

**MINUTES OF THE
REGULAR MEETING
OF THE
BOARD OF DIRECTORS OF THE
MIDDLE RIO GRANDE CONSERVANCY DISTRICT
OCTOBER 8, 2018**

Directors having been duly notified, Chairman Duggins called the regular meeting to order at 3:02 pm at the MRGCD General Office. The following Directors and Staff were present:

DIRECTORS			STAFF	
Glen Duggins	Chairman		Mike Hamman	Chief Engineer/CEO
Derrick J. Lente	Vice-Chair	Absent	Tanya Scott	Chief Water Counsel
Joaquín Baca	Director		Lorna Wiggins	General Counsel
Karen Dunning	Director		Bruce Wiggins	General Counsel
John Kelly	Director		David M. Fergeson	Secretary-Treasurer
Beverly Romero	Director	Absent	Jeanette Bustamante	Administrative Officer/CPO
Valerie Moore	Director		David Gensler	Water Operations Manager
			Becky Burnham	Budget Analyst
			Alicia Lopez	Engineer 1
			Matt Martinez	Licensing Specialist
			Sandy Ontiveros	Records Specialist
			Rusty Swint	ER&T Manager
			Jason Casuga	Engineer Manager
			Christine Nardi	Human Resource Director

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

Hugo Hinojosa, Bosque Del Sol, LLC
Jeff Willis, AMAFCA

AGENDA ITEM NO. 1 – PLEDGE OF ALLEGIANCE

Rusty Swint, from MRGCD led the Pledge of Allegiance. Rusty has been working for MRGCD for 15 years in Equipment Repair and Transportation.

Chairman Duggins welcomed the guests and declared a quorum.

AGENDA ITEM NO. 2 – APPROVAL OF THE MEETING AGENDA

Mike Hamman asked that 5.b., set a Date for the Election Committee Meeting, be added to the agenda.

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

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

a. Consideration/Approval of Payment Ratification for October 8, 2018

Director Dunning asked if MRGCD could look into possibly having solar installed at the main building. Director Kelly agreed it would be a good idea. Mike Hamman will look into asking PNM to do an analysis and see if would be worthwhile.

Director Kelly also asked about the delivery time on the report from SWCA for the sampling. Mike Hamman did not recall the exact date and time, but he is expecting a full report some time after the collection period. Mr. Hamman will send out an email to all board members with an update of the collection data.

Director Dunning made the **MOTION TO APPROVE THE PAYMENT RATIFICATION FOR OCTOBER 8, 2018**. Director Baca seconded the motion. The **MOTION CARRIED** unanimously.

b. Consideration/Approval of September 2018 Invoice for Wiggins, Williams & Wiggins

Director Dunning made the **MOTION TO APPROVE THE SEPTEMBER 2018 INVOICE FOR WIGGINS, WILLIAMS, & WIGGINS**. Director Kelly seconded the motion. The **MOTION CARRIED** unanimously.

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

Director Kelly asked if Mr. Hamman reviewed the work from Belleau Ground Water and if he found the work satisfactory. Mr. Hamman responded that he had been involved in the initial scoping and set up of the work involved. He believes they are focusing on what was agreed upon.

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

AGENDA ITEM NO. 4 – APPROVAL OF MRGCD MINUTES

a. Consideration/Approval of Minutes for Special Board Meeting – May 14, 2018

Director Kelly made the **MOTION TO APPROVE THE MINUTES FOR SPECIAL BOARD MEETING - MAY 14, 2018**. Director Moore seconded the motion. The **MOTION CARRIED** unanimously.

b. Consideration/Approval of Minutes for Regular Board Meeting – September 10, 2018

It was suggested by Director Dunning that when a Board Member leaves a meeting the Chair should note it, so it reflects in the minutes so that correspond with the roll call votes. Bruce Wiggins agreed that it should be noted in the minutes. Chairman Duggins stated he would begin to announce when a Director leaves a meeting, and it will be reflected in the minutes.

Director Moore made the **MOTION TO APPROVE THE MINUTES FOR REGULAR BOARD MEETING - September 10, 2018**. Director Kelly seconded the motion. The **MOTION CARRIED** unanimously.

c. Consideration/Approval of Minutes for Regular Board Meeting – September 24, 2018

Director Dunning made the **MOTION TO APPROVE THE MINUTES FOR REGULAR BOARD MEETING - SEPTEMBER 24, 2018**. Director Moore seconded the motion. The **MOTION CARRIED** unanimously.

AGENDA ITEM NO. 5 – SET DATE FOR FINANCE COMMITTEE MEETING TO DISCUSS FIRST QUARTER FINANCIALS – David M. Ferguson, Secretary-Treasurer

a. Set Date for Finance Committee Meeting

Meeting set for October 18, 2018 at 10 a.m.

b. Set Date for Election Committee Meeting

The next Election Committee Meeting will take place at 1:30 on November 19th, which will be right before the next Board Meeting.

On another note, Mike Hamman will send out a request for available dates to hold an irrigation committee meeting before the end of this year.

AGENDA ITEM NO. 6 DISCUSSION AND APPROVAL OF THE NOVEMBER AND DECEMBER 2018 BOARD MEETING SCHEDULE – Mike Hamman, CE/CEO

Due to the Veteran's Holiday falling on the regularly-scheduled board meeting November 12, 2018, that board meeting will be moved and scheduled for 3:00 p.m. November 19th 2018.

The December board meeting will be scheduled for 3:00 p.m. December 10, 2018.

As in previous years, there will only be one (1) board meeting for in the months of November and December.

AGENDA ITEM NO. 7 – ITEMS FROM THE FLOOR (Comments are held to six (6) minutes)

No one from the public wished to make comments during today's meeting.

AGENDA ITEM NO. 8 – REPORT(S) FROM THE U.S. DEPARTMENT OF INTERIOR

a. U.S. Bureau of Reclamation – Ms. Jennifer Faler, Area Manager

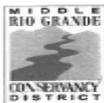
Ms. Faler was not present today due to the federal holiday.

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

Ms. Sanchez was not present today due to the federal holiday.

AGENDA ITEM NO. 9 – REPORT(S) FROM THE MRGCD CHIEF ENGINEER - Mike Hamman, CE/CEO

a. Bid Award – Cochiti Division Backhoe – Jeanette Bustamante, Administrative Officer/CPO



9a

Memorandum

**To: MRGCD Chairman Kelly and Board of Directors
Mike A. Hamman, CEO/CE
David Ferguson, Secretary-Treasurer
Jeanette Bustamante, Administrative Officer**

From: Richard DeLoia, Purchasing Agent *RD*

Date: September 24, 2018

Re: ABSTRACT FOR COCHITI BACKHOE

Staff recommends award of John Deere 310HL Backhoe to 4-Rivers via CES through a Cooperative Procurement Agreement NMSA 1978 13-1-135. This Backhoe shall be for Cochiti Division, budgeted under the FY2019 MRGCD approved budget.

VENDOR	JOHN DEERE 310HL	GRAND TOTAL
4 Rivers Equipment	\$106,438.84	\$106,438.84

After thorough review, staff recommends award to 4 Rivers via CES contract, grand total amount of \$106,438.84.

Director Kelly made the **MOTION TO APPROVE THE BID AWARD FOR THE COCHITI DIVISION BACKHOE**. Director Moore seconded the motion. The **MOTION CARRIED** unanimously.

b. Water Report – David Gensler, Water Operations Manager

The irrigation season is definitely winding down. We still are getting calls for water but not as many. Temperatures are down, and recently we've had a few rains scattered around the valley, nothing significant but enough to wet the ground and help decrease demand even further.

Even with the weather, there's still water coming out of storage, mostly it is the Albuquerque/Bernalillo County Water Utility Authority water and the Reclamation water that's moving. Remarkably if it were not for that water moving, there would be extensive drying through the valley. Natural flows seem determined to stay extremely low.

The District is releasing a little bit of water too. We have water to release again. There's no requirement for P&P storage in October. So, any unused P&P water was reallocated to the District's general storage last week. We have had a small release since then, about 50 cfs, maintaining the status quo of about 500 cfs entering the valley at Cochiti dam. That flow is working well for all. It's enough for us to operate and deliver water for pueblos and non-Indians alike. It's enough for the Water Utility Authority to operate like they had planned, and it's enough for Bureau of Reclamation to keep most of the river wet and capable of supporting Rio Grande Silvery Minnow.

One particular thing to mention is the Water Bank. When that unused P&P was released back to us, it pushed our storage above the curtailment threshold. So, by District policy, as described under Rule 23, Water Bank users are no longer curtailed. That seems a little bit strange because flows are so low, and we don't have all the canals running.

We've told all our ISOs to schedule Water Bankers and water them when they can do so practically, without interrupting regular irrigation deliveries. But to tell them that there is no guarantee, and there will still be times when water is not available. Based on our return flows, it looks like we have very little actual consumptive use this fall, and there should be a little extra water to go around. We will be able to get the Water Bank users a delivery in October, if they want it, without causing harm to the regular users with water rights.

Back to the river, we have about 500 cfs below Cochiti Dam. We're diverting 130 cfs of that at Cochiti. At Angostura, we're diverting about 130 cfs, and we have about 160 cfs in the Albuquerque Main Canal. Down at Isleta, we're diverting 250 cfs this afternoon, and we've shifted flows to the west side and actually have enough water to get the Belen Highline Canal up and running this week. So, those folks are getting a little water. Down at Socorro, diversions are highly variable, but we have ranged from 80 to 120 cfs on any given day and hour, just due to the return flow stuff. We've been running somewhere between 80 to 120 cfs in the Socorro Main Canal the past few days. Socorro is still delivering some return flow onto the Bosque Del Apache Refuge. So, that is enough water to make it all work this time of year.

The river at Albuquerque has been hovering between 120 and 160 cfs with a few rainfall spikes. At Isleta, we're bypassing about 50 cfs and have 35 cfs at the Bosque Farms gauge. We're letting 20 cfs go over San Acacia Dam and have enough leakage through the structure to keep the river below the dam at about 30 CFS. The result is about 13 miles of dry river down towards the Bosque Del Apache Refuge and 2 or 3 miles dry in the Isleta Reach, near the Peralta waste way. So, in spite of the tough conditions this fall, we only have about 16 miles dry now and something like 23 dry at the height of the summer.

Mr. Gensler commented he does not know how the fish population is doing, but it is not because the water management entities haven't done a job, keeping as much of the river flowing as possible. Certainly, a lot less drying this year with all the water management actions that would not have happened under purely natural conditions.

And it looks like the year will wrap up okay with respect to Rio Grande Compact deliveries. Releases from the Butte are shut off now. Chris Stageman sent out an accounting update last week that showed us about 12,000 ac. ft. in the red at the end of September. So, yeah, we're still in debt. But we typically make up something around 8-10 ac. ft. per month during the off-season. So, it seems reasonable to expect that we will close that gap before December 31st this year, which is based on Method 2 (NM's accounting, which it abides by). Method 1 (BOR's accounting) would show us even farther ahead on deliveries.

Director Kelly asked Mr. Gensler if the system has been able to run in Bernalillo and also at the highline canal. Mr. Gensler reported that they ran the Bernalillo acequia one time, about seven days ago, and they are planning to run it again a week from today. So, Bernalillo get one more watering in October. They ran water on the highline five or six days ago, and they are getting it back on now.

Director Dunning asked Mr. Gensler if the curtail triggers were correct or if they needed modifying. Mr. Gensler reported that he thinks it's always worthwhile looking at things at the end of every year and seeing what we could have done differently. It was tough this year for water bank. It was tough last Friday because, all of a sudden, we had this reallocation of water back to our pool. Suddenly we, legally, are supposed to allow the water bankers to irrigate. So, it was a very awkward situation. Mr. Hamman and Mr. Gensler discussed it extensively and decided that it made sense to go ahead and let them come back on and go by the policy.

Fortunately, the temperatures have dropped a lot over the weekend, and we've had a little bit of rain. When we put the threshold trigger of 1,000 cfs in storage for October, the thinking at the time was if we had gotten through to October, had an entire year and we still had water in storage, we were doing pretty well. So, it probably would be okay. There should be enough water naturally in October for the water bankers to be able to irrigate. Now, we get into this year, where natural flows are still very low. But, because of this back and forth with Prior and Paramount storage, we actually wound up above the threshold. The irrigation committee needs to look at it again some time before next irrigation season.

Director Moore asked how much water the P&P used. Mr. Gensler responded that started out, the number was quite high throughout the year, but we didn't actually start using it until September. Once we actually went to a P&P release, there was 6,000 ac. ft. in storage, and we wound up using probably about 2,000 of that in October. There is, however, some accounting stuff to be worked out with Reclamation. Director Moore asked if, now that it's a green-light situation, if the regular users are put first. Mr. Gensler responded that they will now start fitting the water bankers in after the users that were on the books waiting for water. Director Moore then asked if Mr. Gensler could give her a report to send to her farmers. He responded that he would be happy to.

Director Kelly shared his sentiments that he was pleased that we implemented the water bank policy exactly by the letter of the policy. Director Kelly said he would hate for us to monkey with those triggers every time we have a snowfall or a rain storm up in Chama. He urged the board to be cautious about any knee-jerk reactions to what appears to be an accounting anomaly with regard to water.

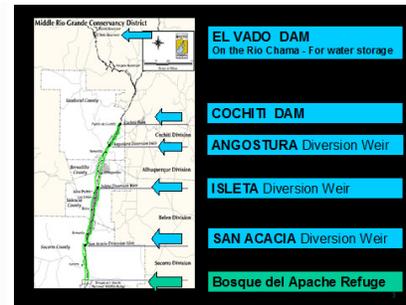
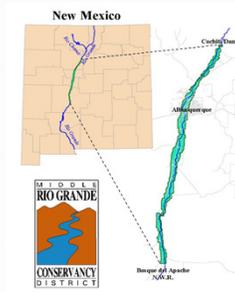
Chairman Duggins reiterated Director Kelly's sentiments and also thanked David for getting us through a tough year. Chairman Duggins wanted to state for the record one more time that he doesn't see how the red light/green light helps the Conservancy to conserve water in any way. The people have been without water for approximately six weeks. He feels that when they do get water, they're going to use a whole lot more. He feels it wrecks the schedule of the ISOs.

After a round of thank yous from the Board, Mr. Gensler expressed his appreciation for the thanks but wanted to add that he couldn't have done it without the ISOs.

c. Report on NM Legislative Water & Natural Resources Committee Meeting in Roswell, NM, October 2-3, 2018 - Mike Hamman, CE/CEO and John Thompson, MRGCD Lobbyist

Mr. Hamman went over the report and slide presentation that they gave at the meeting in Roswell, October 2-3, 2018.

Interim Committee on Water and Natural Resources
 Middle Rio Grande Conservancy District
 October 2, 2018
 Mike A. Hamman, PE
 CEO and Chief Engineer



El Vado Dam near Chama, NM



2017 Hydrology

- In 2017, natural inflows to the Otowi gage exceed 1.2 M a-f making 2017 the first significantly above average water year since 2005.
- In 2017, the District stored 114,000 a-f of RG water, carrying over nearly 40,000 a-f into 2018
- High flow years increase the annual delivery obligation to Texas, often causing NM to run an accrued debit
- The District released 39,200 a-f storage from El Vado to Elephant Butte, Oct-Dec 2017, specifically to reduce potential NM RG Compact debit for the year.

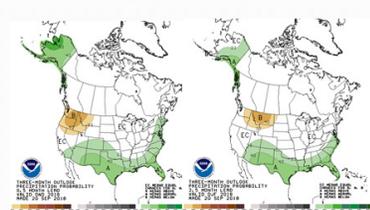
2018 Hydrology

- The spring runoff was one of the lowest since 1956 with natural flow at 127,000 a-f March to July following a year that was one of the highest in the last decade.
- With this meager runoff, the District had to start releasing reservoir water in late April to supplement runoff that ordinarily would not occur until late June or early July in a normal year.
- All supplemental storage in upstream reservoirs has been released and it is estimated that about 300,000 a-f will be diverted in 2018.
- New Mexico ISC estimates that Rio Grande Compact deliveries to Elephant Butte will be in compliance and will likely not be far from zero debit or credit.

2019 Outlook for the MRG

- The District will start the year with near zero in storage and with Article VII in effect, storage of Rio Grande is only limited to relinquished credit of 20,000 a-f.
- The District may have up to 20,900 a-f of SJ-C contract water if there is an above average runoff.
- The Department of Interior will store about 22,000 a-f of Rio Grande at El Vado to protect water use for 8,846 acres of the six MRG Pueblo Prior and Paramount lands.
- The National Weather Service is predicting a much improved degree of fall, winter and spring precipitation in the Rio Grande and San Juan basins as a result of a trending El Niño pattern.

NWS Precipitation Outlook



District-wide Flooding Impacts

- Severe flooding off adjacent lands to the west of the Belen Highline Canal occurred on September 29, 2017, June 3rd, 2018, and July 5th, 2018 damaging farms, several homes, and closing I-25 on two occasions.
- Another storm dumped 3 plus inches above San Antonio on July 15, 2018 damaging a canal, several homes, Highway 380, a railroad bridge and over 400 acres of farmland.
- The Town of Bernalillo is very vulnerable and has had several damaging flood events this season.
- The District has been sued three times under "inverse condemnation" claims and we expect additional suits.

NM116 & Olive



Canal Breach at Belen



Flooding Remediation Recommendations

- The MRGCD is not an upland flood control agency but is a willing partner to work with Counties, State and federal agencies to plan for a long-term solution to flooding concerns in the urbanizing areas.
- Flood retention dams and conveyance channels to the Rio Grande need to be constructed as has occurred in Bernalillo and Sandoval counties in urbanizing areas.
- A joint-agency effort with bonding authority or the formation of a flood control authority may now be necessary to address flooding potential long-term.



Middle Rio Grande Conservancy District
 Keeping the Valley Green

Mr. Thompson gave his thoughts on the meeting. He felt it was poorly attended by Committee members. MRGCD did not field as many questions. Mr. Esslinger, Director of Elephant Butte Irrigation District (EBID) who attended the meeting brought up that flooding events that occur outside of the EBID boundaries and then come into the EBID boundaries creating problems for them much like what happens during storm events in the middle valley. EBID is taking steps to help control and salvage those flows and use that water for supplementing irrigation releases. Mr. Thompson will be setting up a meeting with Rep. Baldonado, Mayor Cordova from Belen, Mr. Monette, Valencia County Manager, and Minutes of Middle Rio Grande Conservancy Board Meeting October 8, 2018

Kevin Eads consultant to the City of Belen to coordinate their efforts for discussions at the legislative meetings. Lastly, Pecos Valley will be starting and forming a water bank.

Mike Hamman added that Chairman Gomez from Dona Ana County wanted to know how much water that each District was providing to their constituents. Chairman Gomez said (at the meeting) that he didn't feel his district was getting their fair share in comparison to others with no mention of the extensive groundwater pumping that supplements supply in the Mesilla valley.

Director Kelly asked Mr. Thompson if the November meeting is more to try to create a Valencia County Flood Authority. Mr. Thompson believes it is looser, because he does not think the Valencia county folks have an appetite for a flood control authority. He just thinks that everyone needs to be on the same page or nothing will happen insofar as MRGCD receiving any funds.

d. Report on the Six Middle Rio Grande Pueblo Coalition Meeting on October 4, 2018 –Mike Hamman, CE/CEO

Mike Hamman reported that the meeting was well attended. Mr. Hamman felt there was a good exchange about how well we've all worked together for this year to balance the available water that we have for all the constituents of the District. Mr. Hamman thanked all of the Governors and their staffs for trusting the process. He urged folks at the ground level to communicate problems immediately instead of letting them fester and then rise up to the Mr. Hamman's or the Governor's level.

Director Kelly asked Mr. Hamman if the Pueblos would be asking to run water through the middle of November this year. Mike Hamman said there is an important date in November for a cultural event where four of the six Pueblos need water through the first week of November. He added that if November stays warm, Isleta may also request one more opportunity to irrigate. Director Kelly wanted to note that we need to protect those four months of construction season, which begins in November.

e. Approved Licenses for September 2018 (For Informational Purposes)

Director Dunning questioned where the Harlan Drain is located. Matt Martinez, in the audience, responded that it is located in Valencia County. Director Dunning also wanted to know where the traffic gates were going to be installed on Albuquerque Main. Again, Matt Martinez responded and said that he could not provide details but he would be willing to put together a map and get a copy of the license. She then wanted to know who was paying for them. Jason Casuga responded MRGCD provides all maintenance and the community members are paying for the installation.

AGENDA ITEM NO. 10 – REPORT(S) FROM THE MRGCD ATTORNEY(S) (Chief Water Counsel and/or General Counsel)

No report today was given today.

AGENDA ITEM NO. 11 – REPORT(S) FROM THE MRGCD BOARD OF DIRECTORS

a. Report on Water Law Conference, September 20 & 21, 2018 - Directors Moore and, Baca

Director Moore reported that she thought it was a very interesting; however, if she would have known the price upfront, she probably would not have gone. She reported many interesting topics discussed, such as the Four Corners area has the most severe drought; New Mexico has the lowest reservoir storage in the western U.S.; the Colorado Basin is 75% to 80% below normal; and the State Engineer said that New Mexico was the epicenter of the drought in the U.S. Charles DuMars presented at the conference and discussed water right transfer. They also discussed the Texas/New Mexico lawsuit. New Mexico can pay Texas with money instead of water.

Director Baca added that the conference was well attended, and he very much enjoyed it. He likes hearing different perspective on what it is going on. He felt it was well worth his time.

Director Kelly made the **MOTION TO APPROVE THE REPORT ON WATER LAW CONFERENCE, September 20 and 21, 2018.** Director Dunning seconded the motion. The **MOTION CARRIED** unanimously.

b. Report on Urban Committee Meeting, October 1, 2018 – Directors Dunning and Baca

Director Baca reported that regarding the film industry fees, after doing a lot of homework on the matter, the recommendation of the Urban Committee is to bring in a consulting firm to provide even more information before the Board can make the decision of changing fees or even if MRGCD would like to even start this endeavor.

Director Dunning commended Director Baca on the amount of homework he did for the film industry fees. She also reported that the Forest Service and Fish and Wildlife had a big celebration for the Rio Grande Trail, but no one showed up because they forgot to tell anyone about it. But she heard high praises of the consulting firm that Forest Service is now using.

Director Kelly made the **MOTION TO APPROVE THE REPORT ON URBAN COMMITTEE MEETING, October 1.** Director Dunning seconded the motion. The **MOTION CARRIED** unanimously.

AGENDA ITEM NO. 12 – EXECUTIVE SESSION

a. NMSA 1978 Open Meetings Act, Section 10-15-1(H)7

Executive Session was not necessary today.

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 4:32 p.m.

Approved to be the correct Minutes of the Board of Directors of October 8, 2018.

ATTESTED:

David M. Ferguson
Secretary/Treasurer

Glen Duggins, Chairman
MRGCD Board of Directors