MINUTES OF A SPECIAL MEETING
OF THE
BOARD OF DIRECTORS OF THE
MIDDLE RIO GRANDE CONSERVANCY DISTRICT
ON THE WATER BANK
January 9, 2017

Directors having been duly notified, Chairman Lente called the special meeting to order at 2:03 pm at the MRGCD General Office. The following Directors and Staff were present:

**DIRECTORS:**
- Derrick J. Lente  Chair
- Adrian Oglesby  Vice-Chair
- Glen Duggins  Director
- Karen Dunning  Director
- John P. Kelly  Director
- Chris Sichler  Director
- Beverly Romero  Director
- John P. Kelly  Director

**STAFF:**
- Michael A. Hamman  Chief Engineer/CEO
- Tanya Scott  Chief Water Counsel
- Bruce & Lorna Wiggins  General Legal Counsel
- David Fergeson  Secretary/Treasurer
- Jeanette Bustamante  Administrative Officer
- David Gensler  Water Operations Manager
- Doug Streh  GIS Supervisor
- Sarah Avallone  Assessment Officer
- Lorenzo Benavidez  Socorro Division Manager
- Sloan Washburn  Belen Division Manager
- Ray Gomez  Engineer Supervisor
- Jason Casuga  Engineer I
- Alicia Lopez  Engineering Technician

The following names of individuals were interested viewers and/or participants:

<table>
<thead>
<tr>
<th>Names</th>
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<tbody>
<tr>
<td>Margene Harris</td>
<td>Matthew D. Chaves</td>
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<td>Dennis Harris</td>
<td>Teresa Chaves</td>
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<td>Mario Rosales</td>
<td>Kathy Luna</td>
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<td>Linda Rosales</td>
<td>Martin Haynes</td>
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<td>Paula Sichler</td>
<td>Jennifer Faler, Area Manager, USBOR</td>
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<td>CT Sanchez</td>
<td>Pablo Padilla, Legal Counsel, Pueblo of Isleta</td>
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<td>Dale Jones</td>
<td>Martin Anaya</td>
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<td>Michael T. Sandoval, Pueblo of San Felipe</td>
<td>Paul M. Torres</td>
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<td>John Thompson, MRGCD Lobbyist</td>
<td>Robert Torres</td>
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<td>Jeff Willis, AMAFCA</td>
<td>Jimmy Pareo, Pareo Farms, Inc.</td>
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<td>Ed Donoghue</td>
<td>Harvey Crowley, Mesa Verde Farms</td>
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<td>Gail Armstrong</td>
<td>Jericho Sanchez, Tres Hermanos Dairy</td>
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<td>John Sorrell, Sorrell Consulting, LLC</td>
<td>Daniel Ivey-Soto, NM State Senator, District 15</td>
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<td>Elaine M. Padilla</td>
<td>Alfred Gabaldon, Gabaldon Farm</td>
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<td>Ernie Marquez, Automated Election Services</td>
<td>Cody B. Walker, Pueblo of Isleta</td>
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<td>Aaron Anaya Dow, Dow Farms</td>
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<td>Jessica Tracy, Pueblo of Sandia</td>
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**AGENDA ITEM NO. 1 – PLEDGE OF ALLEGIANCE**

Chairman Lente requested Director Duggins to lead the Pledge of Allegiance.

Chairman Lente welcomed the guests and declared a quorum.
AGENDA ITEM NO. 2 – APPROVAL OF THE AGENDA

Chairman Lente called for approval of the agenda. There were no additions, deletions or revisions to the agenda.

Director Dunning made the MOTION TO APPROVE THE AGENDA AS PRESENTED. Director Oglesby seconded the motion. The MOTION CARRIED unanimously.

AGENDA ITEM NO. 3 – WATER AVAILABILITY REPORT – David Gensler, MRGCD Water Operations Manager

Mr. Gensler reported that the good news is the river is still flowing and, at the present time, there is a good snowpack and it is January and there is a lot of winter left and a lot can happen. He said it is good to see 17 inches of water already at Cumbres Trestle and in a normal year there is approximately 27-28 inches of water come May and so the 17 inches is a good part of the way there. Mr. Gensler then gave an update on the Rio Grande Basin SNOWTEL Snow/Precipitation report; these are not forecasts, but probabilities. He said what has happened so far this winter seems to favor a below normal, however, the storm tracks the last several weeks suggest a bit wetter than normal; see what happens in February, March and April. Mr. Gensler said there is 100 cfs coming out of El Vado; none of that is natural flow and it’s all water going downstream for various uses. He said there is roughly 500 cfs at Embudo today, 650 coming out of Cochiti and about the same amount moving down through the valley to Elephant Butte. Mr. Gensler said he doesn’t have the Rio Grande Compact number yet and according to the ISC phone message he received the morning, it’s not that good. He said in terms of Article VII status, he thinks the Rio Grande Project storage has about 230,000-235,000 ac-ft. total in Elephant Butte with another 170,000 ac-ft. predicted as inflow. Mr. Gensler said it is still early in the season and, at this point, it doesn’t look too bad with snowpack numbers.

AGENDA ITEM NO. 4 – MRGCD IRRIGATION/WATER BANK COMMITTEE REPORT & RECOMMENDATIONS ON WATER BANK LEASE RATES & FEES – Chairman Lente, Directors Sichler & Duggins

Director Sichler reported the committee met as required by the Water Bank policy and he read from the policy regarding factors required to set the lease rates. He said the committee in looking at the different factors; they made the decision to recommend the lease rate remain the same for the 2016 season. He said as far as fees, there was discussion and recommendations from staff, and the committee made the decision to leave the fees the same as well. Mr. Hamman gave a brief explanation of the $100/per lease administrative fee. Director Duggins said the committee discussed the triggers and stream flow conditions that would affect a curtailment and based on the recommendation from staff, they made the decision to leave the current factors in place. Chairman Lente said he concurs with the reports from Directors Sichler and Duggins. Director Dunning asked how many applications in the Water Bank with less than an acre and Mr. Hamman responded there is a significant number of those; of the approximately 3,500 acres in the Water Bank, there are about 100 small parcel owners. Discussion followed on the $50 per acre irrigation fee for small irrigators and it was concluded that those with less than an acre pay a pro-rate share of this fee.

AGENDA ITEM NO. 5 – ITEMS FROM THE FLOOR (Comments are limited to three (3) minutes)

There were no Items From the Floor.

AGENDA ITEM NO. 6 – SET WATER BANK LEASE RATES & FEES

Director Dunning made the MOTION TO ACCEPT THE WATER BANK LEASE RATES & FEES AS RECOMMENDED BY THE MRGCD IRRIGATION/WATER BANK COMMITTEE. Director Oglesby seconded the motion. The MOTION CARRIED unanimously.
AGENDA ITEM NO. 7 – CONSIDERATION OF RESOLUTION M-01-09-17-116.5 – ADOPTION OF WATER BANK RATES & FEES FOR 2017 IRRIGATION SEASON

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MIDDLE RIO GRANDE CONSERVANCY DISTRICT
ADOPTION OF WATER BANK RATES & FEES FOR 2017 IRRIGATION SEASON

WHEREAS, the Board of Directors (Board) of the Middle Rio Grande Conservancy District (District), has reviewed a recommendation from the Board’s Water Bank Committee for fees for the 2017 irrigation season, and

WHEREAS, at a Special Meeting of the Board held January 9, 2017, called for the purpose of establishing Water Bank rates and fees, the Board approved the following for the 2017 irrigation season:

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee</th>
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<tr>
<td>Administration</td>
<td>$100/year</td>
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<tr>
<td>Water Services</td>
<td>$75/acre/year</td>
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NOW, THEREFORE, BE IT HEREBY RESOLVED that the Governing Body of the Middle Rio Grande Conservancy District hereby approves the fees and lease rates for the Water bank hereabove described.

RESOLVED: In session this 9th day of January, 2017.

MIDDLE RIO GRANDE CONSERVANCY DISTRICT

Derrick J. Lente, Chairman

Attested:

Chairman Lente called for approval of the resolution.

Director Kelly made the MOTION TO APPROVE RESOLUTION M-01-09-17-116.5 – ADOPTION OF WATER BANK RATES & FEES FOR 2017 IRRIGATION SEASON. Director Duggins seconded the motion. The MOTION CARRIED unanimously.

With no further comments, questions or concerns, Director Oglesby made the MOTION TO ADJOURN THE MEETING. Director Duggins seconded the motion and the MOTION CARRIED unanimously.

The meeting was adjourned at 2:15 pm.

Approved to be the correct Minutes of the Middle Rio Grande Conservancy District Board of Directors Special Meeting-Water Bank of January 9, 2017.

Attested:

David M. Fergeson
Secretary/Treasurer

Derrick J. Lente, Chairman
MRGCD Board of Directors