

**ELEPHANT BUTTE IRRIGATION DISTRICT
BOARD OF DIRECTORS MEETING
December 10, 2014**

The monthly meeting of the Board of Directors of the Elephant Butte Irrigation District was held on Wednesday, December 10, 2014. The meeting was called to order by Vice President Robert Faubion. James Salopek, Jerry Franzoy and Bobby Kuykendall were absent.

EBID personnel present were Gary Esslinger, Treasurer-Manager; Zachary Libbin, Engineer; Naomi Ontiveros Executive Secretary; Erek Fuchs, Groundwater Resource Manager; Delyce Maciel, HR/Safety Director; Gail Norvell, Controller; AJ Carlson, Land water Analyst; Dennis McCarville, GIS Analyst; Stephen Howie, Land Tech I; Leo Barrett, Maintenance Director.

Also present was attorney Steve Hernandez and Dr. Lisa Henne, Law Office of Steven L. Hernandez; Dr. Phil King, Hydrology Consultant ; Jim Hangen, OSE; Greg Daviet, Dixie Ranch; Joe Delk, DASWCD; Andy Nunez, Mayor Hatch, Dave Hostate, OSE, Raymond Chavez, Anthony.

The Pledge of Allegiance was read by Vice President Robert Faubion followed by an Invocation given by Marty Franzoy.

Bobby Sloan motioned and Marty Franzoy second to approve the September 10, 2014 board minutes. Motion carried. Willie Koenig motioned and Bobby Kuykendall second to approve the September 25, 2014 Special Board meeting minutes. Motion carried.

The calendar was discussed:

- December 11th- EBID General Meeting @ Grapevine
- December 25th-January 2nd- EBID Winter Shutdown
- January 7th- Gary Esslinger presents at Rotary
- January 13th&14th- NWRA Leadership; Las Vegas, NV
- January 21st- Steve Hernandez presents at Rotary
- January 28th- Dr. King presents at Rotary

Willie Koenig motioned and Marty Franzoy second to approve the requested change date of the January board meeting from January 14th to January 19th. Motion carried.

| Non-Moratorium | | | |
|--|--------------------|-------------|------------------------------|
| License List for Special-Use-Permits for December 10, 2014 Board Meeting | | | |
| Licensee | Assessment | Term | Fees Requested to be Waived? |
| 2014-L- 087 NMDOT DIST. 1/ ARTHUR J. ROMERO | \$2,916.67 | 25 Years | |
| To operate, and maintain storm water discharge / run off from I-10 into the Mesilla Drain approx sta# 346+00 | | | |
| 2014-L-090 QWEST/ CENTURY LINK | PAID PER AGREEMENT | 10 Years | |
| To operate, and maintain existing aerial trespasses already paid on various canals and laterals. | | | |
| 2014-L-091 QWEST/ CENTURY LINK | PAID PER AGREEMENT | 10 Years | |
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Roll Call

Pledge of Allegiance & Invocation

Minutes

Calendar of Events

Special Use Permits

| | | | |
|---|--------------------|----------|----------|
| | | | |
| 2014-L-093 QWEST/ CENTURY LINK | PAID PER AGREEMENT | 10 Years | |
| To operate, and maintain existing aerial trespasses already paid on various canals and laterals. | | | |
| 2014-L-094 QWEST/ CENTURY LINK | PAID PER AGREEMENT | 10 Years | |
| To operate, and maintain existing aerial trespasses already paid on various canals and laterals. | | | |
| 2014-L-095 EL PASO ELECTRIC COMPANY | \$4,500.00 | 25 Years | |
| To operate and maintain three (3) existing 24KV aerial electrical utility crossing the Upper Chamberino Lateral approx Sta# 297+50, the Chamberino Drain approx sta# 163+50 and the Chamberino East Lateral approx sta#145+50 | | | |
| 2014-L-096 DOUGLAS S. & TYSON S. ADAMS | \$3,533.33 | 10 Years | Yes |
| To operate and maintain two (2) existing vehicle crossings on the Hatch Drain approx sta# 172+44 and approx sta# 167+00 | | | Farm Use |
| 2014-L-098 BILLY D. HALSELL | \$3,333.33 | 10 Years | Yes |
| To operate and maintain two (2) harvest gates on the right bank of the Rincon Drain approx sta# 146+00 & sta# 104+00 | | | Farm Use |
| 2014-L-099 SAMMIE SINGH JR. | \$4,200.00 | 10 Years | Yes |
| To operate, and maintain three (3) existing harvest gates two (2) on the La Union Main Canal at approx sta#'s 887+61 & 904+83 and one (1) on the Jimenez Lateral approx sta# 20+12 | | | Farm Use |
| 2014-L-100 OPHELIA M. CHAVEZ | \$1,566.67 | 10 Years | Yes |
| To construct, operate and maintain a pump in/ pump out well pipe crossing the Picacho Main Lateral at approx sta# 242+00 | | | Farm Use |
| 2014-L-101 MARK WOLSCHLAGER | \$1,666.67 | 10 Years | Yes |
| To construct, operate, and maintain a bridge crossing the La Union East Lateral at approx sta#129+84 | | | Farm Use |

Zachary Libbin presented the Special Use Permit applications for the month of December to the Board. Legal and Staff recommended approval on permits presented excluding permit 2014-L-087 NMDO DIST. 1/Arthur J. Romero. Marty Franzoy motioned and Bobby Sloan second to approve permits presented excluding permit 2014-L-087 NMDO Dist. 1/ Arthur J. Romero. Motion carried.

Zack presented to the board Salopek Farms request for boundary expansion. The first step in the process is to request the boundary expansion and then it will be brought back in front of the Board at the next scheduled board meeting after publication in the newspaper has been completed. The Board accepted the request for

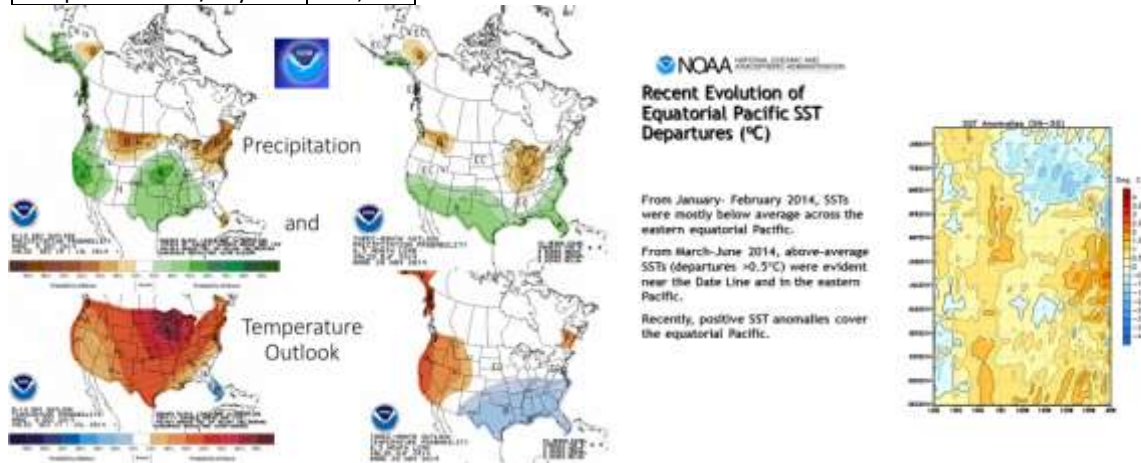
boundary expansion of Salopek Farms.

Storage Status

| December 9, 2014 | Acre-feet |
|--------------------------|-----------|
| Elephant Butte Reservoir | 223,874 |
| Caballo Reservoir | 31,907 |
| Total Storage | 255,781 |
| Est. Rio Grande Compact | (66,534) |
| Est. San Juan-Chama | (12,085) |
| Total Usable Storage | 177,162 |
| Computed Inflow/day | 1,400 |

USDA-NRCS SNOTEL

| December 9, 2014 | SWE, % median | SWE, % peak | Precip, % avg |
|-------------------|------------------|----------------|------------------|
| Upper Rio Grande | 49 | 13 | 51 |
| Sangre de Cristos | 75 | 19 | 83 |
| Rio Chama | 67 | 15 | 70 |
| Jemez | 34 | 6 | 75 |



Allocation Issues

- Canutillo Wellfield adjustment based on Maddock model is 624 AF for 2014. This is based on Third Party Implementing Contract.
- We will look at past impacts with Contract terms and actual hydrology. In a longer year, impacts for both would be larger.
- Final charges are needed to compute actual diversion ratio, final allocation to EBID.
- Small positive carryover is likely.

How it is looking:

- It's early in the water year, but not too early to start worrying
- General forecast is for better winter precipitation than last few years
- Compact accounting will help
- Follow-up on Canutillo

Gail Norvell presented to the Board the financial reports for the Month of November. Cash in the bank was \$1,462,852 assessments receivable was \$5,853,917 and investments \$5,567,470 for a total decrease of \$92,939 over November 2013.

Gail presented the following contract for renewal: Lobbyist contract for Kris Polly. Marty Franzoy motioned and Bobby Sloan seconded to approve. Motion carried.

Gail also presented the following contracts for renewal: IT Contract with Dave Nelson. The work with Dave Nelson will be minimal and will focus on working the bugs with One Rain. Heating and Cooling Services with Stadjuhars Heating and Cooling. Marty Franzoy motioned and Bobby Sloan second to approve the two contracts presented for renewal. Lobbyists Services for Andy Nunez was presented and after further discussion and recommendation from legal it was decided by the Board at this time the Contract will not be approved. The board has asked for a letter from the Secretary of State that the scope of services of his last contract would be acceptable under a new contact since he is now back in the legislature.

Hydrology Report

2014 Water Season Report

Financial Fact Sheet

Contract Approvals

Disposition Of Assets

Gary requested approval for himself and Steve Hernandez to attend the 2015 Leadership Workshop in Las Vegas, NV. Marty Franzoy motioned and Tom Simpson second to approve sending Gary and Steve to the workshop. Motion carried. Gary discussed the NWRA workshop held in San Diego in November. Gary and Steve worked on the Policy Development Committee and Steve is head of the Litigation Review Committee for the entire NWRA. A new groundwater policy was adopted by NWRA with input from Steve to make sure it did not affect our litigation in the LRG.. Gary and Steve were able to meet with BOR and our new acting regional directors. Estevan Lopez, the new Commissioner wasn't allowed in the room during the meeting or to meet with any NM group because of a potential conflict of interest when Estevan was with the ISC. Gary also advised the Board Subhas Shah has asked Gary to take his place as President of the NM NWRA which will mean Gary is now on the State Executive Committee and the NWRA Board of Directors.

Managers
Update

Steve Hernandez reported on legal matters.

LRR 303- Hatch Easements for Work on Placitas Arroyo- SLH-OPEN
LRR 345 – Lack/EBID Land Exchange and Flow Easement-LEP-OPEN
LRR 399- Amend and Revise Original Document with Zia Natural Gas-LEP-OPEN
LRR 410- Kit Carson Rd Permit-LEP-OPEN
LRR 425- JPA and Transfer of Loan to LRGPWWA-LEP-OPEN
LRR 432- Chamberino Well Protest-LEP-OPEN
LRR 433- Attaway 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
LRR 440- Clean Water Act-SLH-Open
LRR 445- Dos Lagos Golf Course-NMED-Permit-AWSD-LEP-Open
CID Update-SLH

legal
Update

LRR
Report

Marty Franzoy moved Willie Koenig seconded to break for lunch. Motion carried. Following lunch, Willie Koenig moved and Bobby Sloan seconded to reconvene the meeting. Motion carried.

Bobby Sloan moved and Marty Franzoy 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

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(Attaway)

NMED Public Notice 3-27-14 (PN2)

Potential litigation against DAC

Hot Springs Basin Protest (Attaway)

Boyd Motion to Lift Stay in Quiet Title litigation

Legal Report on Outcome of CA tour

Copper Flats Corporation Inter Se on Water Rights

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

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

The next meeting of the Board of Directors will be held on Monday, January 19, 2015.

Adjourn