

**MINUTES OF THE
TWO THOUSAND ONE HUNDRED AND TWENTY EIGHTH REGULAR MEETING
OF THE
BOARD OF DIRECTORS OF THE
MIDDLE RIO GRANDE CONSERVANCY DISTRICT
MAY 7, 2018**

Directors having been duly notified, Chairman Kelly called the regular meeting to order at 3:05 pm at the MRGCD General Office. The following Directors and Staff were present:

DIRECTORS			STAFF	
John P. Kelly	Chairman		Mike Hamman	Chief Engineer/CEO
Glen Duggins	Vice-Chair		Dr. DuMars	Chief Water Counsel
Joaquín Baca	Director	Absent	Bruce Wiggins	General Counsel
Karen Dunning	Director		David M. Fergeson	Secretary-Treasurer
Derrick J. Lente	Director		Jeanette Bustamante	Administrative Officer/CPO
Beverly Romero	Director		David Gensler	Water Operations Manager
Valerie Moore	Director		Becky Burnham	Budget Analyst
			Alicia Lopez	Engineer 1
			Doug Strech	GIS Supervisor
			Christine Nardi	Human Resource Director
			Joseph Brem	Albuquerque Division Manager
			Jason Casuga	Engineer Manager
			Lorenzo Benavidez	Socorro Division Manager
			Daniel Arquero	Cochiti Division Manager
			Sloan Washburn	Belen Division Manager
			Rick Altenberg	GIS/Mapping Technician

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

Bobby Baca	Michael T. Sandoval, Pueblo of San Felipe
Gabriel Baca	Robert Torres, Farmer
Jim DeAngelo, Bohannon Huston	Ruben Martinez
Jeff Willis, AMAFCA	Viola Sanchez, BIA
Ruben Martinez	Jennifer Faler, BOR
Louie Lovato	Eric Zamora
Toby Romero	

AGENDA ITEM NO. 1 – PLEDGE OF ALLEGIANCE

Director Dunning led the Pledge of Allegiance.

Chairman Kelly welcomed the guests and declared a quorum.

AGENDA ITEM NO. 2 – APPROVAL OF THE AGENDA

Director Dunning suggested that all of the Board reports be addressed directly after each report for the same topics given by Mike Hamman, instead of having them split up. So, four items from Item 10 will be covered with the concurrent item from Mr. Hamman.

Chairman Kelly called for approval of the Agenda.

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

AGENDA ITEM NO. 3 – APPROVAL OF MRGCD PAYMENT RATIFICATION & ATTORNEY INVOICES

a. Consideration/Approval of Payment Ratification for May 7, 2018.

Director Dunning pointed out that 600 gofer tails is the highest she thinks she can remember seeing on a report.

Director Moore asked for clarification on 127-323, page 23, regarding CAT6 data drops in office. David Ferguson reported that was to bring the office up to current standards so that there are faster speeds for computing.

Chairman Kelly suggested that Jason Casuga take a look at a brand called Sonneborn NP1 urethane sealant. Chairman Kelly also requested that David Ferguson keep a running total in the description area of MRGCD's contribution toward the diversion dam analysis.

Director Duggins made the **MOTION TO APPROVE THE PAYMENT RATIFICATION FOR THE MAY 2018 PERIOD**. Director Romero seconded the motion. The **MOTION CARRIED** unanimously.

b. Consideration/Approval of April 2018 Invoice for Wiggins, Williams and Wiggins.

Director Dunning asked about a public records inspection. Bruce Wiggins reported that he received an IPRA request pertaining to the Josh Sanchez case.

Director Moore made the **MOTION TO APPROVE THE APRIL 2018 INVOICE OF WIGGINS, WILLIAMS, AND WIGGINS LAW FIRM**. Director Dunning seconded the motion. The **MOTION CARRIED** unanimously.

c. Consideration/Approval of March 2018 Invoice for Law and Resource Planning Associates.

Director Duggins asked about a quarterly or biannual running bill on the Bosque Del Sol application. Mr. DuMars responded he will do so.

Director Moore made the **MOTION TO APPROVE MARCH 2018 INVOICE FOR LAW AND RESOURCE PLANNING ASSOCIATES**. Director Romero seconded the motion. The **MOTION CARRIED** unanimously.

AGENDA ITEM NO. 4 – APPROVAL OF THE MRGCD MEETING MINUTES

a. Consideration / Approval of Minutes for Regular Board Meeting – March 26, 2018

No issues or questions were raised about the Minutes for the Regular Board Meeting, held on March 26, 2018.

Director Dunning made the **MOTION TO APPROVE THE MRGCD MEETING MINUTES FROM MARCH 26, 2018**. Director Moore seconded the motion. The **MOTION CARRIED** unanimously.

b. Consideration / Approval of Minutes for Regular Board Meeting - April 2, 2018

No issues or questions were raised about the Minutes for the Regular Board Meeting, held on April 2, 2018.

Director Moore made the **MOTION TO APPROVE THE MRGCD MEETING MINUTES FROM APRIL 2, 2018**. Director Dunning seconded the motion. The **MOTION CARRIED** unanimously.

AGENDA ITEM NO. 5 – ITEMS FROM THE FLOOR

Gabriel Baca

Mr. Baca just wanted to touch base on the status of the ability to hire a goat farmer for the goats to graze along the Bosque for clean up purposes.

Chairman Kelly reported that the Board would be going over that during the budget portion of today's meeting. Director Duggins expressed a strong desire to hire someone local than out of state. Jeanette Bustamante explained the RFP process in New Mexico. She will get Mr. Baca's contact information so that she can send the RFP directly to him. It was reiterated that there is no preselection or pre-determination insofar as choosing the vendor for this project. It is an equal and fair RFP process.

Ruben Martinez

Mr. Martinez lives near the Monte Carlo Restaurant and Bar on Central and Atrisco. Long ago, the Conservancy fenced the area around Central due to crime. About two months ago, somebody hit the fence and knocked it down. He is coming to the Board to help get the fence fixed.

Jason Casuga took down the information and will look into and will also get back with Mr. Martinez.

Louis Lovato

Mr. Lovato is from La Joya, New Mexico and also volunteered with the Bureau of Reclamation in '60s and '70s. He shared some historical aerial maps of the area in which he lives and what lands are irrigatable and non-irrigatable. He suggested that many people in his community are not paying their share of taxes on their property. He also reported that water flows from the acequia into a big hole, where the water just sits. Chairman Kelly asked Mr. Lovato to meet with Mike Hamman to go over his concerns. Chuck DuMars also reported that the La Joya District voted to not join the MRGCD and filed a lawsuit to keep themselves out. The relationship has since fractured, and MRGCD has no authority over the water in La Joya. Mr. Lovato said that everyone says they don't have anything to do with the water in La Joya, but how can the water be controlled so that everybody can share fairly. He also offered that he can take anyone up to La Joya and show them where the water is sitting in the hole.

Toby Romero

Mr. Romero is concerned that the extremely good ditch rider Alan Flag that has been their ditch rider for four years is being replaced by a new ditch rider that is new hire for the District and only been on the job for four weeks. He does not feel that individual is knowledgeable with area, etc., and with the current water situation and this irrigation season, that this is not an appropriate time to change ditch riders.

Chairman Kelly responded that he understands Mr. Romero's frustration, but he does not feel it is the Board's place to get involved in personnel decisions. He will, however, ask Mr. Hamman to relook at Mr. Romero's concern.

Director Moore added that when the District has a good ditch rider, such as the one Mr. Romero is referring, that those people should be used as mentors to train the new ditch riders. Director Duggins thanked Mr. Romero for coming to the meeting today and understood his frustration as well.

Eric Zamora

Mr. Zamora stated he is also concerned about removing Mr. Flag from his area and assigning a new ditch rider. He expressed that the new ISO is not experienced, and the area that Mr. Flag covers is a very large area. He also gave an example of how the water flow delivery was decreased which causes the time to irrigate to be much longer. He stated that this is a waste of money, time, and water. He asked the Board and staff to consider keeping Mr. Flag in the same area and give him some help and a raise.

AGENDA ITEM NO. 6 – REPORT(S) FROM THE U.S. DEPARTMENT OF THE INTERIOR

a. Reports from U.S. Department of Interior – Jennifer Faler, Area Manager

Following is the BoR Water Report 05-07-18

1. Heron Summary

Content = 153,306 ac-ft (5/2)
 Azotea tunnel: 150-200 cfs
 Total SJC inflow year-to-date: 15,299 a.f.
 Currently releasing 0 cfs
 Current MRGCD storage: 37,062 ac-ft

2. El Vado Summary

A. Total storage (all contractors and natural) in El Vado as of 5/2:
 82,368 ac-ft.

B. Native in El Vado
 57,688 ac-ft.

C. MRGCD's SJ-C storage in El Vado
 24,610 ac-ft.

D. P & P: 0 ac-ft

E. EDWA: 0 ac-ft

F. All other SJ-C contractors: 70 ac-ft

Current release is 700 cfs RG Inflow is ~400 cfs

3. Storage in Abiquiu

Content = 117,310 ac-ft (5/2)
 MRGCD's SJ-C storage= 0 ac-ft

Total water released for minnow to date in 2018: 3,452 ac-ft

Snowpack Data:

As of 5/4/18 (% of median)

Rio Chama Basin..... 2%
 Upper Rio Grande Basin.....17%
 Sangre de Cristo Basin..... .2%
 Jemez Basin.....0%
 San Juan River Basin.....22%

April 50% Streamflow Forecast

Rio Grande @ Del Norte CO	260,000 ac-ft (50%)
El Vado Reservoir Inflow (Mar-Jul)	41,000 ac-ft (18%)
Rio Grande @ Otowi	141,000 ac-ft (20%)
Jemez R. below dam	2,000 ac-ft (6%)
Rio Grande @ San Marcial	0 ac-ft (0%)

At the conclusion of the water report, Ms. Faler added that it is really just not good news on the hydrology front. The new twist this is Reclamation uses Method One in accounting. The State uses Method Two. So, Method One shows State of New Mexico is in a credit situation by the Method One numbers. Method two shows them being in a debit. It's not necessarily good news. It's just that plea for cooperation. We will try to mitigate any potential conflict and find ways around conflict when we have such different situations.

That's an example of cooperation that we're asking for from all folks from storage at El Vado versus flows in the river with Water Authority, MRGCD, Bureau of Reclamation, Pueblos, Prior and Paramount water, and new reclaimed lands. So far, all indications are everybody is working together well, and no one agency is trying to make their needs more important than any other agency. Conversations are ongoing, and positive to date with trying to find our way through this difficult year without having to set any kinds of precedence.

Regarding title transfer, we have a team set up within Bureau of Reclamation, and we are working with the District through some of the details. Our goal by the end of our fiscal year is to have a Memorandum of Agreement with the District on exactly what title transfer would look like. We can then seek legislation from Congress. If the legislation that's already in the works will work for us, great. If we need to seek our own legislation, we hope to be in a position by this fall to do that or sooner if we can get there. Everyone in this arena seems to be good so far. Reclamation has offered government-to-government consultations with the Pueblos. So, we do need to adhere to our trust responsibilities with the Pueblos, so that they will be able to weigh in individually. We don't anticipate any deal breakers there.

Finally, the biological implementation is going well. This is really going to be a critical year, because everybody is going to be watching us very closely to make sure we are all doing what we said we were going to do in the biological assessment, which turned into a Biological Opinion that largely just said, "Do what you said you were going to do voluntarily." So, that seems to be moving forward. For example, work has started at San Acacia Diversion Dam, this is one of the first places we need to accomplish fish passage. We really need to make good progress down there, and the teams, again, are working together well and some work has started there. So, that's really a good sign.

Our first deliverable in the Biological Opinion is the lower reach plan, and we have come out with drafts of that, received comments from all the different entities, and we will be publishing that soon. That is the lower reach plan, which basically talks about each project from Isleta down and what the big projects are that we had committed to do insofar as timelines, budgets, and things for those projects. It's a plan that pulls together all these projects and gives some specifics on them. It's a living plan too. Any new projects that come up can be added to that.

Chuck DuMars added that he and Mike Hamman attended the Rio Grande Compact Meeting, and it was quite remarkable to see the differences in everything from above Elephant Butte versus below Elephant Butte. Everything sounded positive from Colorado, New Mexico, and the Bureau representatives, but as soon as you got below Elephant Butte, the lower Rio Grande, into Texas, there was a great deal of consternation.

Ms. Faler responded that she will be spending a lot of her time in the lower valley as a direct result of the consternation in that area in an attempt to reduce tensions.

b. U.S. Bureau of Indian Affairs – Ms. Viola Sanchez, Designated Engineer

Ms. Sanchez was hoping to have some information from the May 1 forecast, which was actually due out today, but it still has not been released. She gave a very brief report on the regarding Indian storage, and stated Mr. Hamman will fill in more gaps in his report later.

Currently, El Vado has a "green bucket" indicator, Rio Grande and environmental EDW (emergency drought water) of 57,688 acre-feet. Using the April 1 forecast, the Indian storage came out to almost 43,000 of that 57,000 acre-feet. It might go up, as far as Indian storage goes, because of the May 1 forecast.

Ms. Sanchez, however, wanted to dispel any thought that the tribes would set aside all this water and sit on it until the very end until everybody runs out. The way it works is that we look at the natural flow of the river coming in at Otowi, which is north of Cochiti Reservoir. As soon as that dips below the tribal demand, we start the release from

that 42,000 (or whatever it's going to be). In the meantime, the District is already running completely for the entire District. So, it winds up being a paper exchange. At the point where tribal demand exceeds the supply of the river, we start releasing, but the District does not actually do anything differently. They are releasing a certain CFS for the entire District. As long as there is water for the entire District, we keep going, but we start charging against that amount of Indian storage. So, we're actually pulling from two different pots of water during that time.

At some point, most likely, unless we have a really, really monsoon, the District will run out of water for general operations. Keep in mind that the tribes have the senior water right on 8,847 acres; however, they also have junior water rights, not to exceed 12,600 acres. They have a substantial amount of land, some of which they are farming now, which holds the same priority as the rest of the District for delivery. The Prior and Paramount is only for that portion of their lands at senior. It does not include their junior rights. So, they are very keen on trying to keep the District running for as long as possible this year, because many of their lands depend on the general district operation and are not part of the senior water right.

At that point, though, when the District has run out for general district use, which includes a portion of Indian junior water right land, then El Vado shuts down. There is nothing left as far as general storage. The tribal Prior and Paramount would shut down as well, and then we would probably go a couple of weeks, do a nice big release for a week or two, and then bring it back down to zero. In the meantime, the tribes would be rotating the natural flow of the river between that.

Obviously, what's in the interests of the tribes for those that are irrigating junior water rights lands, as well as the entire District, is to keep the entire District going for as long as possible. And so, we are looking at various options. Another consideration is to set up for next year. It's better to carry over San Juan-Chama water into next year than native Rio Grande water, because, should we go into debit under the Rio Grande Compact, then Texas cannot call for the San Juan-Chama water. However, if you go into debit, then that amount of storage becomes locked up in El Vado, and basically Texas kind of takes over that amount of debit storage. We are looking at different options with the District as far as trying to extend the season for long as possible this year and trying to carry over San Juan-Chama water if we carry over anything that it would be that into next year.

Now, given all those things that we can try and do, none of it is going to work if we do not get some decent monsoons. We can try all kinds of different tricks and things. The tribes are certainly willing to work with the District. We have had numerous meetings on that, and the next step for them is to engage their governors as soon as Ms. Sanchez can provide them the updated information from the May 1 forecast. However, this is all basically betting on decent monsoon this year, which we may or may not get. We hope we do, and if we do, then the entire District could easily run through the end of the irrigation season. If we don't and it's very hot and very dry, then we could be hurting come about the middle of the summer. The tribes definitely are with you as the rest of the District as far as trying to keep the entire District operating for as long as possible.

Director Lente voiced concern that this is the first time he has heard that the District would run out of water. He asked that MRGCD not fool itself into thinking that we would have water if other agencies are seeing something differently. He asked that Mr. Hamman, Mr. Gensler, and staff "not pull the wool over our eyes," if other agencies have a different perspective.

Ms. Sanchez reported that she was asked to go to a meeting at Isleta Pueblo because people were saying, "Some people say we're going to make it. Some people say we're going to run out. What's going on?" She responded to them, "We just don't do know yet. It's too early to tell." We need to let the May 1 forecast come in.

We also need to see what's going to happen as the runoff drops off. Right now, we gauge everything off of worse case condition, which is 2002. Right now, we are doing better than 2002. We do not know how long the runoff will last. Once it stops, we don't know how low the flows are going go. We also do not know if it is going to be hot, if there's going to be high demand for the District, or if it's going to be cooler and wetter, and there's going to be lower demand and less release from storage, because we have monsoons.

Right now, it is just too early to tell, but it is a distinct possibility that the District may not make it till the end of the year. We are planning for the worst case and hope for the best.

Director Dunning was unfamiliar with Middle Rio Grande Tribal Consortium and asked what that might be. Ms. Sanchez was also not familiar with it and asked Mr. Hamman if he might know. Mr. Hamman explained that it is a tribal enterprise operation but did not know who owned it.

Chairman Kelly thanked Ms. Sanchez for coming today and also thanked her in advance for their cooperation with what will be a trying year.

AGENDA ITEM 7 - REPORTS FROM THE MRGCD SECRETARY-TREASURER - David M. Fergeson, Secretary-Treasurer

a. Report on the NMFA Board Meeting April 26, 2018, Approving the MRGCD Equipment/Vehicle Loan Request – David M. Fergeson

David Fergeson attended the April 26, 2018, New Mexico Finance Authority Board Meeting, where they heard requests for loans. MRGCD was granted the loan of \$2.5-million. The letter states a little bit more due to the debt reserve fund. The money will be coming in the mid to latter part of July, which will be included in next year's budget.

b. Presentation of Mill Rate History and FY2019 Budget Summary – Chairman Kelly and David M. Fergeson, Secretary-Treasurer

Chairman Kelly started out by thanking the committee members for very long and detailed meetings.

He directed everyone's attention to a resolution that was approved a year ago that authorized the establishment of a capital reserve fund. This was something Director Sichler really pushed for, knowing the demands we have out there at El Vado Dam and throughout our system and more or less said we want to start parking money in a reserve fund, and we'll start with surpluses from the budget. Even more important in that was that it talked about continuing the long-planned increase in our assessment and the water service charge for the fifth and final year of that plan, which is included in this year's budget. So, this year's budget that they presented today includes a 5% increase in the assessment, and it reflects the \$3 that was approved a year ago in the water service charge. We are recommended we continue doing that.

Just past that resolution, we have good news. FY 17 we were only drawing \$330,000 out to balance the budget, and the last two years it has been zero. Dave and Mike have presented us a budget now that shows \$110,000 surplus, and part of this is the focus on cost savings throughout the District. We now have a balanced budget. The Board approved this five-year plan of tax increases and increases in the water service charge. The water service charge had not been increased since inception, back in 1996 and sat there at \$28 until it started being raised. We are now probably catching up to where it should be, if you'd have added the cost of inflation to it each year since then.

The committee is pleased with the draft budget that's been developed here. Mike has included all of his ESA commitments. He's included some of the key rehab projects that we need to look at. We have included the pumps and the piping for the Socorro Hub Project, as well as the prototype goat grazing project. The committee did reduce the budgeted amount for legal fees, because counsel has been working efficiently.

Mr. Fergeson reported a surplus at this point of \$103,000. It is on revenue and expenses for the vehicles. When we get the loan proceeds, combined with the equipment purchased this year (some of it being on next fiscal year), we will be able to replace about 50 vehicles total, counting heavy and light equipment. With the loan, we will also have 24 light vehicles. The ISOs are getting some new trucks, and those trucks will then be handed down to other folks, the operators. We have nine pieces of heavy equipment out of the loan. We were already able to purchase seven out of this year's budget.

If you look at the recurring and non-recurring, we pretty much held the recurring side steady (and it's up). We've got the increase in healthcare and the COLA, the merit, those kinds of things that are built into it. One of the things that Becky did was review all of the expenditures and kind of hold those steady. In some cases, reduce them.

Mr. Fergeson gave everyone a schedule. At the very bottom, there is \$22.9-million in recurring revenues and \$2.7 (\$2.5-million) is the loan. Mr. Fergeson kept his report at a high level.

On the expenditure side, there is vehicle equipment, grants are sitting at \$750,000, and capital outlay leases of \$2.5-million, which we will go into more detail at a later date. Because of time constraints today, we will go over all of the details of the proposed budget at a later meeting.

Direct Dunning suggested a line item that would be set aside for advertising the upcoming election. Mike Hamman will look at prior figures to find a reasonable number to plug in. Ms. Bustamante reminded everyone that the last election was in three counties, the 2019 election it will be in all four counties. It was noted by Chairman Kelly that constituents have made it very clear that one would need to be a landowner to be eligible to vote in the election.

Director Duggins asked about the "Ditches are Deadly" campaign. He would like to partner up with government agencies in Socorro County to start an "AG Fest". He would like it to showcase all the different groups (chile, dairy, cheese, goats, llamas, etc.) from across the District. He will try to get matching contributions from the City of Socorro and Socorro County.

Mike Hamman and David Fergeson reiterated that a budget packet will be handed out at the next meeting, and Board Members will have six or so days to go over the packet. The Board will then follow up at a later meeting to solidify the budget.

c. Allocation of FY18 Budget Surplus to Equipment Purchases– David M. Fergeson

In looking at expenditures, David Fergeson believes that MRGCD will have \$1.3 million in surplus funds. He has been discussing with the committee using \$920,000 to replace more equipment before we go into next year. For instance, there is a piece of equipment not in use because it is in need of repair. Over time, after several repairs, the repairs will cost more than the original purchase price.

Director Moore added that the committee's thinking is also from a safety standpoint. They want all employees to be safe. Therefore, it is not only the cost savings but also safety.

Mr. Fergeson is asking to replace about 12 pieces of equipment and add two new pieces. They may also need a transport truck.

Director Dunning asked if we could put the capital reserve fund in a long-term CD, if that was something that would earn more interest. Mr. Fergeson reported that currently the State Treasurer is giving MRGCD the best interest rate, even when rated against banks.

Director Lente made the **MOTION TO APPROVE THE FINANCE COMMITTEE'S RECOMMENDATION THAT, GIVEN THE CURRENT ESTIMATES OF THE FY 18 BUDGET SURPLUS OF \$1.3-MILLION, TO DIRECT \$920,000 OF THAT FOR PRIORITY FLEET AND EQUIPMENT ACQUISITION, WITH THE REMAINDER OF THE FY 18 BUDGET SURPLUS DIRECTED TO THE CAPITAL RESERVE FUND. SHOULD THE PRIORITY FLEET AND EQUIPMENT ACQUISITIONS EXCEED \$920,000 DOLLARS, SUBSEQUENT APPROVAL WILL BE REQUESTED, AND THE REMAINDER SURPLUS AMOUNT DIRECTED TO THE CAPITAL RESERVE FUND WILL BE ADJUSTED ACCORDINGLY.** Director Dunning seconded the motion. **THE MOTION CARRIED.**

Director Duggins was temporarily out of the room.

d. Presentation of Draft Resolution Number M-05-07-18-153, Setting Contracting Authority for the Chief Executive Officer – David M. Fergeson

This is something that we talked about during Mr. Hamman's first round of evaluations. This is being presented to you as a draft resolution and was put together with input from the Finance Committee with regard to laying out in one place where Mr. Hamman's contracting authority is with regard to limits. It is in line with the State Procurement Code. Chairman Kelly wanted to do this for clarity on Mr. Hamman's limit of authority on new purchases, which currently is \$60,000. If the draft resolution is approved, Mr. Hamman would be able to enter into an existing task

order for up to \$100,000. If an engineering project that is over \$100,000, we more than likely call for a separate RFP for procuring those kinds of services.

This is up for review and comments today. Directors were asked to review the draft and bring any suggestions for changes to the next meeting on May 14. Mr. Ferguson and legal counsel will make any further changes. Chairman Kelly gave his thanks to the Finance Committee for their hard work.

AGENDA ITEM 8 - REPORT(S) FROM THE MRGCD CHIEF ENGINEER – Mike Hamman, MRGCD Chief Engineer/CEO

a. Bid Abstract - Jeanette Bustamante, Administrative Officer/CPO

1. Pipe - Socorro Hub

Director Moore made the **MOTION TO APPROVE THE STEEL PIPE AND FITTINGS FOR SOCORRO HUB**. Director Dunning seconded the motion. The **MOTION CARRIED**. Two Directors were out of the room when voting took place.

2. Financial and Compliance Auditor Contract

Four proposals were submitted, and Ricci and Co. provided the lowest responsible bid that met and exceeded the requirement of the bid. Ricci had an overall score of 94 (rating based on the three evaluating committee members, who were Mr. Ferguson, Melin Villegas-Vargas, and Jeanette Bustamante).

Director Dunning made the **MOTION TO APPROVE THE SELECTION COMMITTEE'S RECOMMENDATION FOR THE AUDITING FIRM RICCI AND COMPANY**. Director Moore seconded the motion. The **MOTION CARRIED**. Two Directors were out of the room when voting took place.

b. Water Report – David Gensler, Water Operations Manager

At the last meeting, David Gensler was thinking we might get one last hoorah out of the Chama and maybe store a little bit of additional water. Well, the Chama did come back up, and we broke even for about a week or so. Last week, we actually started losing storage up there. We have to release some water now to go ahead and prop up the river through the middle valley, not too much at first, a little more each day, it slows at La Puente decline. We are releasing about 350 CFS now from storage. That is better than the AOP modeling back in March and April predicted. It is a lot of water to be releasing this early in the year. Most normal years, we're storing water at this time of the year.

If there is one bit of good news to share it is that as of April 29th, there had been about 42,000 acre-feet of inflow into El Vado from March 1 through that date. The April 1 forecast was for 41,000 acre-feet of inflow to El Vado March 1 through July. We are already ahead of the game there in terms of what the basins produced.

So, we are doing a little bit better than the abysmal forecast said we would, things are going relatively well operationally through the valley, and running leaner than normal. In general, it appears to be working for people, especially down in Valencia and Socorro Counties. There is a very obvious effort to maximize the use of every drop of water. We have been seeing for the last week or so roughly 820 cubic feet per second entering the valley and about 130 cubic feet per second is going out the bottom end and arriving down at Elephant Butte.

Some people might decry the river conditions down south (the 20 miles of river that are dry), and some people might worry about the Rio Grande Compact implications. Another way to look at that is the valley seems to be operating at something better than 85% efficiency right now. So, things are kicking along pretty good, considering how bad the conditions are out there.

Mr. Gensler echoed the comments made by Ms. Sanchez earlier. If we do not get any rains, if it is just the worst summer on record, and could potentially use up all of our water before the summer is out. On paper, we do not have enough to get through releasing water at 1,200 or 1,500 or 1,600-acre feet per day out of El Vado. That's kind of the dirty little secret in general about the MRGCD's water supply and the middle valley, is that even in most

years, if we simply don't get any snow or rain, the river is going to stop flowing, and we're going to run out of water. That, however, does not usually happen. There usually is some form of precipitation in the valley in the summer, greater or lesser, and we usually take advantage of it.

We will probably most likely get through the year okay. We do have water in storage. We are prepared to manage and use it very wisely. Mr. Gensler thinks the word has gone out now to just about everybody that it is a tough year and we are tightening our belts. We are prepared to take advantage of any little gift Mother Nature chooses to give us this year. If we just get no breaks whatsoever, if things really go bad, we won't be delivering much water by probably the middle to the end of August, certainly through September. He is, however, still hopeful we will be able to do better than that this year.

Director Moore asked Mr. Gensler about the difference in calculations between the MRGCD and other agencies. Mr. Gensler responded that the difference is one has to add in the 57,688-acre feet of Rio Grande and environment EDW water. Right now, all of that water is normally stored Rio Grande water. So, you would add the 57,688, the 24,610, and the 37,062, and that comes up to roughly 119,400, today

Director Duggins questioned that if we get no rain, things will shut down by mid-August, to which Mr. Gensler responded that it is a possibility. Director Duggins then asked about the drain ditches. Mr. Gensler explained that this was an interesting thought. We can and do make use of those drain ditches, but have to remember it has been water that is applied, was not stored in the soil, not consumed by the crop and went on through. In some cases, it is water that leaked directly from the river, which this summer, the way it's shaping up, that water in the river is released from district storage too.

So, there is a little bit of lag time in there as those drains continue to produce water, but Mr. Gensler guesses, should we go into the situation where we just run out of water, and nothing's entering the valley or no water is probably coming downstream of Angostura Dam, you would see those drain ditches decline fairly rapidly over a period of maybe two to three weeks. There probably will be a little bit of water in them but not a whole lot to share around.

Now, the other benefit of the drain ditches, as we get further in the summer and we tighten our belts, we probably will make increasing use of them to try and stretch that water supply, use them more and more for conveyances. That has been done very successfully many years in the past. In fact, a lot of the interconnections that we have today in the drain ditches were constructed in the 1950s as they were trying to figure out how to manage successive annual years with no storage at El Vado and annual runoffs in the 200,000-acre foot range. Unit 7 was a conveyance channel that was constructed. There was originally a drain through that area that was designed to intercept and salvage some water. But the Unit 7 was intentionally constructed to collect that drainage from some of those existing drains and channel it down to San Acacia and into the low flow conveyance channel.

Director Duggins then asked if Sevilleta has a point of diversion or return to the system. Mr. Gensler responded there is a little salvage of the La Joya drain that runs through Sevilleta to the west of the railroad tracks. By late summer, it does not produce very much water. The refuge does have a diversion down there; however, Mr. Gensler believes they do not have water rights, and they utilize that diversion in the wintertime to fill ponds by an agreement with the District. Generally, in the summer, it's not used for diversion of water. We do go up there and check and make sure that they do not have the gate checked up.

Chairman Kelly reported that it was his understanding that if Mr. Gensler elected to use this year's San Juan-Chama allotment, which he heard was going to be about 60%, that Mr. Gensler would need explicit direction from the Board to do so. He further added that he understands Mr. Gensler is not ready to make that recommendation yet until he sees the May 1 forecast and other things coming into to the equation. Chairman Kelly wanted to know if that decision would be coming to the Board at some point this year. Mr. Gensler agreed with Chairman Kelly's assessment and said that pretty soon they will want to go ahead and make that decision.

Director Duggins stated that we should worry about next year, next year. The farmers are already in the game for this year, crops are planted, etc.

Chuck DuMars asked about conflict in the southern part of the state. Mr. Gensler responded there is some potential for a conflict down there. He doesn't know exactly what the refuge has been doing with discussions about their water rights with the State Engineer, but they have talked some with them. Probably, we are going to face more practical crisis regarding the Biological Opinion and some of the things in there about requiring a minimum flow of 25 cubic feet per second for the mouse for example.

When they did that in the Biological Opinion, it just kind of avoided the issue about who was going to get that water to Bosque Del Apache in a condition where the natural river was not producing water to meet their water right. They are the beneficiary of all of our return flows. As we are releasing water today from El Vado Dam, it's passing down through the valley, and some portion of essentially the District-stored water is arriving at the Bosque Del Apache. From a water rights perspective, that's a little bit problematic for them.

Director Lente then discussed that as farmers, they have to have some sort of faith in a higher power, that that higher power will take care of us. He feels lucky that we are coming into Pueblo Feast Day season. He also feels, however, that we also need to be mindful of things we can control here on the ground and in this organization. Knowing now that if you plan for the worst and hope for the best, but plan for the worst, that every single drop of the water that's in that system right now is precious. The way we are allocating it now and through the rest of the season is going to be very meaningful for those that have that water right that they have kept, that they have held onto.

Director Lente is specifically talking about the water bank folks that, right now, we need to start making these hard decisions to turn the red light on or leave it green and roll the dice. He believes that this has come up in the past, about how the pueblos have utilized the Prior and Paramount water and how in the past they waited until the entire system had run out. Then, they flipped the switch, and then the pueblo water started running. He feels it was a little bit unfair, but that is a federally protected water right, and that is the way the practice was. Nonetheless, the way that we have talked about it in the recent past was that we would strategically use that water differently and begin kind of putting spurts of water in the system to help balance the entire District.

Director Lente stated as a pueblo farmer and as a sitting board member he does not think it is fair that if the pueblos are going to start utilizing their pueblo Prior and Paramount water right to put into the system to help take care of the entire District and water bank users benefit off of that water, and they have the lowest priority of water right in the system. He commented that there needs to be a plan to help us make those decisions because as Directors of this Board, it is only fair. The Board needs to have the information sooner rather than later so that we are not sitting here in August and saying, "Well, here we are, but everybody irrigated, including water bank users, and now we are all going to have to suffer the consequences."

Chairman Kelly responded that we do have a water bank policy that establishes two different triggers that trigger curtailment of those water bank farmers. He wondered if perhaps we should take another look at the triggers. Mr. Gensler reported that currently we are below the flow trigger and above the storage trigger. If things continue we could be passing below the storage trigger before the end of May. The amount changes, per the water bank policy, throughout the season, but Mr. Gensler suspects that once we dip below the line in this year that we will stay below the line until we get some kind of significant precipitation event to bring the flow trigger back up. There is no likelihood of us ever coming back up above the storage trigger line again. So, we could be in a position to curtail water bank users fairly soon.

Chairman Kelly asked Mr. Hamman if he thinks it is time to take a look at the triggers. He added that he would sort of delegate to senior staff and the irrigation committee on the decision to make that kind of change in the middle of what appears to be a tough season. However, would it be perceived as unfair to people who have the same expectations when they signed on for the water bank lease?

Director Lente wanted to clarify that he is not proposing that we amend policies that were already written and signed onto. What he is saying is that if we have a policy that exists, that we follow that policy to a tee, and that we not say, "Okay. Well, it's only a small amount of people. It's so many acres. It's so many cubic feet of water." Regardless of how small a portion the water bank users might make up in this District, it adds up. The pueblos are utilizing, again, this senior water right and whatever amount they finally store, to help make our entire system balanced so that in a really bad year, Director Duggins at the far tail end can continue to maybe have some water

and that it doesn't completely run out. That is meaningful to Director Lente. He is sure that it is also meaningful and the reason behind the decision of those six pueblos that are saying, "Let's use this water differently," as opposed to just saying, "Let's run out, and then we turn on," because they saw how that worked out.

Director Duggins stated that he thinks differently. He does not believe that the red light should go up. He stated that the water bank people signed up and bought into it for the year. He believes they should have some type of rule book to go by.

Mr. Gensler tends to believe as Director Lente. We do have a set of policies in place, and, generally, he thinks it has served us well the last several years. A year like this is scary because what is going to happen if we actually do go into a period of curtailment and we have several thousand acres of land out there that's not receiving water? He expects there is going to be a large number of people sitting here at Board Meetings, making their displeasure known. He also understands the logic that they all signed on this agreement.

Mr. Gensler thinks it is up to us to just enforce the policies as fairly and as strictly as we possibly can. The policies give us some flexibility to take advantage of windfall flows, which can happen. The Rio Puerco is a good example. It makes no sense, when we have 3,000 CFS at the dam, to not go ahead and fire up and give water to everybody, but we are always careful to not give it preferentially to water bank users and to try and make sure that everybody follows the rules and adheres to the policies. He thinks the MRGCD does generally a pretty good job, and we will make sure we do an extra good job of it this year.

Director Duggins commented that he has neighbors that have spent several hundred thousand dollars to become efficient and turns his farm around and on the water bank. Then, you have non-water bank that are moving the hose around for 17 acres for three or four days. So the conservative water bank person will be cut off and the other will continue to waste. He feels that the District needs to do something about that.

Discussion ensued between Chuck DuMars and Director Duggins of how the policy came to be and maybe some other options to ponder.

c. Draft Resolution No. M-05-07-18-154 Regarding the FEMA Hazard Mitigation Plan Adoption – Yasmeen Najmi, MRGCD Resources Planner

All Board Members were given a copy of the resolution to adopt the 2018 Socorro County Multijurisdictional Natural Hazard Mitigation Plan. In 2015, Socorro County initiated an update to the mitigation plan. Their partners in that plan were New Mexico Tech and the City of Socorro and the Village of Magdalena. They invited the Conservancy District, because we have been affected by the natural hazards in the past and are likely to be in the future. They asked us if we wanted to be a part of the update, and Mike Hamman agreed. Ms. Najmi has been the liaison to that plan, and she has gotten other staff involved as needed from our divisions and general office.

As a part of the planning process what we did was an inventory of critical assets and then identifying hazards, which are pre-prescribed by FEMA. We then did a risk assessment. The hazards that are analyzed are flooding, severe weather, wild fires, earthquakes, high wind, droughts, extreme heat, volcanic eruption, and levee failure. The plan looked at the community and the participating agencies, both of vulnerability to these hazards and our capability and resources to be able to address them. We then developed a mitigation strategy. As a part of that, each agency had the opportunity to develop prioritized mitigation actions that we would like to possibly seek funding for each hazard.

We do not have sign on to the plan. We are not obligated to implement any of the actions in the plan, but Ms. Najmi thinks it is to our advantage to do so because of some of the issues we've had in Socorro, particularly with flooding, wild fire, heat, hail, etc. If we approve the resolution and adopt the plan formally, that enables us to apply for FEMA funding for mitigation. If we do not approve, we are not eligible to apply.

Chairman Kelly noted that under a similar process, the City of Albuquerque got \$7-million for the Montano Gap Levee from FEMA; however, it did come with some strings. He, however, knows that we have had a lot of issues in Socorro County, and he thinks this will compliment the work on the highline ditch drainage management plan.

The plan is not in the library yet but is available on-line. Chairman Kelly asked Board Members to review the plan, and the Board will discuss decision on approval in two meetings.

Bruce Wiggins suggested adding the bulleted list of what the MRGCD obligations are to the plan. Chairman Kelly asked Mr. Wiggins to meet with Ms. Najmi to assist in adding the obligations.

d. Report on Meeting with Corrales Mayor JoAnne Roake, April 6, 2018 – Mike Hamman, CE/CEO

The meeting with Corrales Mayor JoAnne Roake was a very good initial meeting. Attendees included Fire Chief, Anthony Martinez, some of her new staff, county manager and also chief of staff. Had a good conversation about collaborative and mutual projects that the District is working on in the Corrales area.

One of the things that we want to work on is the agreement between MRGCD and Corrales. We discussed putting together a task force that includes the Bosque Commission and some other citizens to further explore how we could put together some type of agreement between the two agencies to essentially manage and maintain things that each agency does well. The District would assist by providing equipment when necessary to help manage their lands and assist the fire department with some changes to our own water truck equipment to put the proper nozzles and pumps for effectiveness in fire response.

The Mayor is very excited about working with us on this concept. We should be bringing some kind of a draft forward in a couple of months.

e. Report on NWRA Conference April 9-12, 2018 and Hill Visits with Congressional Delegation, Agencies and Committee Staff – Mike Hamman, CE/CEO

Mike Hamman reported that our group that traveled to D.C. met with our congressional delegation, as well as agency staff, Bureau of Reclamation, BIA, and Corps of Engineers. We met with both natural resource house committee staff and also senate energy and water community staff to discuss the main issues of the District. We had our first face-to-face with Michelle Lujan-Grisham, which was very beneficial.

Director Lente agreed with Mr. Hamman and added that he felt the meetings were successful that they had with both administration and congressional staff. He believes the environment in D.C. has changed and that he is more aware that the MRGCD should have a place and face there in D.C. so that people don't forget about who we are and what we do. He expressed the District should keep moving forward and making sure people understand our issues.

Director Moore discussed the highlights of the meetings and touched on some of the people that they met. She enjoyed the trip, and, for her, it was informative and worthwhile.

Director Dunning, on the other hand, was discouraged by what she saw in D.C. and described it as dysfunctional.

Director Duggins thought this trip was the better of the two he has been on. He will be working on some ideas on labor for farms and heading back to D.C. with those ideas.

Director Romero made the **MOTION TO APPROVE THE REPORT ON THE NWRA CONFERENCE AND HILL VISITS WITH CONGRESSIONAL DELEGATION, AGENCIES, AND COMMITTEE STAFF, APRIL 9-12, 2018**. Chairman Kelly seconded the motion. The **MOTION CARRIED**.

f. Report on Bernalillo to Belen Levee Agency Milestone Meeting, April 13, 2018 – Mike Hamman, CE/CEO

Mike Hamman attended the Bernalillo to Belen Levee Agency Milestone meeting. The agency accepts the conceptual design. They have gotten Sacramento, San Francisco, all of the different offices, to essentially check the box, going through the next step, which ultimately would get to the chief's final report next April. There is another one in September and then another in April.

They had made a miscalculation or misrepresentation that we were still on the old cost share funding ratio of 75/25. They apologized for misleading us that we were still in the old funding formula and said they really did not have any evidence that we could be grandfathered in on the bill. It is now going to be 65/35 ratio, which is another \$22-million hit to the local cost-share agencies. Mr. Hamman voiced concern with that. He added that we had spent some time discussing this with the new congressional delegation and that the Corp would probably do an inquiry regarding this matter. With all that said, it is still a necessary project. We will keep the ball rolling forward and just see how it plays out over time.

Bernalillo to Belen Levee Project has got several reaches. It has the Mountain View reach, which is just south of the South Diversion Channel, through Valle de Oro, and then it ties into Isleta Diversion Dam area. Isleta Pueblo reach is on both sides of the river at that point, through the Isleta Pueblo.

Mr. Hamman also stressed with the delegation and with the Corps is that we think that component, given its on lands that are owned by the federal and state should be 100% federal.

The next reach is from Bosque Farms to Los Lunas on the east side of the river. And then, there's a short stretch on both sides of the river from there down to Belen. With the 100-year flood event, that whole area, Tome included, would be covered with two feet of water without the levee. We had a lot of trouble with flows at 6,000 CFS this year. If we would have had a storm on top of that, we would have had some trouble this last year, and that is really a relatively low flow compared to what the channel used to carry years ago. Anytime we get sustained water against that levee, it starts to weaken and slough into the drains and widening. One of our cautionary things that we are working on with the Corp of Engineers is putting together an MOA that authorizes us to get reimbursed for getting that drain back in shape and reestablishing the footprints. So, having this in place will keep the cost down. That's another component that will help keep the overall cost down for the whole project. One of the things we will be doing is probably trying to do a section of that drain every year, starting maybe in 2020 or so, just to stay out ahead and get that part done so that we can get cost-share for that and then for lands underlying the level as a result of title transfer .

Chairman Kelly asked if there was any rational discussion about the exorbitant cost the Corps of Engineers experienced implementing the Socorro levee because they did not go to the low bid contractor. Mike Hamman responded that the current Corps calculation of 41 miles of levee would be \$7-million per mile. Maybe we decide a bond under some state authority on our own that would actually allow for us to build the thing in five years. Chairman Kelly expressed that the MRGCD did the Albuquerque West Levee at \$2-million per mile. Montano Gap Levee is also estimated at \$2-million per mile.

Mr. Hamman added they are also putting in for a feasibility review for the Albuquerque reach levees, and want the District to be part of that local sponsorship.

g. Report on Sandia to Isleta RGEMP Agency Milestone Meeting, April 30, 2018 – Mike Hamman, CE/CEO

Mike Hamman reported that attendees at this meeting discussed seeking reauthorization in 2019 for the entire Rio Grande corridor to fit into the WRDA program for environmental improvement. They picked Albuquerque because of all the other work that's been done for endangered species, and habitat under previous funding from Senator Domenici.

We are getting reimbursed for the Albuquerque West funding to actually pay for this study. We have also strongly encouraged them to use as much of the old data as they possibly had and that has keep the study price around \$2M, \$1M less than authorized. Our exposure is roughly \$900,000, because we fortunately used the existing hydrology. They did approve the concept of a \$27-million project that would do essentially 18 different habitat sites in the Albuquerque reach that we would get a significant amount of credit for under the biological opinion.

h. Report on the Green Builders Water Summit in Santa Fe, May 1, 2018 – Mike Hamman, CE/CEO

Mike Hamman reported on the Water Summit in Santa Fe meeting. Senator Udall spoke that day, and Mr. Hamman had a chance to visit with him briefly. He is still very engaged in trying to help us get title transfer.

The main focus of that Summit is the ag/urban interface that is going on with a lot of different developers and planners. This really looks at quality of life issue about agritourism, economic development based on a combination of high quality, well-designed developments that integrate agricultural components of the area into the future, instead of scraping the ag lands flat and putting up a bunch of homes. They are doing innovative work with the farming community to try to keep as much of that production as possible. There are also entities that are doing a lot of valuable work on food production so that it is high quality food, reducing the carbon footprint and creating an economic driver for producers, as well as the restaurant industry and those that sell the produce in the area.

It was a very good meeting. Mr. Hamman got interesting ideas about working with different entities that can collaborate going forward. There is a big movement happening, and he wants MRGCD and its farmers to be able to help capitalize on that going forward, without losing our traditional farmers.

i. U.S. Army Corps of Engineers Invitation for Change of Command Ceremony on May 18, 2018 – Mike Hamman, CE/CE

Chairman Kelly asked all Board Members to RSVP to Jeanette Bustamante by May 18, if they plan on attending the ceremony.

j. Approved Licenses for April 2018 (For Informational Purposes Only)

MEMORANDUM
ENGINEERING DEPARTMENT

TO: Mike Hamman, Chief Executive Officer

FROM: Adrienne Martinez, Engineer

DATE: May 5, 2018

RE: MRGCD Licenses

The following license requests were approved by staff for the month of April 2018.

1.2-024-2018 — License with the New Mexico Gas Company to install and maintain aburied 4” HDPE utility line within the Isleta Interior Drain right-of-way.

2.3-026-2018 — License with Plateau Telecommunications, Inc., to install and maintain aburied fiber optic cable utility within the Garcia Acequia right-of-way.

3.3-083-2017— License with MMI Southwest, LLC, to install and maintain a buried fiberoptic cable within the Los Lunas Acequia right-of-way.

4.3-109-2017— License with MMI Southwest, LLC, to install and maintain a buried fiberoptic cable within the Los Lunas Acequia right-of-way.

5.3-061-2017— License with Western Spirit Clean Line, LLC to install and maintain an aerial utility across the San Juan Main Canal right-of-way.

6.3-066-2107— License with Western Spirit Clean Line, LLC to install and maintain an aerial utility across the Sabinal Lateral #2 right-of-way.

- 7.3-068-2017— License with Western Spirit Clean Line, LLC to install and maintain an aerial utility across the Sabinal Lateral #1 right-of-way.
- 8.3-069-2017— License with Western Spirit Clean Line, LLC to install and maintain an aerial utility across the Garcia Extension Acequia right-of-way.
- 9.3-070-2017— License with Western Spirit Clean Line, LLC to install and maintain an aerial utility across the Belen Highline Canal right-of-way.
- 10.3-083-2017 — License with MMI Southwest, LLC to install and maintain a buried fiberoptic cable within the Los Lunas Acequia right-of-way, station 110+25± and 110+75±.
- 11.3-109-2017 — License with MMI Southwest, LLC to install and maintain a buried fiberoptic cable within the Los Lunas Acequia right-of-way, station 97+50± and 100+75±.
12. 3-114-2017— License with MMI Southwest, LLC, to install and maintain a buried fiber optic cable within the New Belen Acequia right-of-way.
13. 3-135-2017 — License with the Town of Peralta to install and maintain a buried 4" PVC sewer line utility within the Middle Upper Acequia right-of-way, station 33+00±.
14. 3-138-2017 — License with the Town of Peralta to install and maintain a buried 4" PVC sewer line utility within the Middle Upper Acequia right-of-way, station 72+15±.
15. 3-142-2017 — License with the Town of Peralta to install and maintain a buried 4" PVC sewer line utility within the Peralta Acequia right-of-way, station 106+25±.
16. 2-150-2017 —License with the Middle Rio Grande Tribal Consortium to install and maintain a buried fiber optic utility line within the Bernalillo Acequia right-of-way.
17. 1-152-2017 — License with the Middle Rio Grande Tribal Consortium to install and maintain a buried fiber optic utility line within the Algodones Lower Acequia right-of-way, station 195+50±.
18. 1-154-2017 — License with the Middle Rio Grande Tribal Consortium to install and maintain a buried fiber optic utility line within the Algodones Lower Acequia right-of-way, station 142+80±.
19. 1-156-2017— License with the Middle Rio Grande Tribal Consortium to install and maintain a buried fiber optic utility line within the Algodones Lower Acequia right-of-way, station 109+25±.
20. 1-157-2017— License with the Middle Rio Grande Tribal Consortium to install and maintain a buried fiber optic utility line within the Algodones Lower Acequia right-of-way, station 20+00±.
21. 1-158-2017 — License with the Middle Rio Grande Tribal Consortium to install and maintain a buried fiber optic utility line within the Yeso Lateral right-of-way, station 1+40±.
22. 3-164-2017— License with MMI Southwest, LLC, to install and maintain a buried fiber optic cable within the Los Lunas Wasteway right-of-way.

23. SP-016-2018—License with Tetra Tech to survey Bureau of Reclamation rangelines around the Pena Blanca Area and between Isleta Diversion Dam and San Acacia Diversion Dam until September 1, 2018.
24. SP-019-2018— License with Star Paving to construct a multi-use trail along the east bank of the Corrales Main Canal from station 661+80± to station 643+70± per the City of Albuquerque Project No. 7340.03, “50 Mile Bike Loop” (MRGCD license no. 2-041-2017).
25. SP-020-2018— License with Lujan’s Communications to relocate an existing AT&T fiber optic line within the Isleta Interior Drain right-of-way from station 524+15± to station 527+50±.
26. SP-057-2017 — License with AUI Inc. to discharge ground water into the Isleta Interior Drain from the installation of a 66”Ø storm drain and 12”Ø waterline at Blake Road per the City of Albuquerque Project No. A301790 and A300015, “Coors Boulevard and Blake Road Improvements”

AGENDA ITEM 9 – REPORT(S) FROM THE MRGCD ATTORNEY(S) – Chief Water Counsel and General Counsel

a. Report on the O’Connor Claims - General Counsel

The O’Connor claim is going to be mediated by Bruce Hall at the Rodey Firm in June.

Regarding old business, Josh Sanchez filed a case for legal malpractice against his lawyer after his lawyer sued him for fees. Lorna and Patty have been listed as witnesses.

The Bill Turner proceeding is in the Tenth Circuit, oral arguments are complete, and the case is under advisement.

AGENDA ITEM 10 - REPORT(S) FROM THE MRGCD BOARD OF DIRECTORS

a. Rio Grande Compact Commission Meeting, March 29, 2018 – Director Lente

Director Lente accompanied CEO, Mike Hamman, and general water legal counsel, Mr. DuMars, to Austin back in March. Director Lente wanted to be more knowledgeable about the Texas v. New Mexico supreme court case. Having both Mr. Hamman and Mr. DuMars there and hearing from the different states was all Director Lente needed to help better understand things. Director Lente made the statement on behalf of the District. We were the only ones that made statement during the public comment period. We were able to wrap up the meeting with our statement, which Director Lente provided to Board Members in the packets.

Director Dunning made the **MOTION TO APPROVE THE REPORT ON THE RIO GRANDE COMPACT COMMISSION MEETING, MARCH 29, 2018**. Director Moore seconded the motion. The **MOTION CARRIED**.

b. Report on NWRA Conference and Hill Visits with Congressional Delegation, Agencies and Committee Staff, April 9-12, 2018, Directors Lente, Moore, Dunning and Duggins

The Report on the NWRA meeting was covered above under 8.e.

c. Report on Finance Committee Meeting April 19, 2018 – Chairman Kelly and Directors Moore and Romero

The Report on the Finance Committee Meeting was included in our budget discussion, as well as a mail-out item.

Director Dunning made the **MOTION TO APPROVE THE REPORT ON THE FINANCE COMMITTEE MEETING, APRIL 9, 2018**. Director Duggins seconded the motion. The **MOTION CARRIED**.

d. Report on the Rio Grande Water Fund Spring Meeting, April 27, 2018 – Chairman Kelly

Chairman Kelly reported that he and Mike attended the Rio Grande Water Fund Spring Meeting. Chairman Kelly was there on behalf of the New Mexico Water Shed and Dam Owners Coalition. Therefore, he will not be requesting per diem on this. The good news is that they are getting very close to their 30,000 acres of restoration per year. Their funding levels are all moving up. We included another \$50,000 to that program in our budget this year. But he thinks the biggest news was from the Forest Service, who has confirmed that they now have a different pot of money for fighting fires. Their operational budget is being restored to doing the things they used to do, like clearing trails and maintaining campgrounds and doing their own controlled burns and thinning projects. Everyone needs to be geared up, ready, with matching funds because in about two years the Forest Service is going to be doing a lot more of this with our own money.

e. Report on Finance Committee Meeting May 2, 2018 – Chairman Kelly and Directors Moore and Romero

The Report on the Finance Committee Meeting was included in our budget discussion, as well as a mail-out item.

AGENDA ITEM NO. 11 – EXECUTIVE SESSION

Chuck DuMars did not feel that an executive session was necessary today. He felt the document that he wanted to review is covered by attorney-client privilege. Therefore, he just handed it out. The Executive Session was not done for today's meeting.

Prior to adjourning, Chairman Kelly notified everyone that the trip down the Chama for the Board will not take place this year, given the perceptions that might happen if we were to float the Chama the middle of June, right when the water bank gets curtailed.

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

The meeting was adjourned at 6:00p.m.

Approved to be the correct Minutes of the Board of Directors of May 7, 2018.

ATTESTED:

David M. Fergeson
Secretary/Treasurer

John P. Kelly,
Chairman, MRGCD Board of Director