

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

**Tuesday, March 13, 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, Julian Paiz 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, President Perkins called this meeting to order at 9:02 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 Larry Perkins.

**APPROVAL OF MINUTES – REGULARLY SCHEDULED MEETING  
FEBRUARY 14, 2012 & SPECIAL MEETING FEBRUARY 28 2012**

Director Box made the motion to approve the draft minutes of the Arch Hurley Conservancy District's February 14, 2012 regular meeting and February 28, 2012 special meeting. The motion was seconded by Director Henson. Motion carried 4-0.

Directors Voted:

Perkins – “YES”  
McEwen – “YES”

Box – “YES”

Evans – “ABSENT”  
Henson – “YES”

## MANAGER'S REPORT

Today the Conchas Lake elevation is at 4159.7 feet. Last year at this time the elevation of Conchas Lake was 4162.3 feet. Conchas Lake received 196 acre feet of inflow for the month of February.

CANADIAN RIVER BASIN as of March 1, 2012

Streamflow forecasts for the Canadian River Basin range from 63 percent of average for the Mora River near Golondrinas to 87 percent of average for the Cimarron River near Cimarron. Conchas Reservoir Inflow is forecast to be 30,000 acre feet, or 70 percent of normal. High elevation precipitation in the Canadian River Basin for February was 120 percent of normal, while the year-to-date precipitation remains somewhat above average at 113 percent, up from last year's 92 percent. Snowpack in the basin is near normal with 96 percent of average, up significantly from last year's 70 percent.

On February 28, we filed 7 liens against Class A property owners that were over three years delinquent in their water assessments.

On March 6, AIG conducted a Workers Compensation Audit for the year of 2011. There were no findings in the audit. On that same day New Mexico Mutual Casualty Co. came and also conducted a safety field inspection for our Workers Compensation coverage.

On March 6, I spoke with Joe Martinez regarding the burning of the weeds in the Conchas Channel. Joe had already put that request in to the district office for approval. Last week Joe informed me that the request was denied due to the extreme drought. I hope that after some spring rains we can request approval to burn the weeds then.

Plateau has been working in the office last week to install fiber optics throughout the office. The plan is to go online with fiber on March 15.

Under information in the board packet is a letter from the BOR informing Arch Hurley that the BOR has completed their final review of our first grant and have determined that all of the terms and conditions were met. Grant No. R10AP40018 is officially closed.

I spoke with Rex Kirksey regarding the economic impact study he wanted to do. The study is on how the drought has affected Quay County over the past 12 years. Rex was not able to obtain support from NMSU for this study.

As you know, I have been working on our Workers Compensation premium and have found two companies that have submitted Arch Hurley a quote. The best quote right now is from Builder Trust of New Mexico. Our current Worker Compensation provider is New Mexico Mutual with an annual premium of \$64,219.00. New Mexico Municipal Self-Insurer's Fund quote is \$32,526.00. Builders Trust of New Mexico quote is \$28,179.00. A safety inspection by Builders Trust was completed last week. We are waiting on an approval from the reinsurance carrier. This will be an annual savings to

Arch Hurley of \$36,040.00. One of the options that Builders Trust offers is called the “CPO” Program. The Claims Payment Option would allow Arch Hurley at the end of the year to buy back any previous Workers Compensation claims that were filed that year. These claims would not be reported to the NCCI.

At the last board meeting there was discussion on planning for delivery of irrigation water to farmers in the event there was a large rain in the Canadian water shed and raised the lake level in Conchas. I have met with Craig and Mark we will have a water delivery plan in place when we do get water. One of the issues other than weeds is sand that has blown out of the plowed fields and filled some ditches full of sand. The ditchriders have identified those areas and we will start cleaning those out toward the end of April. Ditches will be identified to be burned or flushed.

Manager McCasland was instructed to contact Joe Martinez and ask if he could send pictures of the area we want to burn and request to burn again.

### **VISITORS**

No comments from the visitors.

### **WATER ALLOCATION, REVIEW OF CONCHAS LAKE ELEVATION**

Director Box made the motion to not allocate water at this time. The motion was seconded by Director Evans. Motion carried 5-0.

Directors Voted:

Perkins – “YES”

McEwen – “YES”

Box – “YES”

Evans – “YES”

Henson – “YES”

### **2012 WORKERS COMP. INSURANCE**

Director Evans made the motion to switch from NM Mutual to Builders Trust of NM and become a member of Home Builders Association of Eastern NM. The motion was seconded by Director McEwen. Motion carried 5-0.

Directors Voted:

Perkins – “YES”

McEwen – “YES”

Box – “YES”

Evans – “YES”

Henson – “YES”

### **APPROVE SANDRA RUSH FOR 2011 AUDIT**

Director Henson made the motion to approve Sandra Rush to do the 2011 audit. The motion was seconded by Director Box. Motion carried 5-0.

Directors Voted:

Perkins – “YES”  
McEwen – “YES”

Box – “YES”

Evans – “YES”  
Henson – “YES”

### **RELEASE OF MORTGAGE OF BRUHN LAND, INC.**

Director Box made the motion to approve the release of mortgage on Bruhn Land, Inc. The motion was seconded by Director McEwen. Motion carried 5-0.

Directors Voted:

Perkins – “YES”  
McEwen – “YES”

Box – “YES”

Evans – “YES”  
Henson – “YES”

### **NM WORKFORCE LIEN AND CORRESPONDENCE**

Manager McCasland informed the Board that correspondence was received on February 16, 2012 informing Arch Hurley that the lien would be released.

### **REVIEW OF STRATEGIC PLAN**

The Board reviewed the Strategic Plan. A work session will be scheduled to be held at the same time as the Budget work session. The work session will include Mark Preciado, Craig Hoffman and constituents. It was suggested that the work session be after 5:00 P.M.

### **DIRECTOR’S COMMENTS**

Director Henson asked about the notification of Steven and Laura Borg and the bankruptcy of Breidegan. Manager McCasland stated that the drilling didn’t affect Arch Hurley and even though the bankruptcy was allowed, assessments to Arch Hurley are still due. Director Henson stated that the trips that Manager McCasland makes to Santa Fe and Albuquerque are very worthwhile. His recent trips have saved Arch Hurley approximately \$36,000.

President Perkins stated that Arch Hurley is doing the best it can with no water. Arch Hurley will continue having a positive attitude and doing an excellent job on the grants. It is harder to run a district without water than it is to run a district with water.

### **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 10:43 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 11:07 p.m. President Perkins stated that only threatened or pending litigation and limited personnel matters were 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. Director Henson asked about the cell phone bill. Manager McCasland stated that the contract period is about to expire and the cell phone amount will go down after that.

	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 11:15 a.m. with a unanimous vote.

ARCH HURLEY CONSERVANCY DISTRICT

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President Larry Perkins

**ATTEST:**

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Secretary/Treasurer UV Henson

