenda must be posted Monday morning at three (3) public places. The Board Packet does not need office correspondence telling who, what, when and where – we don't need to micro-manage – the Manager's Report is enough.

Director Gilbertson moved that the Board Packet which includes incoming, outgoing and financial information with the Agenda will be at Shipleys and the Board will receive it by 1 p.m. on Friday and the final Agenda will be posted at three (3) public places by Monday morning.

Director Foote amended the motion to include: RRA information should be included in the Board Packet under separate cover and should not go to the public as it is confidential correspondence or Executive Session materials.

Director Henson seconded the motion. Motion carried 4 – 0.

Directors voted:

Bruhn – "YES"
Gilbertson – "YES"

Foote – "YES"
Henson – "YES"

**REVISIT BUDGET AND INSURANCE and
RESOLUTION #2007-006 AMENDING THE 2007 BUDGET – HEALTH INSURANCE
\$45,000**

District Manager Conrad asked that AHCD pay the single person premium for each employee. The employee would be responsible for the difference for the family policy.

Director Bruhn moved to table revisiting the Budget and the Insurance item and the next item: Resolution #2007-006 Amending the 2007 Budget – Health Insurance \$45,000. Director Henson seconded the motion. Motion carried 4 – 0.

Directors voted:

Bruhn – “YES”
Gilbertson – “YES”

Foote – “YES”
Henson – “YES”

AMEND PERSONNEL HANDBOOK ITEM 307 – SICK LEAVE BENEFITS

Director Gilbertson moved to table this item – Amend Personnel Handbook Item 307 – Sick Leave Benefits. Director Henson seconded the motion. Motion carried 4 – 0.

Directors voted:

Bruhn – “YES”
Gilbertson – “YES”

Foote – “YES”
Henson – “YES”

APPROVE AND SIGN LEGAL REPRESENTATION AGREEMENT

District Manager Conrad handed out the form for signature sent by our attorney, Peter Shoenfeld. The Agreement is for three (3) years but can be revised to cover one (1) year.

Director Henson stated that if we go to one (1) year contract, the rates can be revised, if we go with three (3) years the rates are locked in.

Director Gilbertson moved that Bill Conrad sign the Legal Representation Agreement. Director Bruhn seconded the motion. Motion carried 4 – 0.

Directors voted:

Bruhn – “YES”
Gilbertson – “YES”

Foote – “YES”
Henson – “YES”

**AUTHORIZATION FOR THE AHCD FINANCE COMMITTEE TO DISPOSE OF
OBSOLETE EQUIPMENT**

Director Henson, Director Bruhn and Director Foote will individually stop by the AHCD Shop to inspect the obsolete equipment and will make their recommendation at the next Board Meeting.

REVIEW WATER LEVEL CONCHAS LAKE – POSSIBLE ALLOCATION

Constituent farmers in attendance discussed their need for more water with Board Members. If AHCD gets more water, the farmers don't want to wait until the next Board Meeting to find out about it, they want to be called/notified so they can order and pay for it as soon as possible.

Director Bruhn moved that AHCD would not allocate water at this time, but if the lake level increases to a point where it would allow allocation we will have a special meeting to allocate this water. Director Gilbertson seconded the motion. Motion carried 4 – 0.

Directors voted:

Bruhn – “YES”
Gilbertson – “YES”

Foote – “YES”
Henson – “YES”

MONTHLY WATER REPORTS FROM DITCH RIDERS

Water Master, J.J. Pacheco, reported how many acre feet of water was ordered for today.

Director Bruhn wants water measured and written down and it is not happening. His instructions for the ditch riders are: 1) Keep the water in the District; 2) Dump it if you must. Director Bruhn showed copies of the paperwork that each ditch rider is supposed to have with them in their pickup to log their water on. He wants these filled out and given to the Board each month.

Director Foote stated that laterals are on the sheets but none of the sub-laterals are listed.

Director Bruhn stated that accurate turn-out water is what the Board needs to see. He suggested that two Board Members put together a sheet that shows exactly what water information the Board wants to see.

District Manager Conrad asked to be included in the meeting to put the sheet together.

SKIP VERNON - UPDATE

PRESIDENT’S REPORT

DIRECTOR’S COMMENTS

CONSIDERATION OF BILLS

Director Henson moved to pay the bills. Director Bruhn seconded the motion. Motion carried 4 -0.

Directors voted:

Bruhn – “YES”
Gilbertson – “YES”

Foote – “YES”
Henson – “YES”

VISITORS

Mr. Robert Evans and Wilbert Pederson believe that AHCD needs to pay their ditch riders more money so they will be encouraged to stay and do a good job.

ADJOURNMENT OF REGULAR MEETING

Director Gilbertson moved to adjourn the meeting at 12:30 p.m. Director Bruhn seconded the motion. Motion carried 4 – 0.

Directors voted:

Bruhn – “YES”
Gilbertson – “YES”

Foote – “YES”
Henson – “YES”

ARCH HURLEY CONSERVANCY
DISTRICT

Vice-President, David Foote

ATTEST:

Secretary, UV Henson