

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

Tuesday, August 12, 2008

Directors Present: Larry Perkins, President; Tom Bruhn, Vice President; U.V. Henson, Secretary/Treasurer; Pablo Lopez, Director; John Gilbertson, Director

Directors/Staff  
Absent:

Staff Present: Franklin McCasland, District Manager; Donna Lafferty, Office Manager

Guests Present: Chelle Delaney of Quay County Sun; Phillip Box; Pete Tatschl, Robert Evans; David Foote, Cody Young, Jimmy Speed, Johnny Irving, Wilbert Pederson, Fred Steg of Big Mesa and Ray Bates

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 9:03 a.m. in the district office.

APPROVAL OF MINUTES - REGULARLY SCHEDULED MEETING JULY 8, 2008-

Director Bruhn made the motion to approve the draft minutes of the Arch Hurley Conservancy District's July 8, 2008 meeting after the deletion of the second sentence of Director Lopez's statement in the Directors Comments section. The motion was seconded by Director Henson. Motion carried 4 - 0.

Directors Voted:

Perkins - "YES"	Lopez - "YES"
Bruhn - "YES"	Gilbertson - NOT PRESENT DURING VOTE
Henson -"YES"	

VISITORS COMMENTS-

Phillip Box and Pete Tatschl will give their comments during the Strategic Workshop portion of the meeting.

Fred Steg asked about selling some of the 800 acres of surplus water.

MANAGER'S REPORT

For the month of July, Arch Hurley had a total diversion of 1,938 acre feet of water from Conchas Lake. Delivered into the project were 693.5 acre feet of water. That equates to a 35.9% delivery rate for July.

On Thursday, July 10th at 9:00am the water release from Conchas was turned off. The water orders dropped to 9.5cfs due to three days of rain throughout the county. The employees were instructed to check up and hold as much water back as possible, and to continue delivering water to farmers as long as possible.

July 16th was the NMDOT annual entity equipment surplus sale. A list of equipment is included in the director's packet. A public entity may apply with the state for hardship status and receive up to \$25,000.00 dollars credit to be applied to the purchase of the surplus equipment.

July 21st, I met with Peter Shoenfeld and Mustafa from Glorieta Geoscience in Trujillo, N.M. and drove into Largo Canyon. Present at the meeting was Robert Ritter and hydrologist Amy McCoy from Shoemaker and Associates. From the state engineer's office was Bruce Richardson, the Canadian River Basin Supervisor, Susan Hoines, OSE hydrologist and Jonathan Sperber, legal council for OSE. Also present were two hearing officers from the State Engineer's office Andy Core and Charles Kinney. After the site visit, Arch Hurley's hydrologist was convinced that the proposed 10 irrigation wells drawing 632 acre feet of water per year would have an impact on the water in the Canadian River Basin. Peter informed OSE that we are going to continue with the filed protest of Mr. Ritter's Largo Canyon application. A hearing was set at Santa Fe on July 31st at the Round house Room 326. This hearing was canceled on July 30th, due to no possible settlement agreement between Arch Hurley and Robert Ritter.

July 23rd, an Arch Hurley staff meeting was held. Discussion of the meeting was payroll direct deposit information and setup, job descriptions review of conduct of standards, review of the Arch Hurley personnel manual, and also discussion of the ditch riders and maintenance working 4/10 hour days to increase productive, save on mileage and fuel costs, which they are currently working now. If we have another water run, we will return to the regular shifts as before. There was also discussion concerning employee safety and possibly employee incentives for no loss days claimed on our workers comp. insurance. This is a policy that has been adopted by many public entities to lower insurance premiums.

July 28th we planted native grasses on Wanda Lumpee's property where Arch Hurley installed a underground pipeline. The grass that was planted was purchased from Curtis & Curtis and the mixture was called Homesteaders Choice. It was a mixture of Blue and Sideoats Grama, Western Wheatgrass and Buffalo grass, this should fulfill all of Arch Hurley's obligations concerning that grant project.

We have an increasing aquatic vegetation problem, by holding water up in the canals appears to have caused the moss and cattails to grow more rapidly. On the Hudson side, above check 7, there is a canal full of moss and cattails that have filled in the entire width of the canal. This is on our winter maintenance list of work to be done.

The tree shears were installed on the gradall and the employees have removed the trees from both sides of the canals from siphon #25 south to Camino Del Coronado Street. The mowing and spraying on the canals

and laterals are ongoing, as well as cement repairs on the delivery system.

A letter to the BOR requesting the Federal Screening program be reinstated as it was in the past. A request was made on Feb. 2nd of 2008 and to date we have not received a response from the BOR in writing.

There is also a copy of a Sheriff Department Call Report in the director's packet. The ditch riders are to inform subjects that the canal roads are not public roads. If the subjects don't leave the area they will obtain a description of the vehicle, license plate number and call the Sheriff's Dept. With all of the vandalism the past few months and the possibility of volatile situations, Sheriff Joe Shallert has agreed to follow up and document the subjects and inform them that they are trespassing and run background checks.

Arch Hurley is in the process of sending out past due assessment notices later this week.

The insurance company denied the claim on the issue concerning Robert Abercrombie. Mr. Abercrombie is to respond back to the insurance company. The Board's position is that the area will be cleaned up by Arch Hurley.

Jack Goen has called me in reference to the area behind his house. The water table in that area is shallow, which could be some of the answers to the seepage problem in that area and that the drain is working. Filling in the drainage ditch isn't the answer.

#### DISCUSSION/ACTION DAVID FOOTE

Director Gilbertson made the motion to write a letter to David Foote asking for courtesy and respectful interaction and any perceived infractions would be dealt with on case-by- case basis. The motion was seconded by President Perkins. Motion carried 5-0. Manager McCasland was instructed to have the letter ready by the next Board meeting for the Directors to approve.

	Directors Voted:
Perkins - "Yes"	Lopez - "YES"
Bruhn - "YES"	Gilbertson "YES"
Henson - "YES"	

#### DISCUSSION/ACTION 2008 ALLOCATION REVIEW

Director Bruhn moved that 1" of water be allocated at this time. It was seconded by Director Lopez. Motion carried 5-0.

	Directors Voted:
Perkins - "Yes"	Lopez - "YES"
Bruhn - "YES"	Gilbertson "YES"
Henson - "YES"	

#### DISCUSSION/ACTION ROBERT RITTER & RIMROCK ROSE LLC

Paperwork was in the Board packet for information only. The scheduling order is listed. The next move is for Robert Ritter & Rimrock Rose LLC to prove no adverse effect on the Canadian River Basin. He can't prove that there won't be some adverse affect either now and/or in the future. State Engineer has suggested to Robert Ritter to purchase water rights and retire them and then transfer those water rights to Largo Canyon. This has become a legal battle between Ritter & Rose LLC and Arch Hurley with the State Engineer watching. The State Engineer has a policy which should deny this application, if they would only do so it would save time and money.

#### DISCUSSION/ACTION SKIP VERNON

A hearing has been set for August 27, 2008 at 1:30 p.m. at the Quay County Courthouse in District Court. A list of the questions in Board packet are to be answered by Skip Vernon. There will be an advertisement in case 3 or more directors attend, which their attendance is recommended.

#### DISCUSSION/ACTION STRATEGIC WORKSHOP

As of the meeting date, Arch Hurley has received ideas from 5 to 6 people. It was decided to have a workshop after the September Board meeting. It was decided that Manager McCasland would find a mediator for the workshop. During the workshop, ideas for Arch Hurley for next year, 5 years and 10 years in the future will be discussed.

#### PRESIDENT'S COMMENTS

President Perkins commented how AHCD is cutting down on fuel costs by utilizing a crew cab pick-up for employees to go to work sites. Director Lopez and I replied to a letter from Mrs. Toni Foote. It was stated in the letter that the Board of Directors is available at any time. The Board has allowed visitors speak at the Board Meetings and welcome their input. Communication is open for constituent's concerns and if the Board member needs to further those concerns to Manager McCasland, he can handle the constituent's concern. President Perkins stated he would like to handle the strategic workshop without outside help at the point.

#### DIRECTORS COMMENTS

Director Henson stated that if it looks like rotating the water will be a possibility to call a Special Meeting.

Director Bruhn had no comments.

Director Lopez commented that the units look good where they have been sprayed. Whoever is spraying is doing a good job.

Director Gilbertson stated that Arch Hurley is headed in a positive direction. I would like to have some research compiled on the resolution for next meeting. We need to keep in mind that Arch Hurley is a very powerful organization, if we can only figure out what we want to do and how to get there. We can be masters of our own destiny. We are doing good!

CONSIDERATION OF BILLS-

Director Henson made a motion to pay the submitted bills, seconded by Director Bruhn. Motion carried 5-0.

Directors Voted:

Perkins - "YES"

Lopez - "YES"

Bruhn - "YES"

Gilbertson - YES

Henson - "YES"

ADJOURNMENT OF REGULAR MEETING-

With no further business to discuss, the meeting was adjourned at 11:20 a.m. with unanimous vote.

ARCH HURLEY CONSERVANCY DISTRICT

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Larry Perkins, President

ATTEST:

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Secretary, UV Henson