

**ELEPHANT BUTTE IRRIGATION DISTRICT
BOARD OF DIRECTORS MEETING
June 11, 2014**

The monthly meeting of the Board of Directors of the Elephant Butte Irrigation District was held on Wednesday, June 11, 2014. The meeting was called to order by President James Salopek on a motion by Tom Simpson, seconded by Robert Faubion. Motion carried. Robert Sloan was absent.

EBID personnel present were Gary Esslinger, Treasurer-Manager; Zachary Libbin, Junior Engineer; Leo Barrett, Maintenance Director; Naomi Ontiveros Executive Secretary; Erek Fuchs, Groundwater Resource Manager; Delyce Maciel, HR/Safety Director; Richard Bejarano, Small Track Watermaster; James Narvaez, Irrigation Systems Director; Gail Norvell, Controller; Sammy Gonzalez, Roman Ramos, Raymond Barela, Armando Jacquez Assist. Watermasters; Dennis McCarville, GIS Analyst; AJ Carlson, Land water Analyst.

Also present were attorneys Steve Hernandez, Samantha Barncastle; Dr. Phil King, Hydrology Consultant ; Greg Daviet, Les Daviet II, Dixie Ranch; Fred Covington, Picacho MDWCA; John Clayshulte, EBID member; Michael Riley, OSE.

The Pledge of Allegiance was read by President James Salopek followed by an Invocation given by Marty Franzoy.

Marty Franzoy motioned and Jerry Franzoy second to approve the May 14, 2014 board minutes as they appear in the board book with the revisions page handed out. Motion carried. Willie Koenig motioned and Michael McNamee second to approve the April 22, 2014 Special Board Meeting minutes. Motion carried.

Gary Esslinger advised the Board and guests EBID's Patrick Lopez has been promoted to Technology Director; a Staff member position. As Technology Systems Director he will be overseeing the IT and SCADA systems. Patrick has showed great leadership and work ethic working with EBID. We are all excited to have Patrick as a Staff member and look forward to continue to see the great work he does for the District. Gary also recognizes Erek Fuchs who was the Interim IT Director and kept IT together. The Staff appreciates all the work Erek has done.

The calendar was discussed:

- June 12th-DASWCD Meets at 9 am
- June 12th- IBWC Planning Mtg
- June 12th-NM-NWRA Mtg in Albq. Steve will attend so Gary may participate in the above noted meeting.
- June 19th @1:30 pm-Stormwater Coalition Meets
- June 24th- Rio Grande Basin Partnership Mtg in Albuquerque.
- June 30th- IBWC Watershed Event
- July 4th- Office will be closed in observance of 4th of July Independence Day
- July 9th- EBID Board Meeting
- July 28-30th- NWRA Annual meeting in Flagstaff, AZ

Non-Moratorium			
License List for Special-Use-Permits for June 11, 2014 Board Meeting			
Licensee	Assessment	Term	Fees Requested to be Waived?
2014-L-035 NEW MEXICO GAS CO.	\$7,296.81	25 Years	Yes
To construct, operate, and maintain a gas utility paralleling the Hatch Canal from Approx. Sta# 239+50 thru 247+00 and crossing the Placitas Spur Drain at Approx. Sta# 18+50			\$7,296.81
			Farm use
2014-L-036 DOCI ALVAREZ	\$1,766.67	10 Years	Yes
To operate, and maintain an existing flume crossing the East Drain at Approx. Sta# 340+20			\$1,766.67
			Farm use
2014-L-051 LOWER RIO GRANDE PWWA	\$2,916.67	25 Years	
To construct, operate, and maintain a new water utility crossing the Three Saints East Lateral at			

Roll Call

Pledge of Allegiance & Invocation

Minutes

New Staff Member

Calendar of Events

Special Use Permits

Approx. Sta# 14+00			
2014-L-052 DONA ANA MDWCA			
To construct, operate, and maintain a discharge pipe into the Leasburg Canal to test drinking water at Approx. Sta# 32+00	\$1,180.82	25 Years	
2014-L-053 NEW MEXICO GAS CO.			Yes
To construct, operate, and maintain a gas utility paralleling 1,274' on the west bank of the La Union West Lateral from Approx. Sta# 89+00 thru 101+74	\$6,125.29	25 Years	\$6,125.29 Farm use
2014-L-054 RJF Farms			Yes
To pump-in to the Salem Lateral at Sta# 95+39 and take out at various locations on the Salem Lateral	\$6,125.29	10 Years	Farm use

Zachary Libbin presented the Special Use Permit applications for the month of June to the Board. Samantha Barncastle noted she would like to review permit 2014-L-052 Dona Ana MDWCA. Adding she needs to verify that there are no permits needed or permit conditions applied due to the Clean Water Act and Waters of the US guidelines. Zack advises the board permit application 2014-L053 New Mexico Gas Co is a request to parallel 1,274' and Staff is not agreeable with the design as proposed by NM Gas because it is plastic pipe and is indicated 3' below the canal bank which is not deep enough at this location. This location has had numerous ditch breaks and is a hazard. The pipe design should be deepen and require a metal or concrete cap. Zack is requesting the board require the pipe be metal and installed 3ft below the invert of the canal. Marty Franzoy motioned and Robert Faubion second to approve the permit list as presented with the set conditions per legal and staff recommendations. Motion carried.

Zack presented an Encroachment Agreement for Mr. Jeff Flores. The proposed agreement was originally drafted by Hubert & Hernandez law firm. Samantha Barncastle requested to review and make changes including changing the title to read "Permit" rather than "Agreement to Grant". Robert Faubion motioned and Marty Franzoy second to approve the presented agreement with changes made per legal. Motion carried.

Zack advised the Board of the status of the applications for NMED Water Quality Improvement Project Grant and NMSU Low Head Hydro Power Grant. It was decided by Gary and Staff that at this time it would be the in the best interest of the District to not participate due to the large cost share and property ownership concerns.

Zack presented the board with Policy 2005-ENG 12&13. The policy was for discussion due to last month's request for reconsideration on the old reclassification list. It was noted that due to the constituent having less than 2 acres, he did not qualify for reclassification nor to receive EBID water rights from the old list. Legal recommends that he be advised of his ability to purchase water rights from a private party and then apply asking for a variance from the Board of Directors. Staff will respond if Mr. Marquez chooses to purchase water rights on his own.

Storage Status

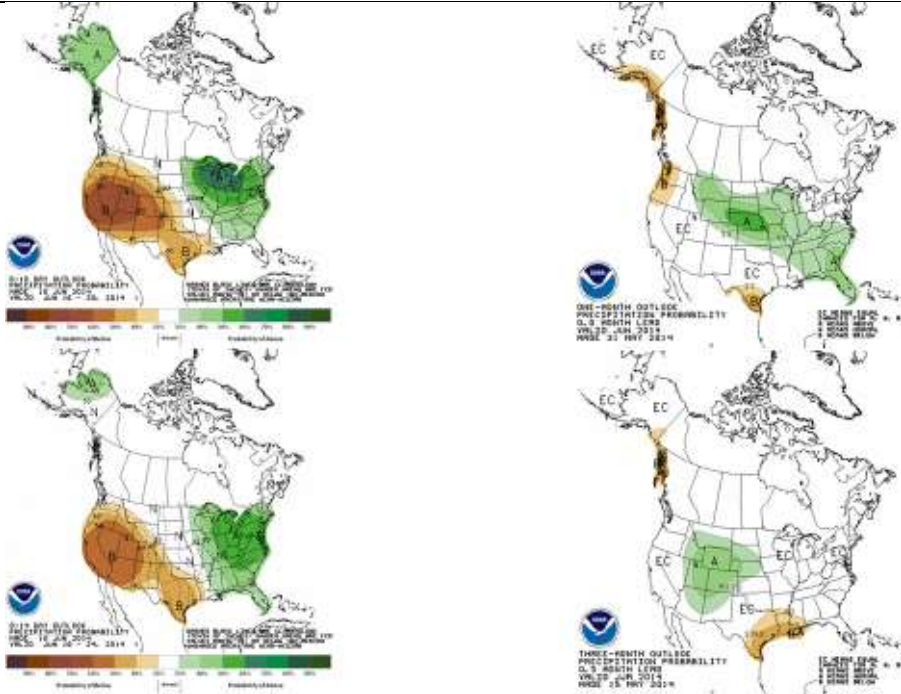
June 9, 2014	Acre-feet
Elephant Butte Reservoir	321,101
Caballo Reservoir	28,798
Total Storage	349,899
Est. Rio Grande Compact	(77,923)
Est. San Juan-Chama	(16,950)
Caballo Dead Storage	(5,500)
Total Usable Storage	249,526
Released from Storage	70,900
Estimated gains/losses	(10,000)
Seasonal Usable Water	310,426
Computed Inflow/day	390

Encroachment List

Grant Proposals

Policy 2005-ENG12&13

Hydrology Report

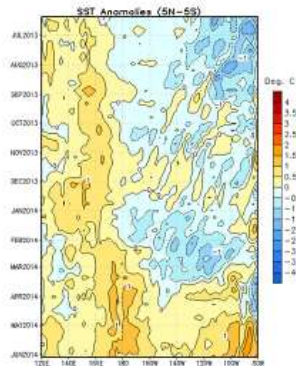


**Recent Evolution of
 Equatorial Pacific SST
 Departures (°C)**

During May-September 2013, well below-average SSTs were observed over the eastern half of the Pacific.

From January- February 2014, SSTs were mostly below average across the eastern equatorial Pacific.

Since March, SSTs have been above average across the Pacific Ocean, especially in the eastern Pacific and near the Date Line.



 Update prepared by:
 Climate Prediction Center / NCEP
 9 June 2014

Take-home points

- Estimated allotment still in 6 inch range
- River losses remain high and could bring EBID allocation down
- Short release certain: 7-9 weeks with no help from monsoon
- El Niño development very likely.

Dr. King adds that he does not expect a monsoon to develop strongly while EBID is in season and the precipitation forecast is not looking good. He is having difficulty getting an accurate reading on the river losses because of fluctuation but will continue to monitor closely as date comes in. He continues to recommend a 6" allotment and suggests that within the next week the district starts looking and planning the end/order dates. In Hatch Valley. The next scheduled allocation meeting is set for July 8th with the allocation committee. He advised the board that IBWC could not deliver water to Mexico that was ordered due to a dirty river channel between the American and the International Dam. Tom Simpson asked Dr. King why the river is fluctuating a lot. Dr. King advised that the increase in orders demand and moving water from one heading to another and flushing trash is a problem. Another factor is the uncertainty over the river losses makes it difficult to determine what to release to make the deliveries needed.

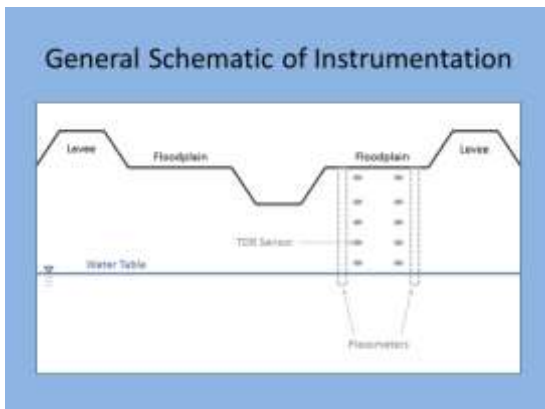
James Narvaez advised the board there have been 7 ditch breaks with no major damages to report.

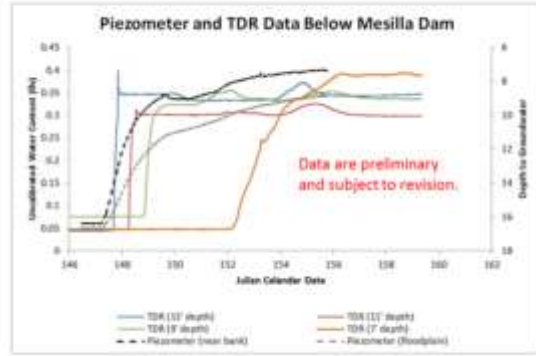
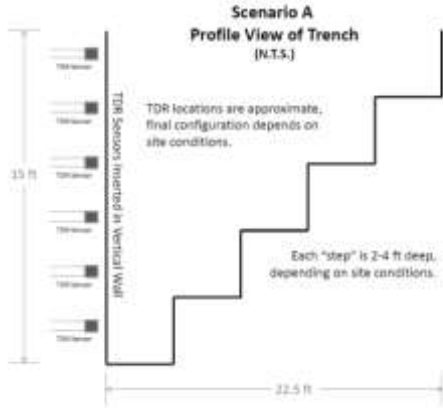
- May 28th Rincon (2)
- May 30th Anderson Lateral

- June 1st Laguna Lateral
- June 8th Rincon
- June 10th Las Cruces
- June 8th Little La Union

After the June 4th Special Board meeting where it was agreed to release an additional 250 cfs over the Water Budget set by the Allocation Committee, the Operations department was able to meet the demands of the farmers who had placed orders and for those who were trying to order. As of the 7th of June, 15,000 acft has been released with charges of 7,155 acft which work out to a 46 % efficiency. Farmers with large acreage are now beginning to water with full heads in the Hatch area and the Mesilla farmers are now beginning to place orders. James Narvaez commends the Watermasters and ditchriders on how well they are doing coping with a 6" allotment and a new computer system. Jerry Franzoy follows James and complements Sammy Gonzales, Hatch Watermaster, and the ditchriders for always working with the farmers. James notes he anticipated complaints and confusion with the new billing system and will continue to make sure the constituents are helped and receive their water. Jerry suggests an employee be placed at the Hatch yard so farmers are able to get the help they need when placing orders. Gary advises Jerry that since James is the only one that knows the system at this time he will make sure that James will be in Hatch to work out any problems for these farmers who are having difficulty. Gary stated that James is training up an employee at this time to handle issues in the Las Cruces area. EBID constituent John Clayshulte expressed his frustration on the current system and has had ditchriders express their own frustrations on the system and feel they cannot approach management for fear of reprimand. Gary indicated that farmers could call in their orders without setting up an account, just like they did last year, but order morning on Mondays, the phone is always busy. Gary advises him that the old system was failing and had to be replaced. Gary tells Mr. Clayshulte and Marty Franzoy that they have trained their Watermasters and ditchriders on the system and have asked them to use their laptops as a tool to help them with their water order. The problem was the ditchriders were unable to use the system in a "real time" situation so they weren't able to get a full understanding of how the new program would work until water was in the canals. He adds that in no way would an employee receive any retribution or retaliation for not completely understanding the new system. Gary advised Marty that as of Monday all farmers were able to place orders and no one had been denied water and the "glitches" in the system were taken care of. Marty Franzoy states the most important thing is that all farmers are able to place orders no matter the situation. He feels that in this critical time; farmers that may only be able to pay one account and not the other and they should be allowed to irrigate. If a farmer has 5 farms, but can only pay on 4 right now, he should be able to pay the 4 and only water the 4 accounts. Robert Faubion asked if the new system is able to give that option. Gail advises that the new system can work that way and they can pay on individual parcels. Gail said she would verify that the system was allowing farmers to order water in this manner. Tom Simpson posed the question to James is 10 cfs considered a head of water? James responded with yes it is considered an average head of water in some cases but certain canals do need more volume to provide more cfs flow. Tom disagrees with James and feels that 10 cfs is not enough water to irrigate and the district should look at improving the efficiency of the canal to deliver more cfs. Tommy reminded staff that the communication between the farmer and ditchrider is still very important and critical in these drought times.

Erek presented to the board the RG Canalization Project Seepage Study. He gives recognition to Leo for an outstanding job in getting the study site prepared and to Patrick who designed, built and installed a data-logger enclosure to receive data sensor information. The installation of instruments at this site was needed to better understand the mechanics of seepage in the river, and to use the data to calibrate a vadose zone model to better predict seepage rates water in the river. Increased pumping and lack of surface water recharge has resulted in a system with an increased hydraulic gradient (dh/dz), which has caused unprecedented increases in river seepage.





Gail Norvell presented to the Board the financial reports for the Month of May 2014. Cash in the bank was \$718,954, assessments receivable was \$818,317 and investments \$8,063,442 for a total increase of \$559,117 over May 2013.

Financial
 Fact Sheet

Gail presented contracts for Board review and approval:

- DAC MOU- Emergency Maintenance
- Dr. Fernando Cadena- Environmental Engineering Service
- Dr. James Covey- Professional Engineering Service
- King Engineering- Civil Engineering/Expert Witness
- Thomas Maddock II- Expert Witness
- Plumbing Services- Precious Refrigeration
- Landscape Design Services- Rolsten St Hilare
- Mesilla Valley Appraisal- ROW Appraisals
- Deer Oaks EAP Services- Employee Benefit Employee Assistance Program
- Peters Law Firm-LLC – Professional Legal Services
- Steven L Hernandez, PC- Professional Legal Services
- Kennedy, Moulton & Wells- Professional Legal Services
- Electrical Services- LE Electric and D& H Pump.
- Fire Extinguishers Sales and Services- Central Fire and Safety

Contract
 Renewal/
 New

Bobby Kuykendall motioned and Marty Franzoy second to approve all Renewal and Expired contracts as presented. Motion carried.

Gary advised the board that Wayne Cunningham has resigned as President of the NMWRA and also Treasurer of the NWRA. At the annual meeting scheduled this fall the NM WRA will have an election determine who will fill the board of directors seat representing NM on NWRA.

Managers
 Update

Steve Hernandez and Samantha Barncastle reported on legal matters.

- LRR 303- Hatch Easements for Work on Placitas Arroyo- SRB-OPEN
- LRR 345 – Lack/EBID Land Exchange and Flow Easement-LEP-OPEN
- LRR 386- Lien Form and Process for Delinquent Farm Accounts- SRB-OPEN
- LRR 387- Drain Right of Way Use- SRB-OPEN
- LRR 394- Review BLM Letter Regarding Copper Flat Mines- LEP-OPEN
- LRR 399- Amend and Revise Original Document with Zia Natural Gas-LEP-OPEN
- LRR 406- IBWC O& M Flood Gate MOU-LEP-CLOSED working under LRR 441
- LRR 409- Transfer of Tortugas #2 Dam-LEP-OPEN
- LRR 410- Kit Carson Rd Permit-LEP-OPEN
- LRR 424- 1920 Conversion Act for Change of use, water rights
- LRR 425- JPA and Transfer of Loan to LRGPWWA-LEP-OPEN
- LRR 426- Acosta Land Lock-SRB-CLOSED
- LRR 428- Haddad v. Picado, et. al- SRB-CLOSE
- LRR 429- Petition for Writ of Mandamus against SE-SRB-OPEN
- LRR 430- NM Government Conduct Act-LEP-OPEN
- LRR 432- Chamberino Well Protest-LEP-OPEN
- LRR 433- Hot Springs Basin Protest-LEP-OPEN
- LRR 434- BLM Issues Re: Sibley Green Site 4, Sibley Green Site 5 and Crow Broad Placitas Dams-LEP-OPEN

Legal
 Update

LRR
 Report

LRR 435- NMED-SWQB Seeks Public Input: WQS ins MRG-SRB-OPEN
LRR 436- NMED-SWQB Draft NPS Management Plan-SRB-OPEN
LRR 437- NM General Services Dept.-Risk Mgmt Division-SRB-CLOSED
LRR 438- Fincham Mobile Storage-SRB-OPEN
LRR 439- Division of surface water from RG by EBID-SLH- Closed
LRR 440- Clean Water Act-SRB-SLH-Open
LRR 441- IBWC Issues-SRB-Open
CID Update-SLH/SRB-

Robert Faubion moved and Bobby Kuykendall seconded to break for lunch. Motion carried. Following lunch, Bobby Kuykendall moved and Marty Franzoy seconded to reconvene the meeting. Motion carried.

Bobby Kuykendall moved and Tom Simpson 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. Verhines vs. EBID CV 96-888 (Stream Adj.)

- SSI 102-EBID Claims to Groundwater
- SSI 103-Domestic Wells
- SSI 104-US Project Water Right
- Expedited Inter Se-Boyd Claims and Boyd Appeal to NM court of Appeals
- Pre 1906 Claimants' Motion for SSI and appeal
- Motion to designate SSI regarding Copper Flats Corporation

State of New Mexico vs United States of America, et al.; no. CV 11-00691 JB-WDS
Texas v. NM (USSC)
LRR 342/ Matter 150 & 155-CRRUA
Chamberino Well Protest
Hot Springs Basin Protest
NMED Public Notice 3-27-14 (PN2)
Potential litigation against DAC

Following closed session, Jerry Franzoy motioned and Tom Simpson seconded to return to open session. Motion carried. During closed session only the above-noted topics were discussed.

Following closed session, Robert Faubion motioned and Michael McNamee seconded to protest new permit application filed by Mr. Attaway for Hot Springs Basin. Motion carried.

There being no further business, Willie Koenig moved and Marty Franzoy seconded to adjourn the meeting. Motion carried.

The next meeting of the Board of Directors will be held on Wednesday, July 9, 2014.

Adjourn

JAMES SALOPEK, President

WILLIE KOENIG, Secretary