

**MINUTES OF THE
THREE THOUSAND SEVENTEENTH REGULAR MEETING
OF THE
BOARD OF DIRECTORS OF THE
MIDDLE RIO GRANDE CONSERVANCY DISTRICT
OCTOBER 23, 2017**

Directors having been duly notified, Chairman Kelly called the regular meeting to order at 3:01 pm at the MRGCD General Office. The following Directors and Staff were present:

DIRECTORS:

John P. Kelly	Chair
Glen Duggins	Vice-Chair
Joaquín Baca	Director
Karen Dunning	Director
Derrick J. Lente	Director
Beverly Romero	Director
Valerie Moore	Director

STAFF:

Mike A. Hamman	Chief Engineer/CEO
Lacy Daniel	Chief Water Counsel
Bruce Wiggins	General Legal Counsel
Lorna Wiggins	General Legal Counsel
David M. Fergeson	Secretary/Treasurer
Jeanette Bustamante	Administrative Officer
Ray Gomez	Engineer Supervisor
Alicia Lopez	Engineer I
Adrienne Martinez	Engineer I
Joe Brem	Albuquerque Division Manager
Sloan Washburn	Belen Division Manager
Lorenzo Benavidez	Socorro Division Manager
Mike Lopez	Construction Technician
DeAnna Phillips	GIS/Mapping Technician
Mike Gonzales	ISO Supervisor
Becky Burnham	Budget Analyst

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

Jeff Willis, AMAFCA
Andres Gutierrez, Gutierrez Farms
Trevor
Emily Willis, 4 Daughters
Scott Edeal

AGENDA ITEM NO. 1 – PLEDGE OF ALLEGIANCE

Director Lente led the Pledge of Allegiance.

Chairman Kelly welcomed the guests and declared a quorum.

AGENDA ITEM NO. 2 – APPROVAL OF THE AGENDA

Chairman Kelly called for approval of the Agenda.
Item 7f moved below 7b

Director Dunning made the **MOTION TO APPROVE THE AGENDA AS AMENDED**. Director Romero seconded the motion. The **MOTION CARRIED** unanimously.

AGENDA ITEM NO. 3 – APPROVAL OF THE MRGCD MEETING MINUTES

- a. Consideration / Approval of Minutes for Regular Board Meeting – October 9, 2017

Chairman Kelly called for approval of the minutes for the Regular Board Meeting October 9, 2017.

Director Dunning requested to clarify that the Agreement with the Corp of Engineers will count toward cost share.

Director Dunning made the **MOTION TO APPROVE THE MINUTES AS AMENDED OF THE REGULAR BOARD MEETING OCTOBER 9, 2017**. Director Moore seconded the motion. The **MOTION CARRIED**. Director Lente and Dunning abstained.

AGENDA ITEM NO. 4 – DISCUSSION AND APPROVAL OF FIRST QUARTER FINANCIAL REPORT – Mr. David Fergeson, Secretary Treasurer

Mr. Fergeson provided the Board with revenue and expense reports for the first quarter of fiscal year 2018.

In reviewing the first quarter budget to actual data it is difficult to draw any real conclusions. Expenses will outpace revenues in the first quarter of each year. The Ad Valorem and Water Service Charges which represent 91% of the total expected revenues are received primarily in December, January, May and June of each year. Therefore, we draw from the reserves at the State Treasurer's Office to cover expenses until these funds come in during December.

During this quarter, expenses are only 18.17% of the budgeted amounts but this should increase in the coming months.

Summary of Data Provided – FY17 Actual and FY18 Actual:

Revenues are up by \$10,395 in the current fiscal year compared to last year and expenses are actually down \$221,583 from last year. When we start receiving the revenue from the County Treasurer's we can perform a more thorough analysis. While the expenses are down compared to last year this gap will close in the coming months.

Director Moore made the **MOTION TO APPROVE THE FIRST QUARTER FINANCIAL REPORT AND FINANCE COMMITTEE**. Director Romero seconded the motion. The **MOTION CARRIED**.

AGENDA ITEM NO. 5 – DISCUSSION AND APPROVAL OF THE NOVEMBER AND DECEMBER 2017 BOARD MEETING SCHEDULE – Mike Hamman, CE/CEO

Mr. Hamman advised the Board that historically the second Board Meeting of the month for November and December have been cancelled because of the Thanksgiving and Christmas Holiday. The Chairman concurred and stated that if any "Board Action" is required a Special Meeting could be called. The Chairman called for a motion.

Director Romero made the **MOTION TO APPROVE THE CANCELLATION OF THE NOVEMBER 27TH AND DECEMBER 25TH BOARD MEETINGS**. Director Dunning seconded the motion. The **MOTION CARRIED**.

AGENDA ITEM NO. 6 – ITEMS FROM THE FLOOR THERE WERE NO COMMENTS FROM THE FLOOR

AGENDA ITEM NO. 7 – REPORT(S) FROM THE CHIEF ENGINEER - (Mike Hamman, MRGCD CE/CEO)

- a. Water Report – Mike Hamman, CE/CEO

The water situation from the Colorado border south is typical for this time of year as the irrigation season starts to wind down. About 75% of flow is still being utilized at the Del Norte Gage, so the District is only seeing 110 cfs at the border; 400 at Embudo; and 500 cfs Rio Chama at Chamita. 970 at Otowi Gage, which is a combination of different flows out of the Chama; releasing a net flow from El Vado of about 300 cfs to help meet the remaining irrigation demand, as well as keeping the river wet all the way down through the system so it doesn't dry out and lose water as we are trying to deliver water down to Elephant Butte by December 31st.

Currently the flows down there are about 400 cfs in the San Marcial area, and a few days before flows were up to 1,000 cfs, due residual flows from all the storm events that were still working their way through the system, down into Elephant Butte.

The storm event did cause a lot of havoc and damage to our system and people's property, but one of the upside of these events is that most of it was gaged below Otowi, so we were able to get approx. 35,000 acre feet extra water delivered down to Elephant Butte, which will help us on the deficit for the Compact.

Flows will be increasing slightly at El Vado for the delivery to Elephant Butte at about 400 cfs until mid-December, and then they will start ramping it down a little bit to try to match flows after the first of the year with what is available for San Juan Chama deliveries to Abiquiu not to disrupt the brown trout fishery.

We are anticipating a carryover of Rio Grande flow at about 40,000 acre feet, and 50,000 acre feet of San Juan Chama water, an excellent start of the year for our irrigation demands with both of those sources of water.

We will probably pay back a certain block of water 10,000-15,000 ac. ft. to the Water Authority depending on what Mr. Gensler recommends to the Board at the November 13th meeting.

Chairman Kelly asked what is the balance still owed the Water Authority; and Mr. Hamman stated about 32,000.

That concluded Mr. Hamman's Water Report.

ITEM 7F MOVED UP – Request for Board Approval of the Extension of the 2017 Irrigation Season System-wide until November 5, 2017 for Certain Facilities, and November 15 for Facilities service Pueblo Lands.

Mr. Hamman stated because of these severe storm events we have received several requests to extend the irrigation season, and we have also received a formal request from the Pueblos to extend the irrigation season for traditional, cultural purposes till November 15th. Therefore due to the late season rain events and the damage to our facilities and the nature of the field conditions out there were pretty muddy, prohibiting the planting and other activities necessary to get the winter crops, we recommend extending the Irrigation Season as stipulated November 5th for new crop planting and through November 15th for Pueblo tradition, cultural purposes.

Director Moore thanked Mr. Hamman on behalf of the farmers for recommending the extension of the irrigation season it will make a "Big" difference.

Director Duggins asked if we could extend the irrigation season to November 15th District wide. Mr. Hamman explained that the goal is to start drying the system to begin the winter work plan projects. We are going to base it on actual requests from the ditch riders, and we will work with them. We will be winding down the system beginning November 6th, but again we will work with the farmer who is requesting.

Director Moore made the **MOTION TO EXTEND THE IRRIGATION SEASON TO THE 5TH AND 15TH AS RECOMMENDED.** Director Duggins seconded the motion. The **MOTION CARRIED.**



Memorandum

To: The Middle Rio Grande Conservancy District Board of Directors
FROM: David Gensler
Date: November 2, 2017
Re: Drought Contingency Contract Selection Recommendations

Background: In September 2016 the Middle Rio Grande Conservancy District (MRGCD) was awarded a WaterSMART grant from the Bureau of Reclamation to develop a Drought Contingency Plan. The purpose of the grant is to develop a plan for the MRGCD that specifically addresses issues regarding water efficiency and water management during drought periods. As a part of this grant two contracts will be awarded for the development of Vulnerability and Infrastructure Assessments. The Vulnerability Assessment will evaluate the water supplies of the MRGCD, identify the factors that can be triggering criteria for drought operations, and explore possible management scenarios in times of reduced water supplies. In the Infrastructure Assessment a contractor will examine the MRGCD's infrastructure capacity and identify potential water efficiencies that could be gained through new infrastructure.

Selection Process: On September 5th, 2017 the MRGCD issued a request for proposals (RFP). The RFP was sent directly to local and out of state contractors and was advertised in the Albuquerque Journal. Contractors interested in submitting a proposal submitted an acknowledgement of receipt by September 11th, 2017 and a preproposal conference was held with the contractors on September 25th, 2017. Three proposals for each contract were received on October 4th, 2017. On October 5th a selection committee that included Anne Marken and David Gensler was convened to review and score each submitted proposal. The proposals were scored independently by both committee members based on the selection criteria that were laid out in the RFP. Once each member had evaluated and scored each proposal there was a discussion and review of each proposal until both committee members came to an agreement about the highest scoring proposals.

- b. Request for Board Approval to proceed with Negotiations with the Finalist(s) for the Infrastructure and Vulnerability Assessment Contract.

Mr. Hamman explained that this grant has to do with the drought contingency planning process that the District is undertaking. There are two (2) components that we are contracting out; Vulnerability Assessment and another is Infrastructure Assessment.

Vulnerability Assessment is designed to understand how resilient we are to changes in climatic and long term conditions that we have experienced in recent years. It includes catastrophic fires in the watersheds and flood events and other things that are part of the natural environment.

The Infrastructure Assessment is really to take a look at how efficient we are, and how to position ourselves with infrastructure changes to make us more drought resilient and to be able to keep ourselves in business, even during significant hardships.

We have not experienced the worst case of drought, so we are going through this process. It is part of the Water Smart Evaluation, and during a severe drought situation will help us in setting policy for getting through more difficult times.

Director Duggins commented doesn't the District have Engineers that can assess where our weaknesses are?

Mr. Hamman explained it is part of a complete programmatic package that Reclamation is trying to guide all the Western Water Users into a direction of good quality planning and positioning the folks in the Western United States for long-term water management strategies. So this is part of what they are trying to build into the entire Water Smart Program. They are looking at these big picture issues and making recommendations on how we might make our system more resilient and be able to change with the changing water supply scenario, and that's going to be really important to the District. It is a little more outside of what we do. If we have this document the District will have something to present to Reclamation and to Congress for funding.

Director Dunning made the **MOTION TO APPROVE AND PROCEED WITH NEGOTIATIONS WITH THE INFRASTRUCTURE AND VULNERABILITY ASSESSMENT FINALIST(S)**. Director Baca seconded the motion. The **MOTION CARRIED**.

- c. Update on System Damages due to the Storm Events of September 29 to October 4, 2017 – Mike Hamman MRGCD CEO

Mr. Hamman has asked staff to develop a specific accounting procedure to cover the direct expenses that were incurred on the entire flood events and associated damages to our system. The calculations that we have run to date, without all the data we are at about a quarter-million dollars expended. This will get significantly higher once we get all the data in. The district was also a victim to these storm events. Our people worked long hours, not only responding to the incident but also trying to get the Belen Highline Canal back in working order.

As of last Thursday they were running water in the Belen Highline Canal, and we are still doing clean-up at the Sile Main, it is restricted to only 33 cfs; the Cochiti Main is back up and running as well as the Luis Lopez are also up and running.

Mr. Gomez stated that the Belen Highline Canal had several breaches on the east side. All those have been corrected and appear to be holding. There is still a lot more work to do on the west side of the canal, where all the arroyos came in. So this work is ongoing, and will be for some time

Director Dunning commented how the Journal reported on how the County worked so hard, and stated we should get something in the paper about MRGCD and how much work we did and the amount of employees that worked long hours, and how it has also impacted the MRGCD.

Chairman Kelly state we are the MRGCD and not the Flood Control Authority for the valley, our legislation provides that we provide riverine flood control, the levees along the river, and these incoming tributary arroyos need to be addressed by the Counties, Socorro and Valencia. We are lucky that in the urban area we have three of the flood control authorities to work: AMAFCA, East ESCAFCA and SSCAFCA, and I think the people on the ground and that were impacted know what the District did out there. We are not the agency to fix all flood control. Chairman stated to draft a press release with some input from Board Members.

- d. Report on NM Legislative Water & Natural Resources Committee Meeting, October 12, 2017 (7d & 8a). – Mike Hamman, CE/CEO

The Legislative Water & Natural Resources Committee Meeting was well attended, it was a full house. Representative Lente sits on that committee and he and most of the committee members were present. We had the ear of the Chairman and the Vice-Chair from Doña Ana County. It was an excellent opportunity to tell the benefits of our good water management strategies that we have up here in the Middle Valley, to do three important things:

1. Meet our irrigation demands in an efficient manner
2. Meet our Compact deliveries year-in and year-out
3. Compliance with Endangered Species Act

We provided a pretty extensive presentation, kicked off by Chairman Kelly. Mr. Hamman discussed the technical details, and Vice-Chair Duggins concluded our presentation with discussion about the people in the Valley. We focused on managing our water well and very efficiently so that we are not negatively impacting the lower Rio Grande. Mr. Rolf Schmidt Peterson from NMISC joined MRGCD at the table and he really brought it home. The presentation was well received, on what we do in the Middle Valley.

Chairman Kelly said he was there with Director Duggins, and thanked Director Moore for attending, and expressed that Mr. Hamman summarized the meeting well.

Director Duggins agreed, and appreciated how it was person to person and farmer to farmer discussion, because farmers south at EBID are taking a good look up our way.

Director Moore stated she was impressed with the presentation and how it was emphasized how many agencies the District works with. She also appreciated Representative Lente's endorsement.

John Thompson indicated he has sat through a lot of these committee meetings and they can go off the wheels real fast, but the committee seemed to be engaged and they received a lot of information. Mr. Ridgeley made some good comments, and all of the questions asked were answered.

Director Dunning made the **MOTION TO APPROVE THE REPORT ON NM LEGISLATIVE WATER & NATURAL RESOURCES COMMITTEE MEETING, OCTOBER 12, 2017 ATTENDED BY CHAIRMAN KELLY, VICE-CHAIR DUGGINS.** Director Moore seconded the motion. The **MOTION CARRIED.**

- e. Report on the Western States Water Council Tour at Angostura Dam October 18, 2017 (7e & 8c) – Mike Hamman, MRGCD CEO

Mr. Hamman and Chairman Kelly attended the Western States Water Council Tour at Angostura Dam at the request of the NM State Engineer. The Western States Water Council is made up of all of the different State Engineer Offices, i.e. Nevada, Texas, New Mexico, and water technical staff that works on western water issues; and they also support the Western Governor's Council with technical information about water issues.

We spoke about our challenges that we face both on the ESA front and also the make-up and relationship with our water users. Spoke in length about the relationship with the Middle Rio Grande Pueblos and the O&M work and delivery of water to them. We also discussed how we are constrained by the Rio Grande Compact and how we utilize El Vado for a variety of water supplies, including our San Juan Chama water. It was a good opportunity to share our thoughts with that group.

Chairman Kelly commented that Mr. Hamman covered everything in his report. Mr. Hamman, Joe Brem and his staff cleared up an area at Angostura Dam, and set it up nicely with shade and chairs. Chairman called for a motion to approve the report.

Director Romero made the **MOTION TO APPROVE THE REPORT ON WESTERN STATES WATER COUNCIL TOUR AT ANGOSTURA DAM OCTOBER 18, 2017** Director Baca seconded the motion. The **MOTION CARRIED.**

- f. See above after 7a Water Report
- g. Announcement – Bi-National Conference November 7-8, 2017 - Mike Hamman, CE/CEO

Mr. Hamman advised the Board that the agenda has been finalized for this Forum and that Directors Moore and Dunning will be accompanying Mr. Hamman for this Bi-National Forum. He stated it should be eye-opening to see what's going on down in the lower part of the river and the Rio Bravo end of things and see what's going on in Mexico and the issues they are facing. Mr. Hamman stated the purpose of this is to try and bring the upper river together with the lower river to see if there are collaborative things that people can work on together, whether it is policy issues or funding issues that would help the whole Rio Grande corridor.

Chairman Kelly noted that former Director Adrian Oglesby will be a presenter with other UNM staff.

- h. Announcement – NWRA Conference in Tucson, AZ November 15-17, 2017 – Mike Hamman CE/CEO

Mr. Hamman advised the Board that he provided a list of items to discuss with the Bureau of Reclamation, Commissioner's Office when they meet at the conference. It is four (4) topics.

- On going efforts with our Biological Opinion & Recovery Program
- Collaborative Program – and discuss and find out if Reclamation is fully behind a Collaborative Program.
- Title Transfer
- Funding
 1. Water Smart
 2. NM Pueblo Irrigation Infrastructure Improvement Act

Director Dunning and Duggins will be accompanying Mr. Hamman to the NWRA Conference, and we will coordinate the travel itinerary with the Directors.

Chairman Kelly expressed that the meet and greet with the Commissioner is very important, and the conference sessions are also valuable. Dr. DuMars will also be at this conference.

AGENDA ITEM 8 - REPORT(S) FROM THE MRGCD BOARD OF DIRECTORS

- a. Report on NM Legislative Water & Natural Resources Committee Meeting, October 12, 2017
Chairman Kelly and Vice-Chair Duggins

Director Dunning made the **MOTION TO APPROVE THE REPORT ON NM LEGISLATIVE WATER & NATURAL RESOURCES COMMITTEE MEETING, OCTOBER 12, 2017 ATTENDED BY CHAIRMAN KELLY, VICE-CHAIR DUGGINS.** Director Moore seconded the motion. The **MOTION CARRIED.**

- b. Report on the Chama Flow Project Advisory Council Meeting in Santa Fe October 17, 2017 –
Chairman Kelly

Chairman Kelly stated that he and David Gensler attended the meeting, along with about 40 other people from the Bureau of Reclamation, State Game and Fish, Forest Service, BLM, Rafting companies, fishing guides, private property holders, etc. The meeting pertained to how we can manage the flows through the Chama to support the river corridor better. The District has done a lot of work with this group in timing of peak flows to move gravel around to increase spawning beds.

There was discussion about Los Alamos Power Plan that is up and running and they need 150 cfs as the minimum flow to spin the turbines. This is what Game and Fish and a lot of biologists would also like to see in there in the winter to support the brown trout that have spawned in the fall, and you don't want to dry their beds out in January, February and March before the irrigation season.

Mr. Gensler was quite informative to the group, and had good ideas about timing the transfer of some of our water we owed to the Water Utility Authority to help out with those flows. There are some longer-term solutions being talked about as well. Mr. Gensler will report on this at our November meeting on how much of the debt we can pay off and when and how we do it.

Chairman Kelly also suggested scheduling a rafting trip for the entire Board and senior staff and legal counsel. This will provide a firsthand look at some of the values we are trying to manage with our water. One of the key things will be finishing the negotiation with the Water Utility Authority about MRGCD storage in Abiquiu. Chairman Kelly instructed Mr. Hamman to firm up a couple of dates.

Director Duggins made the **MOTION TO APPROVE THE REPORT THE CHAMA FLOW PROJECT ADVISORY COUNCIL MEETING OCTOBER 17 2017** Director Romero seconded the motion. The **MOTION CARRIED.**

c. Report on the Western States Water Council Tour, October 18, 2017 – Chairman Kelly

Director Romero made the **MOTION TO APPROVE THE REPORT ON WESTERN STATES WATER COUNCIL TOUR AT ANGOSTURA DAM OCTOBER 18, 2017** Director Baca seconded the motion. The **MOTION CARRIED.**

d. Report on Finance Committee Meeting, October 23, 2017, Chairman Kelly and Directors Moore and Romero

Director Moore made the **MOTION TO APPROVE THE FIRST QUARTER FINANCIAL REPORT AND FINANCE COMMITTEE.** Director Romero seconded the motion. The **MOTION CARRIED.**

AGENDA ITEM NO. 8 – EXECUTIVE SESSION

- a. NMSA 1978 Open Meetings Act Section 10-15-1-(H)2
 - 1. Threatened or Pending Litigation

Chairman Kelly requested a motion to move into Executive Session at 4:20 pm.

Director Romero made the **MOTION TO MOVE INTO EXECUTIVE SESSION PURSUANT TO NMSA 1978 OPEN MEETINGS ACT (SECTION 10-15-1(H)7).** Director Dunning seconded the motion.

Chairman Kelly requested a roll call vote:

Director Dunning	Yes	Chairman Kelly	Yes
Director Baca	Yes	Director Lente	Yes
Director Duggins	Yes	Director Moore	Yes
		Director Romero	Yes

The **MOTION CARRIED** unanimously.

Chairman Kelly requested a motion to move back into the regular Board meeting at 5:45 p.m.

Director Dunning **MADE THE MOTION TO MOVE BACK INTO REGULAR SESSION.** Director Lente seconded the motion.

Chairman Kelly requested a roll call vote:

Director Dunning	Yes	Chairman Kelly	Yes
Director Baca	Yes	Director Lente	Yes

Director Duggins Yes

Director Moore Yes
Director Romero Yes

The **MOTION CARRIED** unanimously.

Chairman Kelly said for the record that only discussion was had and no action was taken.

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

The meeting was adjourned at 5:46 p.m.

Approved to be the correct Minutes of the Board of Directors of October 23, 2017.

Attested:

David M. Fergeson
Secretary/Treasurer

John P. Kelly,
Chairman, MRGCD Board of Directors