

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

Tuesday, July 8, 2014

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

**Directors/Staff
Absent:**

Staff Present: District Manager Franklin McCasland and Office Manager Donna Lafferty

Guests Present: Jimmy Speed, Daniel Garcia, Tom Sidwell, George Evetts, Debra Mitchell, Bill Humphries, Pete Tatschl, Sandra Rush, CPA and Russell Braziel of KTNM/KQAY

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.

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 – REGULAR SCHEDULED MEETING
JUNE 10, 2014**

Director Box made the motion to approve the draft minutes of the Arch Hurley Conservancy District's June 10, 2014, regular meeting. The motion was seconded by Director Lopez. Motion carried 4-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “ABSTAIN”

MANAGER'S REPORT

Today the Conchas Lake elevation is at 4,177.23 feet. Last year at this time the elevation of Conchas Lake was 4,154.96 feet. Conchas Lake received 10,711 acre feet of inflow for the month of June and had a loss of 425 acre feet from evaporation and other losses and 5,345 acre feet were diverted for AHCD.

On June 23, AHCD was audited by our Workers Compensation provider Builders Trust for calendar year 2013. There were no findings in this audit.

AHCD has completed the second quarter with no accidents. We will have an employee safety meeting this week. The topic of our meeting will be the new no texting while driving statute. The new law imposes a fine of \$25 and the employee will also lose their quarterly safety incentive bonus if ticketed.

On June 30, I attended a meeting in Grady for the update of the Northeast Regional Water Plan.

Water deliveries for the month of June were light compared to other years. The rains we received in June were a large part of the light water demand from AHCD. We kept the delivery system charged throughout the month.

One of the rains caused the bottom of the Liberty to wash out again. The men have done a lot of dirt work in this area to divert flood water into the waste way.

The National Water Resource Association conference will be held this year in California on November 12-14. I am asking the board members to let me know if they plan on attending this year to be able to make reservations.

On July 1, the second half of the assessments is due. We will be mailing past due notices this week to landowners.

ARCH HURLEY CONSERVANCY DISTRICT					
WATER REPORT FOR: JUNE 2014					
Released at headworks	5,345.00	Released to date	14711.00		
Diverted this month	1859.00	Diverted to date	6676.00		
Delivered to farms	1425.00	Delivered to date	5147.00		
Percent Del. of release	26.66%	Percent delivered to date	34.99%		
Lateral Lateral Carriage					
Unit	Diverted	Delivered	Excess	transport water	Percentage
A	135	107	0	28.00	79.26%
B	151	107	0	44.00	70.86%
C	177	139	0	38.00	78.53%
D	597	470	0	127.00	78.73%
E	117	95	0	22.00	81.20%
F	180	143	0	37.00	79.44%
G	502	364	0	138.00	72.51%
TOTALS	1859	1425	0	434.00	76.65%
Inflow					
Main canal storage/evapo/trans	3486.00				
Lateral Excess	0	January	432		
Lateral Carriage/evapo/trans	434	February	663		
Total for Month	3920	March	1,465		
Delivery this Month	1425	April	1,416		
Total Releases	5345.00	May	10,445		
		June	10,711		
		July			
Lake Elevation	4,177.44	August			
		September			
		October			
Golf Course used	0 AF	November			
(Included in unit "A" delivery total)		December			
YEAR TO DATE					
TOTALS:					
					25,132

VISITORS

No comments from any of the visitors.

REVIEW OF CONCHAS LAKE ELEVATION AND ALLOCATION

Director Box made the motion to allocate 3 more inches of water for the second half. The motion was seconded by Director Lopez. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

APPROVE RESOLUTION 2014-008 LESSER PRAIRIE CHICKEN LISTING

Bill Humphries spoke about lesser prairie chicken. If you have a prairie chicken on your property and, if you by your actions alters the habitat, harasses or kills a bird or in way worsens the possibly of the bird’s healthy and permanent exist you will be subject to criminal and civil fines. It will take a number of years to realize the direct impact. The indirect impact will be transmission lines, wind farm projects, pipelines and energy developments will have to decide whether to put up money to participate in the Five States Plan. This money will be used to fight the federal government having control. Ultimately, the best case scenario is for each state to have the control within its borders. The decision regarding the chicken will take numerous turns, is challenging and is very complicated as the litigation occurs. We would like to join the Oklahoma Attorney Suit, as we think this is the best case.

Director Box made the motion to approve Resolution 2014-008. The resolution is to endorse being a signatory party to a Notice of Intent to sue the United States regarding several substantive issues related to the ESA listing decision. The motion was seconded by Director McEwen. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

EPA’S PROPOSED “WATER” RULE

Tom Sidwell gave a power point presentation about the many challenges that farmers, ranchers, landowners and businesses will face with this Water Rule. Mr. Sidwell stated that in April 2014, the United States EPA and US Army Corps of Engineers jointly released a new proposed rule- Definition of Waters of the U.S. Under the Clean Water Act – that would amend the definition of “waters of the U.S.” and expand the range of waters that fall under the federal jurisdiction. Because the proposed rule could expand the scope of CWA jurisdiction, counties could feel a major impact as more waters become federally protected and subject to new rules or standards. Once a ditch is under this new rule, the Section 404 permit process can be cumbersome, time-consuming and expensive. This new 90 page proposed rule was meant to clarify, however in reality it is more confusing. The way “waters” can be listed is ambiguous. Mr. Sidwell said this rule will increase permitting and reporting for landowners. Mr. Sidwell’s advise was to learn about EPA data methods (water sampling techniques) - how it’s obtained and how it’s used and learn what to do to protect your property rights and your ranching/farming/ business operation.

APPROVE SECOND QUARTER DFA FINANCIAL REPORT

Director Lopez made the motion to approve the 2nd quarter report that is sent to DFA. The motion was seconded by Director Box. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

**APPROVE RESOLUTION 2014-006
AHCD 2015 FINAL BUDGET**

Director Box made the motion to approve Resolution 2014-006 which is Final Budget for calendar year 2015. The motion was seconded by Director Henson. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

DISCUSSION REGARDING UPDATE OF THE

NORTHEAST REGIONAL WATER PLAN

Manager McCasland reported that he attended the Northeast Regional Water Plan meeting on June 30 in Grady, NM. There are 16 regions within the State and 5 counties, Quay, Roosevelt, Curry, Harding and Union, make up the Northeast Region. He stated that all 5 counties within the Northeast Region will be represented by five members each. These members will have one year to up-date the regional plan and it will be presented to the New Mexico Interstate Streams Commission for approval in 2015.

REVIEW OF 2013 WORKERS COMPENSATION AUDIT

Manager McCasland brought to everyones attention the audit review from Builders Trust was conducted on June 23 and there were no findings. Arch Hurley will receive a refund from premiums of 2013. Our rating has gone from 1.58 to .87.

APPROVE AHCD 2013 AUDIT

Sandra Rush, CPA was present to present and answer any questions in regards to the 2013 Audit. Director Henson made the motion to approve the 2013 Audit. The motion was seconded by Director McEwen. Motion carried 5-0. Because of the state auditor's office sending an unwarranted at-risk letter to Arch Hurley, AHCD will take a pro-active stance and contact the state auditor in October to verify with them that AHCD is in compliance with all deadlines.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

DIRECTOR'S COMMENTS

President Perkins stated that it has come to his attention that there has been some modification to Arch Hurley laterals in the form of removing a portion of the lateral and removing dirt under the lateral. A farmer who wants to make changes to laterals must come to the Board and make a request. AHCD will to the work on the laterals.

EXECUTIVE SESSION

Director Lopez made the motion to go into executive session. The motion was seconded by Director McEwen. Motion carried 5-0. A roll call was taken and each of the directors voted yes. Directors went into executive session at 12:28 p.m.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

EXECUTIVE SESSION

Director Box made the motion to come out of executive session. The motion was seconded by Director Henson. Motion carried 5-0. A roll call was taken and each of the directors voted yes. Directors came out of executive session at 12:31 p.m. President Perkins stated that only threatened or pending litigation and limited personnel matters was discussed. No action was taken.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

CONSIDERATION OF BILLS

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

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

ADJOURNMENT OF REGULAR MEETING

With no further business to discuss, the meeting was adjourned at 12:39 p.m. with a unanimous vote.

ARCH HURLEY CONSERVANCY DISTRICT

Vice President Phillip Box

ATTEST:

Secretary/Treasurer UV Henson

