

**ELEPHANT BUTTE IRRIGATION DISTRICT
BOARD OF DIRECTORS MEETING
November 17, 2010**

The monthly meeting of the Board of Directors of the Elephant Butte Irrigation District was held on Wednesday, November 17, 2010. The meeting was called to order by President James Salopek on a motion by Tom Simpson, seconded by Ramon Alvarez. Motion carried. Joe Nelson and Willie Koenig were absent.

Roll Call

EBID personnel present were Henry Magallanez, Engineering Supervisor; Gail Norvell, Controller; James Narvaez, Hydrology Director; Valerie Beversdorf, CR/GIS Director; Leo Barrett, Maintenance Project Director; Dustin Leonard, GIS specialist; Naomi Ontiveros, Water Records Clerk; Delyce Maciel, HR/Safety Director;

Also present were Steve Hernandez and Samantha Barncastle, Law Office of Steven L. Hernandez; Eric Fuchs and JR Hennessey, OSE; Hillary Brinegar, NM Dept. of Ag., and Diana Alba, LCSN.

Ramon Alvarez motioned and Robert Faubion seconded to accept the minutes of the October 13, 2010 meeting as presented. Motion carried.

Minutes Approval

The calendar was discussed. Items on the calendar for the remainder of the month of November and the month of December, 2010 include: EGBID General Meeting, November 18th; Selden Area Field Trip, November 19th; WRRRI Annual Conference, December 3, Corbett Center, NMSU. The next meeting of the board of Directors will be held on December 8th.

Calendar of Events

Henry Magallanez informed the board that there were no special use permits for the month of November.

Special Use Permits

Henry discussed the La Mancha Project that was going to be developed by the South West Environmental Center. The proposal would include putting a culvert through the levee to a fish pond. It was reported that there had been no permits issued nor applications made for a new diversion and no method of metering and accounting for the water that would be used. The district is opposed to putting the culvert through the levee until such time SWEC would be able to meet the permit and application requirements. The board instructed staff to send a letter to SWEC and those involved in the permit process.

La Mancha Project

Steve Hernandez provided the latest Offer of Judgment sent to him by the State Engineer. The new offers reflect the amended acres based on EBID tax rolls and not by acreage in hydro graphic survey. EBID assessed acreage and transferred in acreage will be combined to show total on assessment rolls. There is also a provision for mature pecan orchards. It was recommended by the board to develop a new policy on how engineering will take any extra acreage that is calculated and how it will be shown. The policy will need to describe the process due to the changes in the assessment rolls will have to be changed to match hydrographic survey. Henry asked what happens with people who had acres taken away and signed on earlier offers of judgment. Steve responded that he doesn't know what will happen with them at this time but believes that it will require court action to reverse the offer.

RGP Offer of Judgment re allocation

Leo Barrett, Maintenance Project Director, gave the maintenance report. He reported that crews were working on the Carver check off the Louisiana Lateral at Apodaca Road, and doing bank building on the East Side Canal and Angustura Lateral in Hatch. Leo reported they were finished with WW5 on lift pump housings and pipe work is being done on the Salem Lateral. In the Central area, tree trimming is being done and that all jack lifts are being replaced in Unit 3B along with turnout repairs. The Upper Chamberino and Chamberino East drain cleaning and TO repairs are continuing in the South. Leo reported that Mustard Weed spraying will be done just before winter shut down in all areas.

Maintenance Department Update

Leo reported that fuel tanks and island in the central yard must meet new state requirements. This is included in the current budget.

Fuel Tank replacement

Leo also reported that we would be proceeding with for replacement of mowing equipment with wet blade machete mowers and that he hoped it would improve our weed control efforts.

Mowing equipment

Leo discussed a concern on the Mesquite drain in the area of Vado. There have been major spikes in eColi bacteria noted by hydrology field checks and the district needed to find the cause. Cleaning and monitoring the drain in this area can detect the non-point pollution source once the area has been identified. Hydrology will report back to the board when results are final.

Mesquite drain concern

James Narvaez updated the Board on the 2011 water allotment and the final figures for the 2010 allocation. The Preliminary numbers for October were EBID Allocation 295600 acrefeet. EBID diverted 282082 acre feet leaving a carryover balance of 13518 acrefeet. However the carry over balance is still being worked on due to the Canutillo well and Mexico allocation adjustments. We estimate our carry over to be somewhere

Water season update

2011 start up allocation

around 9500 acrefeet when all the adjustments have been made.

James is reporting that as of this date the district will start with zero allocation in 2011. La Nina is not working for us right now and it's not looking good for the start of the 2011 irrigation season. Unless, the Gulfstream brings the snow fall to Southern Colorado and Northern New Mexico.

State Engineer Update

Gary reported that Dr. Phil King, the Districts Hydrology Consultant, was on the short list for the new State Engineer appointment under Gov. Martinez. He thought that Phil King, Mike Galbadon of the BOR and John D'Antonio were the three candidates vying for the position.

RGP Allocation Agreement

A memorandum regarding the allocation of the Rio Grande Project was presented. The memorandum is regarding the proposed accounting procedures regarding Appendix C of the Third Party Implementing Agreement (2001 Contract) in regards to depletions of Appendix C of the RGP water from operations from the Canutillo Well Field . Tom Simpson motioned and Robert Faubion seconded to allow Phil King and Tom Maddock the authority to sign the memorandum on behalf of the District when final changes were made. Motion carried. The memorandum agrees on a formula to calculate loss due to the Canutillo Well Field. Motion carried.

Valerie Beversdorf CR-GIS Director gave her department's report.

CR-GIS Report

The committee is discussing growth. Where does the region want to encourage growth? At the last meeting city and county planners presented maps and information. Three different growth scenarios are being considered – trend, satellite, and compact. One of the planning goals is to preserve agriculture and the committee is aware that the need for a farmer to develop his land must be retained. Colonias are problem areas due to lack of infrastructure, services, and poor quality building structures. Next month the committee will submit ideas about how the region should grow. The committee specifically requested a map that shows agriculture lands.

Vision 2040

Valerie reported the progress on the NM South-Central Storm Water Coalition. The group is presently meeting to discuss legislation creating a taxing authority; however, there are many who believe it is too early. This draft legislation needs more work and the group is considering the idea of strengthening MOU with some of the legislation language in order to keep the group motivated to continue and work towards some kind of authority in the future.

Storm Water Coalition

Gail Norvell, Controller, gave the financial report. The Financial Fact Sheet for the month of October, 2010, is as follows: Cash in the bank totaled \$452,350; assessments receivable totaled \$336,934; and investments totaled \$2,184,458 for a grand total of \$2,973,743. This amount reflects an increase in assets of \$937,910 over October, 2009. Extraordinary receipts were for Special Use Fees in the amount of \$645. Also presented was the financial statement for the eleven (11) months ending September 30, 2010.

Controller Report
 Financial Fact Sheet

Gail reported that 2010 tax statements went out on November 1st.

EAC Update – Gail reported that the Employee Advisory Committee had been working on the General Meeting to be held on November 18th at Lorenzo's de Mesilla.

EAC Committee

Gary Esslinger reported on the meeting of the National Committee on Levee Safety that he attended in Sacramento, California. Canal banks as have been purposed to be considered the same as river levees. The BOR is concerned that other federal agencies are getting into their business of aging infrastructures. Canal banks are not the same as a river levees, but the NCLS claims that the standards should be the same.

Manager's Update

Gary discussed the Energy Workshop in California. A major issue affecting the west was that 85% of water allocated to farmers has been taken away and given to environmental users. Major droughts have caused energy and water problems. What is happening on the West Coast will eventually move towards the East and New Mexico will be facing the same shortage crisis.

Steve Hernandez reported on legal matters.

Legal Update

- LRR 302 – City of El Paso/Montoya Drain – Remains open
- LRR 303 – Hatch Easements – Samantha Barncastle is working with Hatch to figure out who owns the parcels. Remains open
- LRR 323 - Policies, Relinquish of Easement and Excess of Real Property. Open
- LRR 345 – Lack/EBID Land Exchange and Flow Easement. Open
- LRR 351 - Request to realign ROW boundaries, Stahmann. Open
- LRR 355 – Rhodes Arroyo Dam. Open
- LRR 358 – CLC Well Applications – LRG 430-S-36 – to be closed
- LRR 359 – LRG MD Surface Water Treatment Facility Proposed Plan. Open
- LRR 364 – Levee Construction Water Acquisition. Open. Samantha Barncastle reported on the problem of IBWC contractors taking Project water. Instead Gary was looking at using the EBID groundwater rights just recognized by the State Engineer in

LRR Report

Illegal Taking of Water

Stream System Issue #102. The water would have to be pumped by EBID members near the construction sites. Gary asked what a farmer would charge if their well was used to supply water to the IBWC contractors. Most of the board said that the minimum charge from a farmer to pump water was \$100 an acre foot. This would be in addition to a charge by EBID to the contractor.

Stream System
Issue #102

Steve Hernandez passed out the latest Offer of Judgment sent to him by the State Engineer. The new offers reflect the amended acres based on EBID tax rolls and not by acreage in hydrographic survey. EBID assessed acreage and transferred in acreage will be combined to show the total acreage on assessment rolls. There is also a provision for acknowledging mature pecan orchards. It was recommended by the board that a new policy needs to be developed on how engineering will deal with the "transferred in acreage" will be dealt with on EBID's assessment roles and what happens when transfers occur. The policy will need to explain the process so that EBID constituents know how the district will be handling this in the future. Henry asked what is going to happen with people who had acres taken away and signed on earlier offers of judgment. Steve responded that he doesn't know what will happen with them at this time but believes that it will require court action to reverse the offer.

- LRR 365 - Assessment Roll Reconciliation. Open
- LRR 366 - Rincon Arroyo Weather Station MOA. Open
- LRR 367 - Sierra County Communication Tower on Caballo Mountain MOA. Open

CID Sinkhole
Update

Samantha Barncastle updated the board on the Carlsbad Irrigation District's sinkhole. She reported that CID has a rich source of mineral rights and is working with consultants to make this a new source of income to the district.

Blue Ribbon Task
Force Update

Steve discussed the Blue Ribbon Task Force committee meeting to be held November 18th. Governor Elect Susana Martinez will probably keep the task force, as she wants to keep things the same. However, committee members must be appointed and this will take some time.

Robert Faubion motioned and Tom Simpson seconded to break for lunch. Motion carried. Following lunch, Robert Faubion motioned and Tom Simpson seconded to reconvene the meeting. Motion carried.

Lunch Break

Tom Simpson motioned and Bobby Sloan 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:

Open/Closed
Session

- State ex. rel. D'Antonio vs. EBID CV 96-888 (Stream Adj.)
- AWRM Amicus Appeal Brief
- Verde Realty Operating Partnership
- Cardona vs. EBID
- Calderon

Following closed session, Jerry Franzoy motioned and Robert Faubion seconded to return to open session.

There being no further business, Willie Koenig motioned and Ramon Alvarez seconded to adjourn the meeting. Motion carried.

Adjourn

The next meeting of the Board of Directors will be held on Wednesday, December 8, 2010.

JAMES SALOPEK, President

WILLIE KOENIG, Secretary