

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

Tuesday, April 14, 2009

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: Phillip Box, Jimmy Speed, Fred Stieg of Big Mesa, Don Lopez, Drake Swenson, George Evetts, Pete Tatschl, Roberta Ball and Gary Cordova of US Army Corps of Engineers, Jess Weeks, Judy Smith of FSA Office, Tom Dominguez, Catherine Bugg of KTNM Radio and Chelle Delaney of the Quay County Sun.

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, President Perkins called this meeting to order at 9:00 a.m. in the district office.

APPROVAL OF MINUTES – REGULARLY SCHEDULED MEETING MARCH 10, 2009-

Director Henson made the motion to approve the draft minutes of the Arch Hurley Conservancy District's March 10, 2009 meeting. The motion was seconded by Director Bruhn. Motion carried 5 – 0.

Directors Voted:

Perkins – “YES”

Bruhn – “YES”

Gilbertson – “YES”

Lopez – “YES”

Henson – “YES”

VISITORS COMMENTS-

Pete Tatschl stated that the water plan that Jeff Bingamon got signed looks like it might have some potential for Arch Hurley especially if the BOR could be interested in funding some telemetry data for us. This would in line with Arch Hurley's strategic plan.

George Evetts stated that he had visited with Manager McCasland over a period of time. The things that we discussed are in the packet, I would like my comments to be of record for the future if necessary.

MANAGER'S REPORT

Today the Conchas Lake elevation is at 4161.6 feet. There have not been any large amounts of measurable inflow into the lake for the month of March. Last year at this time the elevation of Conchas Lake was 4167.2 feet.

The office staff mailed out the 2009 water assessments on March 17, the assessments are due by July 1, 2009. We have received approximately \$35,000.00 in paid assessments to date.

On March 30th Donna and I attended the State Auditor workshop in Las Vegas. The training covered new accounting and auditing standards and the procurement process for agencies seeking a R.F.P. for an auditor. Chester Mattocks will start on our 2008 audit soon. Donna has compiled all of the documents requested by Chester to start this audit.

The Skip Vernon meditation hearing was scheduled for the week of April 20th in Las Vegas. It has now been cancelled until hopefully sometime during the third week of May. I will notify the Board as to the exact date.

On April 7th all of the Arch Hurley employees attended the private pesticide applicator certification class at Mesalands Collage that was put on by NMSU. The exam was taken the following day. Arch Hurley has been notified that we will be required to have a public applicator certification also. It requires successfully passing three U.S.D.A. exams. There will be three to four of Arch Hurley employees take the public certification exam.

Last month, I reported that the maintenance department was at the half way point on cleaning out the Hudson Canal with the excavators. Today we are above check 4 and have cleaned over 12 miles of canal. We are 2.5 miles from cleaning the entire Hudson canal back to the original grade.

We have started working on Arch Hurley's 2010 budget. This will be on next month's agenda as a draft for the board to review and give input.

Last Thursday, I attended the Rural Economic Recovery town hall meeting. The speakers were Lt. Governor Diane Denish and Congressman Ben Ray Lujan. They explained the benefits for individuals and businesses through the American Recovery and Reinvestment Act. This act is funded with 74 billion dollars and 1.8 billion earmarked for the State of New Mexico. I spoke with Rep. Lujan and he felt that Arch Hurley's best funding opportunities would be through the BOR grants.

On March 31st, I attended a BOR grant writing workshop in Albuquerque. Joseph Alderete from the Albuquerque office and Karen McWilliams from the Utah office were

giving the presentations. Joe spoke about the regional funded BOR grants. There are Implementation of Conservation Measure grants that are funded through the BOR regional office. This is a \$50,000.00 grant. Karen spoke on the Water for America Grant. This grant replaces the previous BOR Challenge 20/25 Grant. The Water for America Grant is a minimum of \$50,000.00 to a maximum of \$300,000.00. All of the Water for America grants that are submitted competes against each other from all of the 17 western states. After the meeting was over Karen asked me how long I have been the manager for Arch Hurley. I told her that I started in January 2008. She said she was just a little surprised to see Arch Hurley at this meeting. I asked why? She stated that Arch Hurley was approved for a \$300,000.00 grant in 2007 and it was denied and turned back to the BOR by the Arch Hurley manager at that time. I asked what grant she was talking about. She explained that the Challenge 20/25 grant submitted for funding in 2006 was not approved because of a missing signature on one of the forms. That document was signed and the grant was resubmitted for 2007 funding. I explained to her that I had no knowledge about this, and if Arch Hurley were to be approved for a grant in the future that we would follow through. If the board has no objections to applying for some BOR grants, I would propose that we apply for grants that would help cover our costs in removing the woody vegetation, cleaning the main canal back to the original design and applying bentonite to the canal after it is cleaned and reshaped. I have spoken to Bob Bruce and he said he is willing to assist Arch Hurley again in applying for a grant. A grant with this scope of work fits into the Arch Hurley strategic plan.

F.Y.I. on April 15, at 3:00pm in the Terry Turner building, Tom Dominguez will be assembling the Quay County Cooperative Weed Management Area committee. The main goals are to educate the public, private landowners and department heads on identification and the control of noxious weeds in their respective areas.

On May 6th, at 6:30 at the Tucumcari Convention Center the I.S.C. will hold a meeting to hear public comments on how the state balances its future water needs with its supply.

Pictures of on-going and completed work within the project were shown. Last months pictures were shown again. There were also pictures of water storage and diversion occurring in northern New Mexico.

President Larry Perkins asked the constituents their opinion on whether Manager McCasland should continue his efforts obtaining pictures of the lakes and diversion of water in the Las Vegas and Mora area. They expressed their approval of his efforts and for him to continue.

GARY CORDOVA AND ROBERTA BALL, ARMY CORPS OF ENGINEERS

Mr. Gary Cordova had 3 initiatives to review. One is the work at the irrigation headworks. \$220,000.00 has been spent for painting, conduits and the gates at the irrigation headworks. Two is the rewiring, new generators and new switches, at the Main Dam at a cost of 1.1 million. Three is the education of the Zebra Mussels and the preventive measures such as boat inspections and bill boards to curtail their invasion.

When the Zebra Mussels gets into our water, it will create havoc for the Corps. It affects the quality of the water.

Ms. Roberta Ball presented figures and slides of projected run-in for Conchas Lake. Projections were made of run-in to Conchas Lake and actual figures tend to be always less. There is no expected run-in from the snow-pack. There seems to be a lot of uncertainty about our area in reference to rainfall and temperatures. La Nina conditions are expected to gradually weaken through this spring.

WATER ALLOCATION REVIEW OF CONCHAS LAKE

Director Bruhn made the motion that no water be allocated at this time. The motion was seconded by Director Lopez. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
Bruhn – “YES”

Gilbertson – “YES”

Lopez – “YES”
Henson – “YES”

COLLECTION OF PAST DUE ASSESSMENTS

Director Gilbertson made the motion to send only the letter. The motion was seconded by Director Bruhn. Motion failed 3-1-1.

Directors Voted:

Perkins – “NO”
Bruhn – “ABSTAIN”

Gilbertson – YES

Lopez – “NO”
Henson – “NO”

Director Henson made the motion to send all 3 items that have been sent out in the past to the delinquent accounts. The motion was seconded by Director Lopez. The delinquent accounts will be given 60 days. Motion carried 4-1.

Directors Voted:

Perkins – “YES”
Bruhn – “YES”

Gilbertson – “NO”

Lopez – “YES”
Henson – “YES”

SET WORKSHOP TO DEVELOP WATER MEASUREMENT POLICY

May 12, 2009 at 1:00 p.m. was set for the workshop. No action will be taken at the workshop. An invitation will be sent to those parties affected to attend this workshop.

APPROVAL OF LETTER TO DISTRICT 7 ENGINEER’S OFFICE

Director Gilbertson made the motion to approve the presented letter after deleting the last sentence of the first paragraph on page 2 “We understand this ... some of the largest.” The motion was seconded by Director Lopez. Motion carried 4-0. This letter will also be sent to John D’Antonio of the Office of the State Engineer and to John Poland of Bureau of Reclamaation. A copy of the letter is included and made a part of the minutes.

Directors Voted:

Perkins – “YES”

Bruhn – “ABSENT”

Gilbertson – “YES”

Lopez – “YES”

Henson – “YES”

INVITATION TO ATTEND DAUGHTERS OF THE AMERICAN REVOLUTION MEETING

Manager Franklin McCasland stated that representatives of Arch Hurley Conservancy were invited to attend their meeting on May 8, 2009. They would like to give Arch Hurley an award for proper display of the American flag. Manager Franklin McCasland, Directors Pablo Lopez and U.V. Henson stated that they would attend.

LARGO CANYON REPORT

Manager Franklin McCasland read a letter from Robert Ritter and the letter stated that he had withdraw the application of Robert Ritter and Rimrock Rose LLC to appropriate ground water in the Canadian Basin. The letter also stated that he would reapply at a later day when funds were available. A copy of that letter is included and made a part of these minutes.

PRESIDENT’S COMMENTS-

President Perkins stated that if anyone has comments to bring them to the Board Members or Manager Franklin McCasland. I would like to thank Manager Franklin McCasland for taking the pictures that will be going to Mr. Tim Farmer of District 7 that were viewed in the power point presentation and continue to send pictures. This is our livelihood and we need to be proactive about this. I would like to commend Franklin and Craig on the work that is progressing on the canal, it looks good and people are commenting on how good it looks. I would like for Arch Hurley to apply for as many conservation grants of \$50,000.00 as possible. There are also grants of \$50,000.00 to \$300,000.00 to apply for also. There are grants that could pay diesel bills of the

excavator. By returning the canals to their original design and applying benonite to leachy areas of the canal, they are considered conservation projects. I would like for Arch Hurley to apply for the Water for America and Conservation Grants. We will view the 2010 budget at the next meeting and would like for items on the Strategic Plan to be funded in the budget. If grant money is obtained, that money could be used in 2009 for the Strategic Plan. Manager McCasland was given a note from Catherine Bugg for representatives of Arch Hurley to be on the morning show of KTNM on Thursday. Approval was given for Manager McCasland and President Perkins to be on the morning show.

DIRECTORS COMMENTS –

Director Henson asked about the price of benonite. Manager Franklin McCasland stated that he had a current price. He asked if Mr. Richard Trujillo or Mr. Greg Quartieri had informed us of the water rights on ranches that were discussed at the last meeting. We do not have that information yet. U.V. stated that it should only take a ½ day to obtain that information. Director Henson asked about how benonite is applied. Manager McCasland stated that a fertilizer spreader is used to spread it and then a harrow is used to incorporate it 2”to 4” into the soil.

Director Lopez asked about burning weeds. Manager McCasland stated we will burn some cattails ahead of the excavators on the canals, but as far as weeds in the canal and laterals we will not burn them until we receive some inflow into Conchas Lake.

Director Gilbertson asked on the Skip Vernon issue if mediation can be eliminated and go straight to court. He read the letter from Robert Ritter. It states that Arch Hurley dumps 12,382,300 gallons of water in the sand downstream from Conchas Dam. The letter also states that he will reapply when funds are available and that he will attempt to publicly expose the waste and encourage the curtailment of Arch Hurley’s wasteful practices. We need to pay real close attention to measuring and all the things we have been talking about. Need to start figuring how to measure the pumps. The State Engineers office states “beneficial use” at each meeting they have attended. Right now we are getting figures to show beneficial use.

CONSIDERATION OF BILLS-

Director Henson made a motion to pay the submitted bills. The motion was seconded by Director Gilbertson. Motion carried 4-0.

Directors Voted:

Perkins – “YES”

Bruhn – “ABSENT”

Gilbertson - YES

Lopez – “YES”

Henson – “YES”

ADJOURNMENT OF REGULAR MEETING-

With no further business to discuss, the meeting was adjourned at 11:43 a.m. with unanimous vote.

ARCH HURLEY CONSERVANCY DISTRICT

President Larry Perkins

ATTEST:

Secretary, UV Henson