

**ELEPHANT BUTTE IRRIGATION DISTRICT  
BOARD OF DIRECTORS MEETING  
January 12, 2011**

The monthly meeting of the Board of Directors of the Elephant Butte Irrigation District was held on Wednesday, January 12, 2011. The meeting was called to order by President James Salopek on a motion by Scott Adams, seconded by Robert Sloan. Motion carried. Members absent were Willie Koenig and Ramon Alvarez.

EBID personnel present were Henry Magallanez, Engineering Supervisor, Linda Armijo, Land Records Specialist; A.J. Carlson, Land Water Analyst. Gail Norvell, Controller; Richard Bejarano, Watermaster; James Narvaez, Hydrology Director; Valerie Beversdorf, CR/GIS Director; Leo Barrett, Maintenance Project Director; Dustin Leonard, GIS specialist; Naomi Ontiveros, Executive Secretary.

Also present were Steve Hernandez and Samantha Barncastle, Law Office of Steven L. Hernandez; Dr. Phil King; Eric Fuchs, JR Hennessey; Hillary Brinegar, NM Dept. of Ag.; Mariano G. Martinez Dona Ana MDWCA; Fernando Ortiz, City of Las Cruces; Beth Bardwell Audubon Society; Evaristo Giron of New Mexico State Works; Karl Wood of NMSU WRRRI; Joshua Rosenblatt of City of Las Cruces Utilities; Kurt Anderson of NMSU & DAMDWCA; Sammy Singh, EBID Constituent.

Jerry Franzoy motioned and Robert Sloan seconded to accept the minutes of the December 8, 2010 meeting as presented. Motion carried.

The calendar was discussed. Items on the calendar include: January 13, 2011 RG Historical Collection-Metadata Update was rescheduled for January 19, 2011. February 23, 2011 Family Farm Alliance conference in Las Vegas, Nevada for Gary Esslinger and two other Board Members to attend. Gary is making a presentation on Title Transfers and National Levee Legislation. Gary asked the board to approve the February 23, 2011 trip. Tom Simpson motioned and Robert Faubion second. Motion carried.

The Opens Meeting Act Resolution and Public participation Policy was presented to the Board. Tom Simpson motioned and Scott Adams second. Motion carried.

The Board of Directors Committee Assignments was reviewed and no questions or concerns were discussed.

Henry Magallanez informed the board that there were permits for the month of December.

**License List for Special-Use-Permits for January 12, 2011 Board Meeting  
Non-Moratorium**

Licensee	Assessment	Fees Requested to be Waived
<b>2010-L-072 EI Paso Electric</b>		
To operate and maintain an aerial powerline crossing WW 31B at approx. STA # 04+93	\$2,916.67	
<b>2010-L-073 Qwest Corporation</b>		
To replace and maintain a buried service wire crossing the Rody Lateral at Approx. STA# 139+00	\$1,470.03	
<b>2010-L-075 Jorge Wong</b>		
To operate and maintain a vehicle crossing on the Vinton Lateral at APPROX. 44+80.	\$3,166.67	Waive Fees \$3,166.67

Roll Call

Minutes Approval

Calendar of Events

Open Meeting Act Committee Assignments

Special Use Permits

		Farm Use
Subtotal	\$7,553.37	\$3,166.67
<b>Total Assessments</b>	<b>\$4,386.70</b>	

Motion to approve all the special permits by Jerry Franzoy second by Robert Sloan and motion carried.

Henry Magallanez presented the board with the Quick Claim Deed for the Ranch Road Project to be signed and to begin the process to submit to DFA for approval. Gary Esslinger made a clarification that the Ranch Road Deed had not been previously approved and that needed to be done at this meeting. Motion to approve the Ranch Road Deed by Scott Adams second by Robert Faubion. Motion carried.

Ranch  
Road  
Project

Henry also presented the board with In-Parcel Transfer Franzoy to Franzoy. Henry noted that it does not have to go to publication because it is not a transfer of water rights, but it does need board approval. Motion to approve by Tom Simpson second by Scott Adams. Motion carried.

In Parcel  
Transfer

Henry brought to the board EBID boundary expansion for Horner, Fought, Hauser, IBWC, NM Energy, and Mineral & Natural Resources dept. state Div, Steen, Venable & NMSU. Publication was put in the newspaper and no protests were received. Staff recommends approval. The next step for the expansion would be to file and record the deed which includes the new boundary for EBID. The deed will be brought back in front of the board for final approval before it is filed with the County. Motion for boundary expansion to proceed with the next step of preparing a deed with the new boundary made by Robert Faubion second by Scott Adams. Motion carried.

EBID  
Boundary  
Expansions

Leo Barrett updated the board on maintenance. Check structures are being cleaned up North in the Hatch Valley area and the Field of Dreams area. Small lining for Hydrology is also being done. The Winter spray has been held off as requested by the board at the December meeting. Some mustard has been coming up but not thick enough to start spraying. Jerry Franzoy suggested that it may not be needed at all this maintenance season. Leo advised the board that by cross training EBID employees in operations they were able to save costs in tree trimming and other maintenance duties. Also adding that the fabrication teams have been able to tear down and save on gates instead of sending them out to get fixed.

Maintenance  
Department  
Update

Valerie gave the board her update on Vision 2040. EBID has written a new version of the Water section of the document. Both Dr. Karl Wood of NMSU/WRRI, Dr Phil King, and Steve Hernandez have reviewed and provided comments. Just as Valerie was ready to email the document, she received an email from the city planner, Paul Michaud, who had rewritten the Water section on his own. Phil King and Valerie are going to meet after the Board meeting ends to review the new document and decide what the next steps will be. The next committee meeting is scheduled for January 27, 2011.

Vision 2040

The Storm Water Coalition met on January 6, 2011. Chairman Joe Delk announced that he was stepping down as chairman and recommended Cliff Terry as the new chairman. Cliff Terry presented an overview of the accomplishments of the coalition during the past year. He provided a revised version of the legislation and asked the committee to review and comment. After some discussion, it

Storm  
Water  
Coalition

was decided that the Coalition needs to identify what it intends to accomplish as a group. Members are to submit their priorities and concerns by January 27, 2011. Valerie will compile the responses and report to the Coalition at the next meeting in February.

Gail Norvell presented to the board the financial reports for October and November 2010 the December Financial Fact sheet. The Financial Fact sheet shows cash in the bank at \$1,060,841, assessments receivable \$4,897,494 and investments 3,509,684. This is an increase of \$1,090,257 from December 2009. The Grant status sheet was discussed. The NMED/EPA, NMDA/NMSU, NRCS, and the Water Trust Board Grants are in process.

Controller  
Report  
Financial  
Fact Sheet

Gail updated the board on EAC activities. A meeting has not yet been scheduled for the month of January. Gail advised the board of the new semester starting at NMSU has begun and NMSU students will begin to work with the EAC on the water trailer. The trailer has been retrofitted for plumbing and has been repainted. NMSU has funding to help with the new water display.

EAC  
Committee

Gary Esslinger presented the board with a Waiver of Conflict of Interest Agreement between EBID and DA Mutual. Lee Peters also represents Dona Ana Mutual Domestic Water Consumers Association. Lee Peters has helped draft the Rio Grande Utility Blanket Agreement and staff from both entities wants to continue to use Lee to help draft another blanket agreement that can be used by EBID and the Dona Ana Mutual Domestic. He will not, however be involved in negotiations regarding the charges by EBID under the agreement. Motion to approve Waiver Agreement by Scott Adams second by Jerry Franzoy. Motion carried.

Conflict  
Of Interest  
Agreement

Gary Esslinger advised the board that he was not able to attend the NWRA Leadership Conference in Phoenix, AZ but that Steve Hernandez did attend. Steve Hernandez presented the board with a Power Point of what was discussed at the conference. New elections in Congress and new Chairman positions. The Low Head Hydro remains one of the top three in priorities with the NWRA including the problem with the National Levee Act.

The Resolution thanking Dr. Karl Wood for his work at WRRRI was presented to the board by Dr. Phil King. Motion to accept Resolution by Robert Faubion second by Tom Simpson. Dr. Wood was asked to say a few words. He spoke of his first irrigation in 1958 in west Utah and memories he had irrigating with his father and uncle. He shared with the board how he enjoyed coming to the Board of Director's meetings and how they were conducted professionally and the board got things done. Dr. Wood thanked the board for this recognition.

Dr. Karl  
Wood  
Resolution

Dr. King provided the board with the 2011 Elephant Butte Irrigation District Water Season Outlook the Rio Grande compact and RG Project accounting for 2010/2011.

2011  
Water  
Season

The outlook for the 2011 irrigation season in Elephant Butte Irrigation District (EBID) appears to be a reduced water supply due primarily to the ongoing drought that descended on the region in the late 1990s, reduced the water supply beginning in 2003, and has persisted ever since, even when Hatch was flooding. The January forecast for unregulated runoff into Elephant Butte Reservoir was for 89 percent of average runoff. Since the forecast in early January, no significant snowfall has occurred in the headwaters of the Rio Grande until the weather current system moved in. Based on the January forecast, we estimate a seasonal allotment of water to EBID constituents of about 1.5 feet. While this is certainly disappointing, we will wait to see how the rest of the snow season shapes up.

RGCC  
Credit

There is also an accounting issue that reduces the amount of water we will have available early in the season. The Rio Grande Project (RGP) delivers water to EBID, El Paso County Water Improvement District No. 1 (EP1) and the Republic of Mexico. In the RGP, usable water is allocated among the three entities until the end of October in a given year. The Rio Grande Compact (Compact) is a separate agreement among Colorado, New Mexico, and Texas that divides the water supply of the Rio Grande among the three states. Interestingly, EBID is, according to the Compact, the delivery point from New Mexico to Texas is not at the state line, but at Elephant Butte Dam, placing EBID in Texas for purposes of the Compact. In this discussion, New Mexico refers to the Compact definition, above Elephant Butte Dam.

The Compact divides the water among the states based on a sliding scale. New Mexico's obligation

to deliver water to Texas at Elephant Butte Dam is determined by the flow at Otowi Gauge near Española, just below the confluence of Rio Chama and Rio Grande. The more water that goes past Otowi, the more New Mexico must deliver to Texas. If New Mexico delivers more water than its obligation to Texas requires, the excess is held in Elephant Butte Reservoir as credit water in the account of New Mexico, and it is not available for allocation or release to the RGP. Credits are calculated at the end of the year and applied to New Mexico's account in March of the subsequent year.

Last year (2010) was an unusual year in that the snow pack was slightly better than average, but the resulting runoff was quite disappointing. As a result, the flow past Otowi, and New Mexico's obligation to deliver water to Texas, were lower than average. However, a productive monsoon season brought in a significant amount of runoff that reached the river below Otowi, thereby creating no obligation for delivery to Texas, and resulting in a large credit to New Mexico.

The large credit creates an issue with the 2011 allocation. The RGP allocated water as it came in to the reservoir. The Compact credit that would result from the inflow was not yet known at the end of October. EBID ended the season with about 20,000 acre-feet in its account for next year, and EP1 has about 220,000 acre-feet. EBID generally tries to use all of its surface water in a given year to conserve groundwater for times of short water supply, whereas EP1 tries to maintain its carryover at the maximum by not using its full allocation to provide a stable water supply for their district, which generally lacks the groundwater resources of EBID. They have built their balance since 2006, and any unused water in excess of their maximum (233,000 acre-feet) is transferred to EBID.

New Mexico increased its Compact credit balance from 2010 to 2011 by about 134,000 acre-feet, and that credit will be applied in March of this year. The problem is that the RGP has already allocated that water when it came in, as it was usable water for the RGP. Removing it from the pool of usable water available to the RGP will create a negative amount of water available for allocation to the RGP. In the 2010 column of the table below, the water supply conditions for February 2, 2011 are used to illustrate the point. The current storage in Elephant Butte and Caballo reservoirs is 474,227 acre-feet. After subtracting out the 2010 credits for New Mexico (and a small amount for Colorado) and San Juan-Chama imported water, there is 335,694 acre-feet of usable water for the RGP. Subtracting out the water in the carryover accounts of the two districts (20,015 acre-feet for EBID and 224,348 acre-feet for EP1) would leave 91,331 acre-feet of water for this year's allocation. While this would not be a good starting point, it is certainly better than after the credit is applied. New Mexico increased its credit by about 133,700 acre-feet due to the peculiar runoff conditions, and the San Juan-Chama water increased by about 4,000 acre-feet. These are round numbers because the official numbers are not yet released. Subtracting these components of unusable water from the total as shown in the 2011 column in the table leaves a balance of -46,573 acre-feet available for this year's allocation.

Wednesday, February 02, 2011

	2010	2011
Elephant Butte Reservoir	474,227	474,227
Caballo Reservoir	23,563	23,563
Total Project Storage	497,790	497,790
Compact Credit Water	-101,300	-235,000
San Juan-Chama Water	-60,796	-65,000
Usable Water	335,694	197,790
EBID Carryover	-20,015	-20,015
EPCWID Carryover	-224,348	-224,348
This Year's Water	91,331	-46,573

The bottom line is that we won't start building on the 20,015 acre-feet in our account until the inflow makes up the 46,573 acre-feet that we allocated last year. That will probably occur in mid to late February, depending on conditions. The main snowmelt runoff season is generally between March and July, so this year we'll be running on water as it comes in.

We anticipate a late start to this year's water season, probably in April. EP1 is planning to start in March, so they will wet up the river and improve our efficiency. We plan on running under very strict operating rules this year to maximize the water we can allot and deliver, and depending on orders, we hope to make deliveries into September.

Obviously there is still a great deal of uncertainty in the water supply for the year. We still have another month of snow season, and the monsoon season from July to September has a major effect on our operations and water supply. It is very likely that we will be starting late, so you should make sure you have access to the groundwater you may need to get started. We will also be assessing likely Compact credits each month and allocation RGP water accordingly. We will continue to update you as the season unfolds.

Steve Hernandez reported on legal matters.

- LRR 302 – City of El Paso/Montoya Drain. Open- SAH
- LRR 303 – Hatch Easements. Open -SRB
- LRR 323 - Policies, Relinquish of Easement and Excess of Real Property. Open-SLH
- LRR 342- Protest to DAC and Verde Reality Water Rights Apps, Reopen-LEP
- LRR 345 – Lack/EBID Land Exchange and Flow Easement. Open-LEP
- LRR 351 - Request to realign ROW boundaries, Stahmann. Open-SAH
- LRR 359 – LRG MD Surface Water Treatment Facility Proposed Plan. Open-BJS
- LRR 365 - Assessment Roll Reconciliation. Open-SRB
- LRR 366 – Rincon Arroyo Weather Station MOA. Open-SAB
- LRR 367 – Sierra County Communication Tower on Caballo Mountain MOA. Open-SRB

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

Tom Simpson motioned and Scott Adams 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:

- State ex. rel. D'Antonio vs. EBID CV 96-888 (Stream Adj.)
- CLC Well Applications-LRG 430-S-36

Following closed session, Tom Simpson motioned and Scott Adams seconded to return to open session. No topics other than those set forth above were discussed at the closed session.

Following closed session the following motions were made:

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

The next meeting of the Board of Directors will be held on Wednesday, February 9, 2011.

Legal  
Update

LRR  
Report

Lunch  
Break

Open/  
Closed  
Session

Adjourn