

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

Tuesday, November 11, 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; Craig Hoffman, Maintenance Supervision

Guests Present: Chelle Delaney of Quay County Sun; Phillip Box; Jimmy Speed, Rex Kirksey, County Agent Tom Dominguez, Bob Morgan, David Foote, Fred Stieg and Drake Swenson.

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 9:00 a.m. in the district office.

**APPROVAL OF MINUTES – REGULARLY SCHEDULED MEETING
OCTOBER 14, 2008-**

Director Henson made the motion to approve the draft minutes of the Arch Hurley Conservancy District's October 14, 2008 meeting. The motion was seconded by Director Lopez. Motion carried 5 – 0.

Directors Voted:

Perkins – “YES”

Bruhn – “YES”

Gilbertson – “YES”

Lopez – “YES”

Henson – “YES”

VISITORS COMMENTS-

All of the following comments were made in reference to the Mission Statement and Strategic Plan.

President Larry Perkins read an e-mail comment from Pete Tatschl. “The potential adoption of this Mission Statement and the Strategic Plan will be a huge step forward for this district. I believe the plan is well written. It should be considered as a temporary

plan. It can be updated as opportunity and need presents itself. As the board uses this plan as the foundation for all-future project funding, we will get a bigger bang for our dollars. Thanks to Rex for his hard work in bringing all of the parts together.”

President Larry Perkins wanted to thank everybody that attended these meetings and gave us some input. It is hard to get a good input from constituents but we had good participation and I appreciate that and we could have had a lot more participation. I hope I may speak for the whole Board that this isn't going to be a fruitless effort and will plan for the goals in our next budget. I would like to start budgeting money towards accomplishing a portion of these goals especially some of the short term goals and start working toward the long term goals.

Phillip Box wanted to thank the Board, Rex Kirksey and all the participants in putting this together, I think it is something we needed for a long time. It gives us some futuristic objectives and goals and can assist those who participated. I look forward to the implementation of it.

Bob Morgan stated that he feels that the first priority in this project should be to measure every gallon of water, all water should be measured whether it goes thru a sprinkler or over a weir blade. This will increase our efficiency to where it should be. It should be at the top of the list as a short and long term goal. If you don't have a device to measure your water, you need to get a device to measure your water.

Director Gilbertson stated that this is all really good. The problem I have with this whole thing is that I can tell you now I can't vote for this. My question is the same as it was the last 2 meetings. Where is Arch Hurley going to be in 20 years? What about adjudication? What are we going to do with the 800 acres of water rights that we have? This is a daily operating plan if you added cleaning and lawn care, as far as a strategic plan it isn't there. I can not go along with this until there is something in there for 20 years from now.

David Foote commented that he would like to change some wording in the Goal area. He would like to change the word “soil” to “water” in Short Term Goals 1 and “conservation” to Arch Hurley Conservancy” in Long Term Goals 2 a.

MANAGER'S REPORT

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For the month of October, Arch Hurley delivered 1,493.92 acre feet of water into the project. The release from Conchas was 2786 acre feet. That equates to a 53.62% delivery rate. Inflow into Conchas this month was 1,593 acre feet, compared to 2,167 acre feet of inflow for September. The Conchas Lake elevation today is 4162.00 with no recent measurable inflow into the lake since the release gates were closed last month.

The Maintenance Department and Ditch Riders are working on repairs in the delivery system throughout the project. They are currently working four ten hour days Monday thru Thursday. We have a long list of repairs that we are checking off when the repairs are complete. We have also completed some custom work for land owners in the project.

These landowners have been invoiced for the work performed. The 16 ft. Radial Gate at Jack County was pulled out and transported to the shop to replace the support arms, bearings and music notes. The gate was completely rusted through so a new gate was fabricated. It will be installed after it is primed and painted. The shop mechanic, Don Willard has informed me that he will retire at the end of the year. He has been a great asset to for Arch Hurley Conservancy District.

On October 29th and 30th, I attended the New Mexico Infrastructure and Finance Conference in Albuquerque. The conference offered Public entities information about financing and technical assistance to facilitate the planning and implementation of much needed capital projects. Some of the workshops and presentations were Decaying & Aging Infrastructure and keeping it working, Funding options for Infrastructure needs, Financing and Paying for Capital Projects and the State of New Mexico Capital Outlay Fund future. The conference also offers the opportunity to meet with key contacts that can answer your questions and guide you to bring your planned projects to reality.

Arch Hurley Conservancy District

2008 Water Delivery Rate

Month	Water Sold	Water Released	Percent of Delivery
May	1,308.04	5,772.00	22.86 %
June	2,346.10	7,764.00	30.21 %
July	717.33	1,938.00	37.00 %
August	1,404.71	3,422.00	41.05 %
September	3,002.08	7,762.00	38.67 %
October	1,493.92	2,786.00	53.62 %
Total	10,272.18	29,444.00	34.88 %

Note: Water sold/released is listed in Acre Feet. May 18th, 2008 Water turned on at Conchas July 10th, 2008 Water turned off at Conchas (Large amount of rainfall) August 12th, 2008 Water turned on at Conchas August 17th, 2008 Water turned off for four days due to large rain, Deliveries continued within project from inventory and Dry Lakes. Water release at Conchas turned off for season on October 13th.

Arch Hurley Board of Directors allocated a total of four inches of water for the 2008 water season. One inch at a time as follows. March 11th, June 12th, August 12th, September 9th.

On November 5th, 2008 there was a District Court Hearing held in Tucumcari in reference to the drowning in the canal in 2006. The hearing was to hear a motion from our insurance's law firm for the court to dismiss the charges against Arch Hurley and the City of Tucumcari. The Judge will rule on the hearing in three to four weeks.

Each Board Member has a copy of a draft Water Resolution for your review and comments. Please review and contact me with any questions or changes. I would like to have the Resolution ready for approval when the State Engineers District 7 supervisor attends one of the Arch Hurley monthly meetings.

On November 10th, 2008, I met with Donald Carter in reference to the letter that was sent out to Ms. Mitchell on November 4th. Donald will visit with her about moving the fence back off of the Arch Hurley right of way

ARCH HURLEY MISSION STATEMENT AND STRATEGIC PLAN

Director Lopez made the motion to adopt the presented Mission Statement and Strategic Plan and with the addition to the motion that at an open meeting, thru proper Board approval, the Mission Statement and Strategic Plan can be changed or have additions made to it. The motion was seconded by Director Henson. Motion carried 4-1. A copy of the Mission Statement and Strategic Plan is attached and made a part of these minutes.

Directors Voted:

Perkins – “YES”
Bruhn – “YES”

Gilbertson – “NO”

Lopez – “YES”
Henson – “YES”

APPROVE 2007 CAPITAL OUTLAY GRANT

Director Bruhn made the motion to commit the 2007 capital outlay of \$50,000.00 and additional funds up to \$100,000.00 from reserve to purchase a long reach excavator. The motion was seconded by Director Lopez. Motion carried 5-0. President Larry Perkins directed Manager McCasland to start the process of locating an excavator. Manager McCasland will keep the Board informed of his progress. He is to try to accomplish this by the December meeting.

Directors Voted:

Perkins – “YES”
Bruhn – “YES”

Gilbertson – “YES”

Lopez – “YES”
Henson – “YES”

RESOLUTION 2008-4

Director Bruhn made a motion to approve Resolution 2008-4, seconded by Director Gilbertson. Motion carried 5-0. A copy of Resolution 2008-004 is attached and made a part of these minutes.

Directors Voted:

Perkins – “YES”

Bruhn – “YES”

Gilbertson - YES

Lopez – “YES”

Henson – “YES”

PRESIDENT’S COMMENTS-

President Perkins stated that an excellent job is being done by Craig and the employees on the ditches and trees. They are using a transit surveying instrument. Director Bruhn asked if Arch Hurley had a laser instrument. The cost is around \$700 - \$1000 for a hand-held unit and Director Bruhn stated that it is valuable tool. President Perkins stated that he appreciates that the winter jobs were started right away.

DIRECTORS COMMENTS –

Director Henson asked about the audit for years 2008-2010. Manager McCasland stated that it has been approved and signed by Arch Hurley, Chester W. Mattocks and State Auditor.

Director Gilbertson stated that he had some feed back about the water turn-on and off procedure. My feed back was that some people are happy, some mad and some both. How hard would it be to come up with a written policy? The Board Members commented that Arch Hurley sets tentative turn-on and turn-off dates which is determined by water orders of 40 acre feet and when the delivery system is ready to handle the water it is turned on and when the orders fall below 40 acre feet the water is turned off.

Director Lopez had no comments.

Director Bruhn had no comments.

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”

Bruhn – “YES”

Gilbertson - YES

Lopez – “YES”

Henson – “YES”

EXECUTIVE SESSION

At 10:25am Director Bruhn made the motion to go into executive session to discuss threatened or pending litigation. It was seconded by Director Lopez. Motion carried 5-0.

Directors Voted:

Perkins – “YES”

Bruhn – “YES”

Gilbertson – “YES”

Lopez – “YES”

Henson – “YES”

EXECUTIVE SESSION ENDED

Director Bruhn made the motion to come out of executive session at 11:42pm. The motion was seconded by Director Gilbertson. President Perkins stated that the only items discussed in executive session were threatened or pending litigation. Motion carried 5-0.

Directors Voted:

Perkins – “YES”

Bruhn – “YES”

Gilbertson - YES

Lopez – “YES”

Henson – “YES”

ACTION FROM EXECUTIVE SESSION

Big Mesa

A directive was given to Manager McCasland and Director Bruhn to write a draft contract between Arch Hurley and Big Mesa. The contract will be presented at the December meeting for the Board. Legal advice will be obtained on the contract and the contract will be viewed in an open meeting.

Skip Vernon

Nothing

ADJOURNMENT OF REGULAR MEETING-

With no further business to discuss, the meeting was adjourned at 11:45 p.m. with unanimous vote.

Larry Perkins, President

ATTEST:

Secretary, UV Henson