

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

Tuesday, January 10, 2012

Directors Present: President Larry Perkins, Vice President Phillip Box,
Secretary/Treasurer UV Henson, Director J.D. McEwen,
Director Robert Evans

**Directors/Staff
Absent:**

Staff Present: District Manager Franklin McCasland, Office Manager Donna
Lafferty, Maintenance Supervisor Craig Hoffman

Guests Present: Jimmy Speed, Jason Box, Richard Dahl, Frances Langley, Drake
Swenson, Bob Carter, Rex Kirksey, Jack Smith. Jack Chatfield,
Judy Smith of FSA Office, Tom Dominguez of NMSU, Tim
Farmer, Greg Quartieri, and Sheldon Dorman of OSE District VII

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 9:05 a.m. in the District Office.

PLEDGE OF ALLEGIANCE AND INVOCATION

The Pledge of Allegiance was lead by President Larry Perkins and the Invocation was
given by President Perkins.

**APPROVAL OF MINUTES – REGULARLY SCHEDULED MEETING
December 13, 2011**

Director Box made the motion to approve the draft minutes of the Arch Hurley
Conservancy District's December 13, 2011 meeting. The motion was seconded by
Director Henson. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Evans – “YES”
Henson – “YES”

MANAGER'S REPORT

Today the Conchas Lake elevation is at 4160.5 feet. Last year at this time the elevation of Conchas Lake was 4162.1 feet. Conchas Lake received 675 acre feet of inflow for the month of December.

In December I reported that the Jack County gate had been removed for repairs. Those repairs are completed and the gate is back in place. The men are going to prime and paint the waste way gate next to the Jack County gate also.

Zia Engineering was scheduled to be here on December 22 to pull samples from the maintenance shop to check for asbestos. They did not show up nor have they contacted me to set a new date.

I have spoke with Doug Quarles regarding the painting of a mural on First and Charles depicting the Arch Hurley Conservancy District. He is interested, but at this time needs to wait and see if the youth summer work program is going to be funded.

We have received the 2010 audit from Sandra Rush and an acceptance letter from the OSA. Sandra will come to Tucumcari this month to go over the audit with the board members and I will have it on next month's agenda to approve.

In the board packet under information is some correspondence that I want to bring to your attention. The first item is an OSE permit application on the Mora River from the Buena Vista Ranch. I have spoke with Greg Quartieri and our attorney regarding this application. This application would not appropriate any new water. It would allow them to take water from a well instead of the river. The second item is a letter to Mike Hamman at the BOR requesting approval to lease Section 16 for grazing purposes only. The third item is a map of the NM House of Representatives from Judge Hall. Quay County will now be represented by District 63 held by George Dodge of Santa Rosa. There are no changes in the US senate or representative districts. Judge Hall still has to rule on the Senate and PRC Districts for Quay County.

VISITORS

Tom Dominguez wanted to bring to everyone's attention the up-coming Pesticide Applicators Program on January 26, 2012. It will be held at the Extension Office and will be from 8am to 1pm. This session will provide 5 hours of CEU.

Drake Swenson stated that giving a pay raise in this economy and when we don't have any water, in his opinion, isn't in the best interest of the farmer.

FSA, DROUGHT AND NM NATIONAL LABORATORY RESEARCH

Director Box wanted to inform the Board about the National Laboratories of Los Alamos and Sandia. These labs have helped small businesses in New Mexico. Some possible projects could be to study wind farms, transmission lines, historic rainfall and a better way of predicting irrigation water. The snow-pack percentage have been high in past years and yet no water reaches Conchas Lake. This could be a possible source to have these above mentioned items be a statewide project for the labs.

Director Box next topic was on the on-going drought and FSA. Director Box stated that this is not a problem with our local FSA. I believe the State FSA Office needs some assistance to better serve our local area and address our situation. Director Box read the following first paragraph from an article in the South West Farm Press: “As water availability declines in Texas, crop insurance coverage may see adjustments in premium increases and possibly some irrigated fields that may become uninsurable if producers can no longer expect adequate water.” In that sentence replace “Texas” with “Conchas tributaries”. New Mexico, especially the north-eastern area, has been experiencing drought for 10 years. Judy Smith of FSA discussed some of the options that farmers have concerning their irrigated land.

2012 WORKERS COMP. INSURANCE

Manager McCasland informed the Board at the last meeting that Arch Hurley’s workers comp with the current company would not be renewed. Manager McCasland stated that \$22,500 was budgeted for workers comp insurance and Arch Hurley was able to get insurance thru NM Pool with a premium of \$63,971. That amount is approximately 3 times the budgeted the amount. Arch Hurley needs a 3 year history of no or only small claims before there would be a chance for our premium to decrease. Director Box stated that this insurance increase equates to \$1 per acre.

IMPLANTATION OF DISTRICT SAFETY INCENTIVE PLAN

Manager McCasland explained the implementation of the new safety incentive plan for the District. Manager McCasland recommended mandatory attendance of safety meeting by all employees and no loss injuries or illnesses for a quarter then employees would qualify for the \$75. If there is an accident, then all employees would lose the safety incentive for that quarter. Another incentive is to tie this incentive with the annual year-end bonus. If an employee has numerous safety violations, that employee could lose their annual year-end bonus. Manager McCasland would like the Directors to contact him if they have any comments or additions to this Plan. Manager McCasland will send this to

Arch Hurley's attorney and then get a draft back for the directors to review before the next meeting. Manager McCasland will get it put into the personnel manual with additions. Director Box would like spelling and grammar be corrected in the personnel manual.

JACK CHATFIELD SALT CEDAR ERADICATION ON THE CANADIAN RIVER BASIN

Jack Chatfield gave a presentation and power point slide show about Salt Cedar eradication. The eradication process began on the Pecos and Rio Grande Rivers and is now on the Canadian River. Over eleven thousand acres have been treated for Salt Cedar in the Canadian River watershed. The eradication starts at the top of the river and works down the river. A Salt Cedar of 8" in diameter at the base can use 200 gallons of water in a day. The eradication of the Salt Cedar, Siberian Elm, Russian Olive, and other non-native invasive species will certainly conserve water within the Canadian watershed. The methods include spraying, using goats to control re-sprouts and plant grass with hooves, mulch and beetles. At this time the spraying is in Quay County above Conchas.

UPDATE FROM DISTRICT VII SEO

Tim Farmer and Greg Quartieri wanted to introduce a new employee, Sheldon Dorman. Mr. Dorman is the Canadian Basin Manager. Mr. Dorman's area is from the Colorado border to Cuervo. He was previously the water master on the lower Rio Grande. President Perkins introduced the new board members to District V11 personnel. Mr. Farmer wanted list some of the changes that have occurred. The new state engineer is Scott Verhines. Mr. Farmer would like to invite the state engineer to an Arch Hurley meeting. Mr. Farmer listed some of the on-going work of the District VII which includes more metering, more measuring and the funding for these devices. They continue to computerize office and history records. Some concerns with the Buena Vista Ranch are that it needs an up-dated measuring device and the Salman Ranch needs a new flume are still on-going. Director Box asked about how the transferring of paper records to the computer, which includes the history of the land, are going. Mr. Farmer stated that it is a slow, on-going process and is worked on when the opportunity is there. Manager McCasland stated that Tim and Greg have been accessible when it comes to answering questions about legal notices about diversions and providing information to Arch Hurley. We will inform the state engineer about District VII's helpfulness when he comes to Arch Hurley. President Perkins wanted to thank District VII for attending our meetings and working towards getting areas metered and measured.

BOB CARTER OF US REP. PEARCE'S OFFICE

Mr. Carter is the senior advisor for Representative Steve Pearce. President Perkins would like for Manager McCasland to work with Bob Carter and set up a work session for future plans. Right now we are waiting on up-coming city election of commissioners and then appointment of a mayor.

AHCD CUSTOM WORK EQUIPMENT PRICES

Director Evans made the motion to have the hourly rate of the Jetco TJ-630 trencher be \$225.00. The motion was seconded by Director Box. Motion carried 5-0.

Directors Voted:

Perkins – “YES”

Evans – “YES”

McEwen – “YES”

Box – “YES”

Henson – “YES”

Director Evans made the motion to table the transportation and freight costs until the next board meeting. The motion was seconded by Director Box. Manager McCasland and Maintenance Supervisor Craig Hoffman will make a recommendation to the board at the next meeting. Motion carried 5-0.

Directors Voted:

Perkins – “YES”

Evans – “YES”

McEwen – “YES”

Box – “YES”

Henson – “YES”

DIRECTOR'S COMMENTS

Director Box stated it has very worthwhile meeting with a lot of information.

President Perkins wanted to state that the presentations of Jack Chatfield, District VII, and Bob Carter were great. We had a great year last year even with no water, crews are doing great. This year the lake will have a lot of water and Arch Hurley will be busy.

EXECUTIVE SESSION

Director Box made the motion to go into executive session. The motion was seconded by Director Henson. A roll call was taken and each of the directors voted yes. Directors went into executive session at 11:40 a.m.

Directors Voted:

Perkins – “YES”

Evans – “YES”

McEwen – “YES”

Box – “YES”

Henson – “YES”

EXECUTIVE SESSION

Director Henson made the motion to come out of executive session. The motion was seconded by Director Evans. A roll call was taken and each of the directors voted yes. Directors came out of executive session at 12: 25 p.m. President Perkins stated that only threatened or pending litigation was discussed.

Directors Voted:

Perkins – “YES”

Evans – “YES”

McEwen – “YES”

Box – “YES”

Henson – “YES”

CONSIDERATION OF BILLS

Director Henson made a motion to pay the submitted bills. The motion was seconded by Director Evans. Motion carried 5-0.

Directors Voted:

Perkins – “YES”

Evans – “YES”

McEwen – “YES”

Box – “YES”

Henson – “YES”

ADJOURNMENT OF REGULAR MEETING-

With no further business to discuss, the meeting was adjourned at 12:27 p.m. with a unanimous vote.

Due to the length of the meeting, the tour was cancelled.

ARCH HURLEY CONSERVANCY DISTRICT

President Larry Perkins

ATTEST:
