

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

Tuesday, July 14, 2015

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, Debra Mitchell and Russell Braziel of KTNM

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 9, 2015**

Director Lopez made the motion to approve the draft minutes of the Arch Hurley
Conservancy District's June 9, 2015, regular meeting after a correction to how directors
voted on page 4. The motion was seconded by Director Henson. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

MANAGER’S REPORT

Today the Conchas Lake elevation is at 4,182.13 feet. Last year at this time the elevation of Conchas Lake was 4,177.4 feet. Conchas Lake received 20,633 acre feet of inflow for the month of June and diversions for AHCD was 3,203 acre feet.

On June 19, AHCD opened the irrigation gate at Conchs Lake. The release was set at 125cfs. AHCD was delivering water to farmers in D-Unit and G-Unit seven days later on June 26. AHCD employees did only a small amount of flushing in the system.

On June 30, AHCD had an IRS compliance audit out of the Santa Fe office.

The second half of the assessments is now due. All Class A landowners must have their assessments paid in full to receive reclamation water. The interest is also being charged on all past due accounts. The AHCD office staff will mail assessment bills to all Class A landowners this month.

AHCD has mailed several letters to insurance companies regarding the Conchas Lake inventory and Board of Directors allocations of irrigation water for the 2015 irrigation season.

AHCD is working to complete the 2014 crop census report for the BOR to calculate our annual construction bill.

We had a rear end on one of the ditch rider pickups go out in June. It has been repaired and is back in service.

The frequent afternoon storm events has kept the system bouncing as we try to retain all of the inflow of storm water for diversions. It’s challenging, but helps improve our delivery efficiency.

REVIEW CONCHAS LAKE ELEVATION AND WATER ALLOCATION

Manager McCasland stated that the elevation of Conchas Lake is 4182.13. Director Box made the motion to not allocate any water at this time. The motion was seconded by Director Lopez. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

APPROVE AHCD 2014 AUDIT

Director Henson made the motion to approve the 2014 Audit prepared by Sandra Rush, CPA. The motion was seconded by Director Box. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

DISCUSS THE IRS EMPLOYMENT COMPLIANCE CHECK

Manager McCasland reported that in June a letter was received from Robert Ching, Federal, State and Local Government Specialist, wanting AHCD to provide information pertaining to 2013. The information was provided and a telephone conference was held on June 30 with Franklin McCasland, Donna Lafferty and Tina Garcia in attendance. This was a compliance check and since AHCD agreed to self-correct, there shouldn't be any exam. The major change will be how director compensation will be handled.

APPROVE POLICY TO CHANGE AHCD BOARD'S COMPENSATION TO “ALLOWANCE FOR TRAVEL EXPENSE” FOR ALL OF 2015 AND THE FOLLOWING YEARS

Director Box made the motion to change the AHCD policy from compensation to “allowance for travel expense”. The motion was seconded by Director McEwen. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

APPROVAL OF 2016 FINAL BUDGET

Director Lopez made the motion to approve the 2016 Final Budget. The motion was seconded by Director Box. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

APPROVE DFA SECOND QUARTER FINANCIAL REPORT

Director Box made the motion to approve the DFA Report for the second quarter. The motion was seconded by Director Henson. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

REVIEW THE PROTESTS REGARDING ISC APPLICATION PERMIT SP-5044

Application SP-5044 from ISC asking for diversion of 19,000 acre-feet of water on the Canadian River below Ute Dam to the Texas state line has been protested by Quay and Luna County, Tom Sidwell and Quay County Farm and Livestock Bureau. The original application was filed April 30, 2012 and on May 15, 2015 it was amended. There are no surface water rights available in the State of NM. There will be meetings between OSE and ISC to mediate the application and protests.

REVIEW AND APPROVE BIDS TO REPLACE AHCD OFFICE BUILDING ROOF

Director Henson made the motion to approve the bid of \$39,134.21 from TBC General Contracting. The bid is for polyurethane spray foam among other work to roof. The roof will have a 50-year material warranty and Board decided to add a 20-year warranty on workmanship for \$900. The motion was seconded by Director Box. Motion carried 5-0.

Directors Voted:

Perkins – “YES”
McEwen – “YES”

Box – “YES”

Lopez – “YES”
Henson – “YES”

AHCD CAPITAL OUTLAY APPROPRIATIONS

Manager McCasland stated that Arch Hurley received \$50,000 in Capital Outlay. The money is to be used on equipment or pick-ups. The Board discussed purchasing a small compact excavator. Manager McCasland will speak with supervisors Craig Hoffman and Mark Preciado and get their input. No action was taken on the agenda item.

VISITOR COMMENTS

There were no comments from the visitors.

DIRECTOR COMMENTS

President Perkins stated in his district, things are running smoothly. There is some sand in the water.

Secretary Henson stated that the financial reports reflected the first ½ of the year and appear to be on course for expenses.

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 10:35 a.m. with a unanimous vote.

ARCH HURLEY CONSERVANCY DISTRICT

President Larry Perkins

ATTEST:

Secretary/Treasurer UV Henson

