

**ELEPHANT BUTTE IRRIGATION DISTRICT
BOARD OF DIRECTORS MEETING
March 03, 2012**

The monthly meeting of the Board of Directors of the Elephant Butte Irrigation District was held on Wednesday, March 14, 2012. The meeting was called to order by President James Salopek on a motion by Jerry Franzoy, seconded by Robert Sloan. Motion carried. All members in attendance.

Roll Call

EBID personnel present were Zachary Libbin, Junior Engineer; Chuy Morales, Engineer Tech; Gail Norvell, Controller; Valerie Beversdorf, CR/GIS Director; Leslie Kryder, GIS Specialist; James Narvaez, Hydrology Director; Leo Barrett, Maintenance Director; Erek Fuchs, Groundwater Resource Manager; Naomi Ontiveros Executive Secretary.

Also present were Samantha Barncastle, Law Office of Steven L. Hernandez; Dr. Phil King, Hydrology Consultant; Frank Mesa, Arturo Lucero, Nacho Bustamante and Richard Llanez, EBID Constituent; Mariano Martinez, DA Mutual; Beth Bardwell, NM Audubon; Hilary Bringer, NM Dept. Ag.; Ray Hartwell, Ecosystem Economics; Hoyt Graham, Crystal Enoch and Ron Reynolds, Zia Gas.

Robert Faubion moved and Willie Koenig seconded to accept the February board minutes. Motion carried.

Minutes Approval

The calendar was discussed. Gary advised the Board he will be attending the Spring NM Floodplain Managers Association Conference in Socorro on March 15th and will make a presentation. The Rio Grande Compact Annual Meeting will be held in Austin, TX on March 21st. Gary also adds the NWRA Annual Conference is March 26-28th in Washington, DC; James Salopek, Steve Hernandez and himself will be attending.

Calendar of Events

Joe Nelson addressed the board and read a statement of resignation: "To the Elephant Butte Irrigation District Board members and staff, I Joe Nelson, formally request to resign from the elephant Butte Irrigation District Board from district 9. I have enjoyed being on the board and hope I have done a good job for the farmers in the district and the board. It has been a privilege for me as a first generation farmer in the Mesilla Valley to be on this EBID board and I thank all the Board members and farmers for putting their trust in me. As my last official duty on the Board I would liked to nominate my neighbor and friend Bobby Kuykendall. Bobby is a sharp young farmer and will be an asset to the board." Mr. Kuykendall was at the meeting as an observer and expressed his willingness to serve on the Board. Robert Faubion motioned and Scott Adams seconded to accept Joe Nelson's resignation and appoint Bobby Kuykendall to fill the remaining term of Joe Nelson. Motion carried. Mr. Kukendall was sworn in at the end of the meeting.

Resignation of Joe Nelson

Beth Bardwell with NM Audubon presented an update on the Rio Grande Canalization restoration project. The restoration project has been an ongoing work in progress since 2004. It is to identify and restore habitat and restoration sites from Caballo to El Paso. The Fish and Wildlife Services (USF&WS) has recently issued a notice to designate critical habitat for the Southwest Willow flycatcher which can have significant impact on the collaborative effort already underway and will affect the restoration project in a negative waysince so much work has been done without a designated critical habitat. Audubon, EBID and IBWC all felt their efforts put were sufficient and better for the habitat and have written letters to USF&WS. Beth adds IBWC has selected 30 sites and out of those sites 5 sites are being looked at for a pilot restoration sites currently with local USF&WS staff. NM Audubon and EBID received funding from IBWC through USFWS and National Fish & Wildlife Foundation (NFWF) to implement Rio Grande water transaction program. This program is underway and will provide water to the restoration sites thru the acquisition of water rights from EBID.

License List for Special-Use-Permits for March 14, 2012 Board Meeting

Licensee	Assessment	Fees Requested to be Waived
2012-L-002 Juan Moreno	\$1,566.67	Requested Waived

To construct, operate and maintain a vehicle crossing on the Angostura Lateral at Sta# 68+83		\$1,566.67		Special Use Permits
			Farm Use	
2012-L-005 Zia Natural Gas Co				
To construct, operate and maintain a buried utility crossing the Westside Canal at Sta# 303+00	Blanket Agreement			
2012-L-006 Zia Natural Gas Co				
To construct, operate and maintain a buried utility paralleling the Lower Chamberino Lateral from Sta# 38+50 thru 44+00	Blanket Agreement			
2012-L-008 Zia Natural Gas Co				
To construct, operate and maintain a buried utility crossing the Deck Lateral at Sta# 67+57	Blanket Agreement			
2012-L-009 Zia Natural Gas Co				
To construct, operate and maintain a buried utility crossing the West Drain at Sta# 713+71	Blanket Agreement			
2012-L-010 El Paso Electric Co				
To construct, operate and maintain an overhead utility paralleling the Elwood Lateral from Sta# 30+00 thru 35+00		\$2,808.98	Requested Waived	
			\$2,808.98	
			Farm Use	
2012-L-011 Bobby Ortega				
To construct, operate and maintain a Wellpipe Crossing on the San Miguel Lateral at Sta# 250+37		\$1,566.67	Requested Waived	
			\$1,566.67	
			Farm Use	
2012-L-012 Zia Natural Gas Co				
To construct, operate and maintain a buried utility crossing the covered portion of the West Drain	Blanket Agreement			
2012-L-013 Emilio Enriquez				
To construct, operate and maintain an irrigation pipe Crossing on the La Union East Lateral at Sta# 63+08		\$1,666.67	Requested Waived	
			\$1,666.67	
			Farm Use	
		\$7,608.99	\$7,608.99	
Total Assessments			\$0.00	

Zachary Libbin presented to the Board the Special Use Permits for the month of March. Permits excluding Zia Natural Gas were discussed and a motion made by Robert Faubion and second by Robert Sloan was made to approve the partial list of permits. Motion carried. Permits pertaining to Zia Natural Gas were discussed. Henry advised the Board he had several concerns with what Zia had submitted as permit crossings; one being Zia will not be using a concrete cap over their pipe installation. Mr. Ron Reynolds with Zia Natural Gas was asked to explain to the Board his justification for requesting a waiver from the established requirement of metal pipe or a concrete cap on their pipe lines. Mr. Reynolds explained that he feels a concrete cap will not be needed because of the high density poly pipe they use and that EBID requirements are cost prohibitive for Zia's policy of free connections to new users. Mr. Reynolds added that they use tracer wire attached to their pipe to be able to locate their pipelines and this provides a safety factor. Henry noted that the minimum requirement in depth is currently 3 feet below open channels and stated that a deeper depth could resolve his concerns. Mr. Reynolds and his contractor explained that deeper boring requirements would not be a problem. Leo Barrett also raised concerns for safety of not using a concrete cap over the utility lines. Leo stated then when digging with a backhoe, plastic pipe can easily be broken and cause a major hazard to our employees within the area. Zachary noted there will be no warning tape installed where pipe lines are directionally bored and Leo added that not having warning tape was a safety concern. Mr. Reynolds assured the Board that all new pipelines would include tracer wire and that those installed by an open trench will include warning tape. After much discussion Robert Faubion directed EBID staff to coordinate with Zia to make sure concerns and issues are resolved. Robert Faubion moved and Scott Adams second to approve permits with variances. Motion Carried.

Henry Magallanez presented to the Board a request from Dona Ana Mutual Domestic for a blanket agreement that includes payment for past permit fees in annual or quarterly installments. The proposed plan would be over the 25 years paying approximately five thousand per year. Fees for existing unpermitted crossings were proposed by Henry to be based on a five year permit assessment fee, any new permits acquired will be asked to be paid in full at time of permit. It was noted that no interest rate had been included in the proposed payment plan. Mariano Martinez advised the Board that he would like to resolve all outstanding balances and unpermitted crossings and would like to maintain a good working relationship with the district. He also advised the Board that any new permits will be paid in full upfront, many by grant funding. The Board directed EBID staff to coordinate and bring an improved agreement proposal to the April Board meeting.

Leo Barrett gave the Maintenance update. The Del Rio Drain pipe will be going in for the Salopek Farms. Canal and culvert cleaning throughout the CLC and outer limits of the city is continuing. Leo expresses how proud he is of two watermasters Ray Barela and Casey McGuire and all the men for doing an amazing job on the Selden Lateral project. He also advised the Board, Ross Erwin has been promoted to Fabrication Foreman and is proud of all the work Ross has done for the district not only with his great welding skills but with his ability to save the district on cost with being able to do most of the fabrication work in-house.

Dr. Phil King gave the update on the water allocation and outlook for March. The snowpack in the headwaters of the Rio Grande continues to be about 80 % of average for this time of year. The current NRCS forecast for unregulated runoff from March through July at San Marcial is 70 percent of normal, the same as last month, but expect a drop in the April forecast. The current allotment to EBID constituents at this time would be a seven to eight acre-inches per acre. Dr. King adds Mexico has requested a 2 cms (71 cfs) for delivery by March 20th and if this should occur it would drive the diversion ration down for the District hurting EBID's allocation. Once again the drought continues and it will be a short allocation season.

James Narvaez Hydrology Director, proposed a plan for a more efficient delivery of Constituents water this year. The plan consists of five primary objectives. 1. Maximize Demand 2. Maximize Delivery 3. Maximize limited staff 4. Improve District Efficiency 5. Maximize District Allotment. This

Maintenance
Department
Update

Operations/
Hydrology
Report

procedure will try to condense unit operations so that field personnel are put in position to assist with high demand and delivery and adapt to situations as the irrigation season progresses. Units will run on a demand rotational basis keeping the water pressure high and not allowing the order to be spread out. For example, the Arrey canal will be split by units in a four day irrigation rotation. Unit 1A will water for three to four days once orders are delivered in that unit water will be transferred to Unit B where they will deliver for the next three to four days. The water will then be transferred to the Unit 1A to begin the process over again. The program will be district wide and all main diversions will contain water with the rotation based on each individual main requirement. Projections are that efficiency will be improved by 20% the impact of that is nearly 2 inches of water saved that can be added to the district Constituents.

Erek Fuchs gave the Groundwater report. Erek advised the Board that he attended the Copper Flat Mine scoping meeting in February in T or C as part of a formal EIS process that the BLM is required to carry out due to the public lands involved. The meeting was very well attended by local residents with overwhelming support for the mine reopening as soon as possible. Erek presented to the Board a scoping comment form that he submitted to the BLM reflecting the concerns of EBID about the mine.

Groundwater
Resource
Report

Erek also advised the Board that he has had several constituents call and visit with him regarding the OSE prove-up notice following the settlement of Stream System Issue 101 in the adjudication. He expressed how careful the District and he are handling questions in this matter so as to not give any particular legal advice that may not be appropriate since this is still on ongoing legal matter.

Valerie Beversdorf gave the CR/GIS update. Valerie reported that our Internet service has been up and down since Thursday of last week and she has been in constant contact with the District's Internet service provider, Century Link to make sure it continues to get worked on and resolved.

CR/GIS
Report

Valerie asked Gary to report to the Board regarding the Stormwater Coalition since she was out of town when the Coalition met on March 8th. Gary reported that the Coalition election of officers was finalized with Gary being elected as Treasurer. Gary stated that the Coalition plans to develop by-laws and a plan to start addressing storm water issues.

Storm Water
Coalition

Valerie also discussed Vision 2040. Vision 2040 was adopted by the City of Las Cruces on February 21 and by Dona Ana County on February 28th. Valerie adds she will bring in a copy of the final document for the Board to review at the next board meeting.

Vision 2040

Delyce Maciel gave the HR/Safety update. The current employee count is 84; Henry Magallanez retired, one operation employee will be leaving during this month and one tentative retirement in April which will bring the count to 82. EAC is scheduled to meet April 24th at 8 am. The Water festival is scheduled for March 15th at Young Park in Las Cruces. The District plans to present the water trailer to approximately a thousand 3rd and 4th grade students. Delyce adds her thanks to the hydrology department and everyone involved in making the water trailer for all there hard work.

HR/ Safety
Report

Gail Norvell presented to the Board the financial reports for the Month of February 2012. Cash in the bank is \$823,272, assessments receivable is \$1,531,313 and investments \$7,299,727 for a total increase of \$827,100 over February 2012. Grant projects are on going and in process.

Controller
Report
Financial
Fact Sheet

Gail presented to the Board a consulting contract for Henry to work under since many jobs and task involve his expertise. Ramon Alvarez motioned and Robert Faubion second to approve the consulting contract for Henry. Motion carried. Henry was presented a plaque and a watch for his 27 years of service and dedication the district.

IT Contract

Gary Esslinger advised the Board that Robert Faubion will be attending the Law of the Rio Grande in Santa Fe. Willie Koenig motioned and Scott Adams second to approve sending Robert Faubion to Santa Fe. Motion carried.

Managers
Update

Gary discussed with the Board a few concerns and issues the District has had with the State Parks. When the State Parks requested to put foot bridges we advised them they would need to keep

them locked so it would not be a public access until the MOU has been approved. Now they have gone in and put a parking lot without the permission and have trespassed on our right away. Gary advised he did send out a notice letting them know this was illegal and they had until the end of the month to remove the parking lot and finalize the MOU.

Bobby Kuykendall was sworn into office to fill the unexpired term of Joe Nelson by President James Salopek. He was welcomed and Joe Nelson was thanked for his years of service on the EBID Board of Directors and was presented with a plaque for his serve and dedication.

Swearing in
of Bobby
Kuykendall

Steve Hernandez and Samantha Barncastle reported on legal matters.

- LRR 302 – City of El Paso/Montoya Drain. Open- SAH
- LRR 303 – Hatch Easements. Open -SRB
- LRR 345 – Lack/EBID Land Exchange and Flow Easement. Open-LEP
- LRR 351 - Request to realign ROW boundaries, Stahmann. Open-SAH
- LRR 367 – Sierra County Communication Tower on Caballo Mountain MOA. Open-LEP
- LRR 384- LRR Reclassification Amendment of Current Policy-Open- SRB
- LRR 386- Lien Form and Process for Delinquent Farm Accounts- Open- SRB
- LRR 387- Drain Right of Way Use-Open-SRB
- LRR 390- Determine ownership of Rhodes Arroyo Dam and Leasburg Dam-Closed- LEP
- LRR 391- 2012-2014 Draft Integrated CWA 303d/305b-SLH-Closed
- LRR 392- Rio Grande Water Transfer Program-Open-LEP
- LRR 393-Diez Lagos Public Comments- LEP- Closed
- CID Update-SLH/SRB

Legal
Update

LRR
Report

Robert Faubion moved and Scott Adams seconded to break for lunch. Motion carried. Following lunch, Jerry Franzoy moved and Scott Adams seconded to reconvene the meeting. Motion carried

Open/
Closed
Session

Jerry Franzoy moved 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.)

- SSI 101-CIR/FDR
- SSI 103-Domestic Wells
- SSI 104-US Project Water Right
- SSI 105-Expedited Inter Se-Boyd Claims

LRR 342/ Matter 150-2nd EBID Protest to Verde Realty Operating Partnership Application

LRR 358/ Matter 151-EBID Protest to City of Las Cruces Well Application- LRG 430-S-36
and LRG 5818

Matter 155- EBID Protests to County of Dona Ana Applications LRG 3150 B and LRG 9356
AWRM Appeal to Supreme Court

Diez Lagos Properties

LRG-3150-D into LRG-12171-S-2 and LRG-3229 Protest to Application of Sunland Park and

Charles Johns

State of NM vs. US/EBID/EP#1. MP/ 11-CV-691/WDS

There being no further business, Robert Faubion moved and Robert Sloan seconded to adjourn the meeting. Motion carried.

Adjourn

The next meeting of the Board of Directors will be held on Wednesday April 11, 2012.