

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

Thursday 12, 2008

Directors Present: Larry Perkins, President; Tom Bruhn, Vice President; Pablo Lopez, Director; John Gilbertson, Director

Directors/Staff

Absent: U.V. Henson, Secretary/Treasurer

Staff Present: Franklin McCasland, District Manager; Donna Lafferty, Office Manager; Craig Hoffman, Maintenance Supervisor; Mark Preciado, Water Master

Guests Present: Chelle Delaney of Quay County Sun; Drake Swenson; Johnny Irving; Phillip Box; Thomas Evans; Pete Tatschl; Robert Evans; Don Lopez; Carl Foote; David Foote; Ron Jones; Paul Estrada; J.D. McEwen; Robert Abercrombie; Dallas Dowell; Wilbert Pederson; Jimmy Speed,

MEETING CALLED TO ORDER-

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 Perkins called this meeting to order at 9:02 a.m. in the district office.

APPROVAL OF MINUTES – REGULARLY SCHEDULED MEETING MAY 13, 2008-

Director Bruhn moved to approve the draft minutes of the Arch Hurley Conservancy District's May 13, 2008. The motion was seconded by Director Lopez. Motion carried 4 – 0.

Directors Voted:

Perkins – “YES”

Bruhn – “YES”

Gilbertson – YES

Lopez – “YES”

Henson - absent

VISITORS COMMENTS-

Phillip Box stated that World Banks are investing in agriculture. I would like for AHCD to plan on improving the project such as canals, weed control, sand control for an example. I would like for the efficiency rate to be higher. AHCD needs to plan for the future.

Pete Tatschl seconded the comments made by Phillip Box. He noted that Big Mesa wasn't on the agenda at this meeting. If their area became fully occupied, the question to ask is, would that be a good for Big Mesa or would it be good for AHCD.

David Foote state that AHCD certainly needs to take care of the water.

MANAGER'S REPORT

District Manager Franklin McCasland made statements on the following items:

On May 15, I attended a meeting in Denver at the BOR office. The meeting was called Canal and Asset Management. The focus was on aging infrastructure, operations, maintenance and safety of the canals.

When the canals were constructed, they were located generally in rural areas, where the major impact of canal failure was the loss of project water; however with increased urbanization occurring on lands below many canals, loss of life or significant property damage can now result from a failure.

Some of the topics of discussion included emergency preparedness for the districts. Preserving and maintaining district easements and right-of-ways, and Reclamations existing Review of Operations and Maintenance Program for its operating entities. The meeting ended with a tour of the Reclamation Technical Resources Office and Research and Development Laboratory.

The BOR resources center also holds annual water measurement and canal management classroom training.

Information regarding these training classes is in the board packets.

On Tuesday, May 13, water was released from the Conchas Reservoir. We delivered water to the end of the Conchas lateral on Sunday, May 18, day 5. The Hudson side was charged on Tuesday night, May 20, day 7. We release 200cfs for the first 2 days, lowered to 180cfs for the third and fourth day and then on the fifth day, water was lowered to 130cfs. All of the ditch riders and maintenance worked well with each other getting the canals charged and removing debris in a very efficient manner.

On Sunday, May 18 there was a breach in the Conchas lateral below Robert Abercrombie's home at 3:30 p.m. The water was diverted from that lateral and the majority of Arch Hurley employees worked and repaired the damage by 10:00 p.m. that evening. We had all of the farmers back on by early the next morning. Phillip Box brought over a tractor with a front end loader and worked with us until the repairs were completed. We owe a big thanks to Phillip. The breach appears to be caused by a dead tree root or rodents.

We have experienced a little vandalism last month, as to one night boards were dropped in the Span Check. It was found in time that there was no effect to the farmers in that

area. On Thursday, May 22 boards were dropped in four checks on the Hudson lateral. It caused Robert Curtis to be turn off until we could build back our surface levels to him.

I have spoke with Tom Dominguez from the extension office. He is going to get Arch Hurley a recommendation from NMSU on what is the most efficient herbicide to use on tree stumps after the tree has been cut down. I also met with John Fury at Farm Chemicals and his Dow Chemical rep. for their recommendations also. We have many trees in the project that have been cut down in the past, but never treated. Most of which have grown back.

Chester Mattocks was in Tucumcari the third week of May working on the 2007 audit. An exit conference was held here at the AHCD office on June 2, 2008. Chester Mattocks, Donna, Kandace, Pablo and myself was in attendance. The 2007 audit has been submitted to the state auditor and waiting for their approval.

On May 28, around 2200 hrs there was a large rain and hail storm north/northwest of town. We received several calls with concerns of a breach in the main canal. After further inspection, the safety valves were discharging, they ran for approx 2.5 to 3 hours. Mark called the USACE @ 2300 hours and reduced the release from Conchas to 70cfs. Mark and Carlos worked that night pulling the excess water downstream until the safety valves stopped.

AHCD was called the day following the rain that the Ragsdill waste way was silted in and plugged. Craig and his staff cleaned out approximately one mile of the waste way. It is operating now. There were also some areas on the main canal with silt and erosion from the fast rain. This will be addressed in the off season.

I regret to inform the board that on May 19, a letter was sent out by our attorney to a county resident. I will not sit back and tolerate the abuse of AHCD employees. They will not be harassed, threatened, intimidated or stalked by anyone whether they are on company time or personal time. This type of conduct has been a problem with Arch Hurley many times in the past and never resolved. It is counter productive and a distraction for the employees and management. If someone has a problem or concern that can't be resolved in a civil manner with the employee, then it needs to be addressed to the manager, at that point if the issue is not resolved, it will be put on the agenda as an action item for the full board to resolve. Again, I regret this action, but I could not allow this type of conduct to continue without consequences.

The third and fourth week of May, Arch Hurley ran flow tests on irrigation sprinklers throughout the project. It was determined that the instrument was not reading accurate flows. After a lengthy discussion with the distributor, it was returned and Arch Hurley was not charged for the use of the meter. We actually got more accurate readings by measuring checks up stream and down of the user to determine water use.

On June 5, the maintenance department applied bentonite in the canals behind Jack Goen and Daniel Garcia's house.

Maintenance is spraying weeds and mowing. The wind has limited the amount of spraying that we would like to do.

I spoke with Peter Shoenfeld about the application that was filed by Robert Ritter and Rimrock Rose LLC in the Canadian River Basin. The pre-hearing scheduling conference is set for June 18. The conference is to clarify issues, establish discovery and hearing schedule and also explore settlement or mediation.

DISCUSSION/ACTION 2008 ALLOCATION REVIEW

Director Gilbertson moved to allocate an 1” of water, seconded by Director Bruhn. Motion carried 4-0. Director Bruhn would like a report that indicated the number of farmers that had not paid their assessments.

	Directors Voted:	
Perkins – “YES”		Lopez – “YES”
Bruhn – “YES”	Gilbertson - YES	Henson – absent

DISCUSSION/ACTION 2006 AUDIT

Director Bruhn moved to accept the 2006 audit. It was seconded by Director Lopez. Motion carried 4-0.

	Directors Voted:	
Perkins – “YES”		Lopez – “YES”
Bruhn – “YES”	Gilbertson - YES	Henson - absent

USDA AGREEMENT/FERAL PIGS

Ron Jones talked about the feral pigs that are in Arch Hurley District. The pigs were originally on the Wildlife Refuge and now have moved to Brissey Lake. Ron Jones would like Arch Hurley to sign an agreement with USDA allowing him to reduce the number of pigs within the AHCD property. The pigs damage the canals and farmland. Director Bruhn moved that AHCD sign an agreement allowing this animal control. It was seconded by Director Gilbertson. Motion carried 4-0.

	Directors Voted:	
Perkins – “YES”		Lopez – “YES”
Bruhn – “YES”	Gilbertson - YES	Henson - absent

**DISCUSSION/ACTION-DISPOSAL OF OBSOLETE PROPERTY
(COMPUTERS)**

Director Lopez moved to destroy 3 computers and 1 server. The motion was seconded by Director Gilbertson. Motion carried 4-0. The computers will be destroyed after they have been listed for 30 days.

Directors Voted:

Perkins – “YES”

Bruhn – “YES”

Gilbertson - YES

Lopez – “YES”

Henson - absent

DISCUSSION/ACTION-WATER RIGHTS AND LICENSE

Attorney Shoenfeld answered 4 questions about license and water rights. The answers are given within 8 pages. Copies will be made for the public upon request and the answers will be posted on the web site.

Board members will come up with some short and long range ideas for the project. A special meeting will be held to discuss these ideas and then have a Work Group Meeting.

PRESIDENT’S COMMENTS-

President Perkins asked about the employment of Jan Dunlap. Manager McCasland stated that she is working part-time, and works only when needed. He also stated that Jan worked approximately 12 hours in the past 3 weeks. Pre. Perkins also asked if all RRA forms have been completed for the District landowners. There is 1 audited landowner that hasn’t completed his forms. RRA forms are needed on landowners of 240 acres and above. Ultimately it is the landowner’s responsibility for the completion and accuracy of the form. President Perkins wanted to comment on the minimal waste water and has received good comments throughout the district about the crews. He congratulated Manager McCasland and the crew about how the water was brought down from Conchas Dam. Director Bruhn had water to his area in 7 days. The Water Department and the Maintenance Department are working together and it has been very beneficial.

DIRECTORS COMMENTS -

Director Bruhn stated that a neighbor asked about AHCD water being sent down Pajarito Creek. There was no AHCD water diverted to Pajarito. Director Bruhn asked if measurements were being taken. Manager McCasland informed the Board members of a measurement chart that is filled out on a daily basis in the front office. Director Bruhn asked about the legal action with Skip Vernon. Manager stated that we are waiting for the response from Mr. Vernon. The hopes are that the Judge in Las Vegas will dismiss Skip Vernon’s counter claim. We should have a hearing date on that soon. Director Lopez had no comments.

Director Gilbertson stated that he would like for AHCD to get a plan together.

CONSIDERATION OF BILLS-

Director Bruhn made a motion to pay the submitted bills, seconded by Director Lopez.
Motion carried 4-0.

Directors Voted:

Perkins – “YES”

Bruhn – “YES”

Gilbertson - YES

Lopez – “YES”

Henson – absent

ADJOURNMENT OF REGULAR MEETING-

With no further business to discuss, the meeting was adjourned at 10:30 a.m. with unanimous vote.

ARCH HURLEY CONSERVANCY DISTRICT

Larry Perkins, President

ATTEST:

Secretary, UV Henson