

**ELEPHANT BUTTE IRRIGATION DISTRICT
BOARD OF DIRECTORS MEETING
November 8, 2006**

<p>The monthly meeting of the Board of Directors of the Elephant Butte Irrigation District was held on Wednesday, November 8, 2006. The meeting was called to order by President James Salopek on a motion by Tom Simpson, seconded by Willie Koenig. Motion carried. All members were present.</p> <p>EBID Staff present were Henry Magallanez, Engineer; Gail Norvell, Controller; EAC Co-Chair Tom Hansen, Human Resources Director; Valerie Beversdorf, CRGIS Director; and James Narvaez, Hydrology Director.</p> <p>Also present were Les Owens, NMDA; Rasul Ahadi and Erik Fuchs, OSE; Steve Hernandez and Lee Peters, Hubert & Hernandez, P.A; and Marvin Tessneer, The Bulletin.</p>	Roll Call												
<p>Willie Koenig motioned and Robert Faubion seconded to approve the minutes of the October 4, 2006 Board meeting as presented. Motion carried.</p> <p>Willie Koenig motioned and Bill Gary seconded to approve the minutes of the special closed session meeting with the OSE held on October 12th in Albuquerque. Motion carried.</p> <p>Robert Faubion motioned and Willie Koenig seconded to approve the minutes of the special open session meeting on budget held October 17, 2006. Motion carried.</p>	Approval of Minutes												
<p>The water supply outlook was presented. The storage totals on November 1, 2006 with a comparison for last year are as follows:</p> <table border="1" data-bbox="235 967 974 1115"> <thead> <tr> <th></th> <th style="text-align: center;"><u>11/01/2005</u></th> <th style="text-align: center;"><u>11/01/2006</u></th> </tr> </thead> <tbody> <tr> <td>Elephant Butte</td> <td style="text-align: center;">349,450</td> <td style="text-align: center;">396,370</td> </tr> <tr> <td>Caballo</td> <td style="text-align: center;"><u>12,610</u></td> <td style="text-align: center;"><u>39,450</u></td> </tr> <tr> <td></td> <td style="text-align: center;">362,060</td> <td style="text-align: center;">435,920</td> </tr> </tbody> </table>		<u>11/01/2005</u>	<u>11/01/2006</u>	Elephant Butte	349,450	396,370	Caballo	<u>12,610</u>	<u>39,450</u>		362,060	435,920	Water Supply
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Elephant Butte	349,450	396,370											
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	362,060	435,920											
<p>Mr. Esslinger said that as of the date of the meeting, there is enough water in storage to guarantee a 2 acre foot allotment for the 2007 irrigation season.</p> <p>Items on the calendar were discussed. Dates include: Gary Esslinger and Steve Hernandez attending the Bureau's final workshop on Managing for Excellence, November 13-14; and Gary Esslinger attending the final NADBank Utility Management Training session November 15-17; and the NWRA Conference in San Diego, CA November 29-December 1, 2006.</p>	Calendar												
<p>The next meeting of the Board of Directors will be on December 13, 2006.</p> <p>Henry Magallanez, presented the special use permits.</p> <p>Non-Moratorium:</p> <p>06-L-080 – Sunset Dairy; To construct, operate and maintain a new buried irrigation well pipe crossing the Anthony Lateral at approximate station 55+00. Assessment, \$843.54.</p> <p>06-L-082 – Qwest Communication; to construct, operate and maintain a new buried telephone cable crossing the Picacho "c" Lateral at approximate station 0+00 and paralleling the School Lateral from approximate station 0+00 to approximate station 9+36 for 936 feet. Assessment, \$20,973.40.</p> <p>Total assessments for all permits under moratorium: \$ 21,816.94.</p> <p>Under Moratorium:</p> <p>06-L-078 – Brazito (MDWCA); To construct, operate, and maintain a new buried 6" waterline crossing the Mesquite Drain at approximate station 517+67. Assessment, \$5,406.07.</p> <p>06-L-083 – City of Las Cruces; To construct, operate, and maintain a new buried 12" waterline in a 24" steel casing crossing the Armijo Lateral at approximate station 97+16. Assessment, \$2,941.58.</p> <p>Total assessments for all permits under moratorium: \$8,347.65</p>	Special Use Permits												
<p>Mr. Magallanez recommended approval of all permits. Robert Faubion motioned and Jerry Franzoy seconded to approve the permits as recommended by the Engineer. Motion carried.</p>													
<p>Henry Magallanez updated the Board on the ongoing maintenance season. He reported that as far as FEMA was concerned, Hatch was being restored. The maintenance crews were moving soil and putting the system back together, regarding, channel work and bank restoration. Mr. Magallanez reported that a big percentage of the monies spent on repairs to the system will be refunded in the areas of channel work, bank restoration and emergency repair.</p>	Maintenance Update												
<p>The matter of Credencio Cardona's claim for damages during the one of the Hatch flooding events was brought before the board for final decision. Mr. Cardona has no EBID water rights, his property is high ground and has no district assessment. Upon field investigation, Joe Nelson motioned to deny payment of Cardona's claim as the damage was done from heavy rains and not caused by flooding from a District lateral</p>	Cardona Claim for Damages												

or canal. Robert Faubion seconded the motion. Motion carried. The district will continue work on a ponding area for the sediment problem in that area.

Phil King gave the Hydrology report for the month of October, 2006. The report is as follows: Orders totaled 214,879; Actual Diversion was 211,159; Using -3,719 AC/FT; Estimated Carriage Losses were 37,999; Adjusted Diversion 173,239; Diversion vs. Order was -1.7%; Total Spill was 8,408, % of Diversion Spilled was 4%, Charged to Farmers, 88,322; and Delivery efficiency, 41.8%.

Hydrology
Report

The Operations report for the month of October, 2006 was as follows: Farm Deliveries, 811; Acres Irrigated, 14,630; AC/FT Charged to Farmers, 6,275; Actual Total Diversion, 12,427; Allotment Balance, 2700. The total number of ditch breaks for 2006 is 9 as compared to 27 breaks in 2005.

Operations
Report

EBID did not go over its allotment and EP#1 left approximately 60,000 AF in storage.

Gail Norvell, Controller, presented the Financial Fact Sheet for the month of October, 2006. The fact sheet is as follows: Cash in the bank totaled \$282,870; assessments receivable totaled \$227,595; and investments totaled \$1,521,700 for a grand total of \$2,032,166. This figure reflects a decrease in assets of \$105,600 over October of 2005. Special use fees collected were \$7,321. Conserved water sales year to date is \$78,206 as compared to \$368,024 in October of 2005.

Financial Report

Also presented were the financial statements for September, 2006.

Ms. Norvell reported that

Expenses from the flood events will be reimbursed by FEMA and OEM. Reports are currently submitted and undergoing review and approval.

Ms. Norvell discussed the amended 2005-06 budget which is not yet approved by DFA.

Budget approval

The FY 2006-2007 budget is not yet approved by DFA.

Ms. Norvell updated the Board on the District's application for a grant from the Water Trust Board. The District's application was approved and will go to legislation in 2007. The amount of the grant request is \$350,000.

Water Trust
Board Grant
Application

Ms. Norvell presented the contract for Daniel B. Stephens for renewal. This is an amendment to extend the time period to continue work on Hydrologic Data Management System. Robert Faubion so motioned and Bill Gary seconded the motion. Motion carried.

Daniel B.
Stephens Contract
Renewal

Gary Esslinger gave an update for the month of October. Topics discussed include:

Managers Update

He reported that a new department was in place in the District headed by Valerie Beversdorf. This department is called 'Computer Resources and GIS Services'. Valerie was reintroduced to the board and welcomed as a new staff member

CR-GIS
Department
Announcement

Mr. Esslinger reported on the Environmental Protection Agencies Hydro Modification study. Hydro Modification is described as "Activities that disturb natural flow patterns of surface and groundwater and activities which alter the geometry and physical characteristics of streams in such a way that flow patterns change." The district has concerns and has asked for an extension of time to make comments.

Hydro Modification
Study

EWP Sponsorship request for Lucero Farm levee system – Daniel Lucero requested that EBID serve as a sponsor for the USDA's Emergency Watershed Protection program to restore the Lucero Farm levee system that was severely damaged during the recent flooding in the valley. Upon discussion, the Board was not in favor of doing this as there was too much red tape for a farmer to benefit from the USDA program. Jerry Franzoy motioned and Robert Faubion seconded to deny this request. Motion carried.

EWP Sponsorship
– Lucero Farm
Levee System

Mr. Esslinger updated the Board on the press conference that was held when Senator Domenici came to present the \$1,651,500 funds under the Energy and Water Appropriation Act.

Domenici Press
Conference
Report

CCAG Report –Climate change Advisory Group has concluded meetings on climate control concerns. Concerns included dairies, feed lots, and other gas emitters.

Legislative issues – Government license plates have been presented in a new Bill which is being carried in the House by Senator Heaton. The need for someone on the Senate side to carry this bill was discussed. The manager will contact Mary Kay Papen and Mary Jane Garcia to carry this bill on the Senate side.

License Plate
Legislation

Tom Hanson, Co-Chair of the Employee Advisory Committee reported that he and Linda Armijo would begin visiting the District's three yards on a regular basis through the maintenance season. He also reported that the General Meeting was a good meeting and employees were giving it high approval ratings. He thanked the Board members who attended the meeting and also thanked the Board on behalf of the employees for the 3% cost of living increase for employees.

EAC Report

Items of interest were discussed and include the following:

Items of Interest

A letter from NMSU regarding land adjacent to the NMSU golf course in their RFP for a hotel conference center. NMSU has decided it is not feasible to place this hotel conference center in this area. Another party has come forward with an interest in this

NMSU Hotel
Conference
Center

piece of land and EBID staff is in discussion with that party to see if this interest will develop any further. It could be a stream of income to the district if this plan comes to fruition.

A letter of appreciation from Mr. Slim Whitlock of Hatch on the District's efforts to assist the Town of Hatch during flooding events in August.

Slim Whitlock
Letter Of
Appreciation
Delecias Field
Trip

Notes on the Delicias Field Trip held in September of 2006. The board has expressed an interest in touring the area themselves sometime in the spring of 2007.

On the resignation of Tom Davis from the CID, the board asked that a resolution be prepared thanking Tom for his assistance in legislative matters. Robert Faubion so moved and Robert Sloan seconded. Motion carried.

Tom Davis
Resolution

Gary Esslinger gave his power point presentation on a Deadly Game of Russian Roulette.

Jerry Franzoy motioned and Robert Faubion seconded that the board break for lunch. Motion carried. Following lunch, Robert Faubion motioned and Robert Sloan seconded that the meeting be reconvened. Motion carried.

Lunch Break

Jerry Franzoy motioned and Willie Koenig seconded to go into closed session to discuss legal matters. Motion carried. Pursuant to Section 10-15-1-h, NMSA of the New Mexico Open Meetings Act, the following topics shall be discussed in closed session:

Closed/
Open Session

Threat of Texas/NM Supreme Court Action; LRG Stream Adjudication Case, AWRM; Metering Order; EBID vs. United States, Operating Agreement, Amended Complaint; EBID vs. BOR No. CIV 90-95-HB, Mediation w/State Parks – Subsection I Credits; Telecommunication Act and Qwest Fees Dispute; Hatch and Leasburg, Intent to Sue; and Manager's Evaluation.

Bill Gary motioned and Jerry Franzoy seconded to return to open session. Motion carried by roll call vote with all members present agreeing to the motion to return to open session. During closed session the above-noted topics were discussed.

Following closed session, Bill Gary motioned and Joe Nelson seconded to approve the Manager's evaluation and employment for the next year. Motion carried.

Manager's
Evaluation

There being no further business, Bill Gary motioned and Jerry Franzoy seconded to adjourn the meeting. Motion carried.

Adjourn

The next meeting of the Board will be held on Wednesday, December 13, 2006

Next Meeting