

**MINUTES OF THE
REGULAR MEETING
OF THE
BOARD OF DIRECTORS OF THE
MIDDLE RIO GRANDE CONSERVANCY DISTRICT
OCTOBER 22, 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		Dr. DuMars	Chief Water Counsel
Joaquín Baca	Director		Bruce Wiggins	General Counsel
Karen Dunning	Director		David M. Fergeson	Secretary-Treasurer
John Kelly	Director	Absent	Jeanette Bustamante	Administrative Officer/CPO
Beverly Romero	Director	via/Phone	David Gensler	Water Operations Manager
Valerie Moore	Director	Absent	Becky Burnham	Budget Analyst
			Alicia Lopez	Engineer 1
			Adrienne Martinez	Engineer 1
			Rita Hern	Payroll Coordinator
			Joe Brem	Albuquerque Division Mgr.
			Jason Casuga	Engineer Manager
			Christine Nardi	Human Resource Director
			Sloan Washburn	Belen Division Manager

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

Jeff Willis, AMAFCA
Viola Sanchez, BIA

AGENDA ITEM NO. 1 – PLEDGE OF ALLEGIANCE

Rita Hern, from MRGCD led the Pledge of Allegiance. Ms. Hern has been working for MRGCD for many years in different capacities and currently as Payroll Coordinator.

Chairman Duggins, commended Ms. Hern for her hard work.

Chairman Duggins welcomed the guests and declared a quorum.

AGENDA ITEM NO. 2 – APPROVAL OF THE MEETING AGENDA

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

AGENDA ITEM NO. 3 – APPROVAL OF MRGCD MINUTES

a. Consideration/Approval of Minutes for Special Board Meeting – October 8, 2018

Director Dunning, made a slight correction

Director Baca made the **MOTION TO APPROVE THE MINUTES FOR REGULAR BOARD MEETING - OCTOBER, 2018**. Director Dunning seconded the motion. The **MOTION CARRIED**. Directors Lente and Romero abstained they were not in attendance at the October 8th meeting.

AGENDA ITEM NO. 4 – DISCUSSION and APPROVAL OF FIRST QUARTER FINANCIAL REPORT – David M. Ferguson, Secretary-Treasurer

There really is not too much to report since it is the first quarter of the year. Revenues do not come in until November, December, and January timeframe. Interest on investments is up over \$320,000 over last year at this time. Vehicle equipment O&M, including parts is also up. Diesel fuel and gasoline prices are up as well, part of it is due to increased productivity. With the new City of Albuquerque agreement, we hope to see these costs decrease since we'll be buying fuel cheaper in the Albuquerque area.

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

AGENDA ITEM NO. 5 – 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. 6 – REPORT(S) FROM THE MRGCD CHIEF ENGINEER - Mike Hamman, CE/CEO

a. Water Report – Mike Hamman, CE/CEO

Mr. Hamman delivered today's water report due to Mr. Gensler being on vacation. With one more week left remaining for the irrigation season, we are going to try to get water to anybody that needs it. So, we will be scheduling deliveries for the last week.

Essentially, we ended with just a little bit of carryover up at Heron Reservoir, somewhere around 1,000-acre feet or so, which is a remarkable thing. We were hoping for more than that, but praying that we wouldn't run out some time in late July or early August, and our prayers were answered with substantial but not frequent monsoon storms that gave us an opportunity to manage the water appropriately and to be judicious about how we were sharing the water from side to side in the Belen Division. Our biggest obstacle to having a smooth water year was the fact that on a few occasions it was difficult to get water to the lower end of the systems particularly to the Socorro Division because of it. But we managed to recover quickly through a lot of good work by our ISO staff, as well as moving water quickly from Cochiti Dam down into the system again. So, as we've talked many times in the last several meetings, it's been somewhat of a miraculous year.

The water situation is good for the remaining week. We don't expect to have any problems whatsoever in getting anybody water that needs it. And, like I said, we'll have a small carryover to start the season in 2019.

Along that line in 2019, come January 1, we will start storing any excess natural flows in El Vado as soon as we can possibly do so to have that available to us. Based on the forecast for the following winter, we do expect to have some good precipitation to work with. We're hopeful that the watershed gets filled up in the fall. That's a very good sign initially that we'll have a somewhat decent runoff. If we get some snow accumulations of significance, that'll be an even better situation. Because of the situation at Elephant Butte with Article VII starting at the very beginning of the year and probably lasting through the entire year (but for sure during the spring runoff), we are going to have to rely heavily on the runoff itself through as late as we can possibly hope for, which would be late June / early July.

We will store approximately 40,000-acre feet of natural flow, and if we have a good runoff on the San Juan-Chama side of the system, we'll be able to store another 20,000. So, the best we can hope for, somewhere around 60,000. That doesn't include the storage we'll do for the Prior and Paramount supply, which could be 20,000 to 30,000 as well. But that's what we'll have to work with. If we have a decent

runoff that gets us into July, 60,000 might be just enough to get us through another irrigation season without too much stress.

Director Dunning asked if we had met our Compact deliveries. Mr. Hamman reported that currently, we are looking at maybe a 3,000-acre foot credit, based on the projections for the rest of the fall.

Director Dunning also noted that David Gensler attended the Rio Chama meeting. She wondered if they had made any changes or decisions or the meeting was just to report what has been happening with conservation efforts. Mike Hamman did not obtain a report from Mr. Gensler regarding the Rio Chama meeting, but he will ask Mr. Gensler to send the Board an email regarding the meeting.

Chuck DuMars asked that Mike Hamman describe the synergistic way in which water is released and it's tied to our uses for irrigation and other things. Mr. Hamman explained that we've got an agreement that goes back to about 2005 that followed the 2003 Biological Opinion status, where credit water that was available to the middle valley, vis a vis the Rio Grande Compact relinquishment process, the credit that was built up over the fat years and also the years that lots of San Juan-Chama water was released for Minnow operations, there was a pretty good credit to the Compact.

There was an agreement that the ISC brokered between MRGCD and the Bureau of Reclamation to allocate credit relinquishments on a two-thirds / one-third basis. One-third for reclamation, which they paid for and are now actively trying to get out of the water business themselves. But they accumulated a block of water that would be used for Minnow operational purposes, and it had a federal label on it. Over the years, that relationship allowed for them to release water to the middle valley on a scheduled basis to initially hit flow targets under the '03 BO, which is really critical through the early spring and right into June to hit those targets.

The current relationship has evolved to where the water is released for Minnow operations at Cochiti, and a certain flow passes Angostura, and then, once it hits Isleta Dam, we're able to divert a large percentage of it and bypass a smaller percentage of it. That then aids in the operations, so that any return flows coming from the drains is somewhat supported by that water that we get to salvage from the Minnow operations that has occurred over the years.

This year, a special deal was cut between the Albuquerque Bernalillo County Water Utility Authority and the Bureau of Reclamation and us from an operational perspective to bypass somewhere on the order of 300 to 350 CFS at Angostura Dam, which would allow for two things: for the Utility Authority to stay in operations for their drinking water project, so they don't have to pump ground water as much, and also to provide a minimum fish flow, if you want to put it that way, or minimum flow at the Albuquerque Gauge at about 125 cfs or above. And that also allowed us to capture some of that water at Isleta for use during the P&P operations so, it really helped during the P&P operations specifically because we had excess flows and return flows at Isleta Dam, which allowed for some non-Pueblo irrigators to benefit from that operations, and it worked well.

We want to commend Reclamation and the Utility Authority for, number one, putting 20,000-acre feet of their water on the table, and Reclamation for spending the funds to acquire it, which was 100 dollars an acre foot. So, it's a \$2-million contribution to the cause, and we all benefitted from it.

The September fish numbers looked better than the August fish numbers as far as the actual CPU calculation. It came up one-tenth of a measurement there. So, it was right around .2. It's increased to .3, and we hope it increases a little bit more for the October numbers for us to stay well above the minimum required .3. We are there with the September numbers, and we're hopefully above that when they collect the October data points at the 20 sites for the Silvery Minnow Monitoring Program.

Mr. Hamman also noted that Reclamation was okay with the "fish water" being released at Cochiti to be used for push water on the upper end of the system to make sure that the P&P water got where it needed to go, up above Angostura Dam. So, that was another good aspect of this summer's operations.

b. Update on Corps of Engineers Projects - Mike Hamman, CE/CEO

We have six separate projects with the Corps. Some of them are dormant for now, like the Bernalillo 205 Levee Project. A few years ago, we had a budget line item of \$25,000 to keep that feasibility study alive to repair and bring up to standards the Bernalillo stretch of the levee projects. It would be from somewhere in the middle of Santa Ana Pueblo Reservation boundaries, and it would go all the way down to the tieback in Sandia Pueblo, and it would protect all those areas between there and the town of Bernalillo.

That project is on hold, primarily because the Corps made the determination that until better progress has been made on dealing with all the flood events that occur on the eastern mountain front and along I-25 corridor that creates more of a flooding problem currently in the Bernalillo area than the main stem of the river. Until that is addressed more fully by East SSCAFCA, the town of Bernalillo, as well as MRGCD, the Department of Transportation, and others, are involved in a long-term fix for that program. They've suspended any more analysis on that, but our \$25,000 at the time allowed them to make that final determination.

The other problem that we have with that project is Santa Ana Pueblo has yet to commit for allowing for land to be used for a tieback levee, somewhere along the alignment of our Bosque One lateral. We'll have to work that out with the leadership of Santa Ana Pueblo at some point.

That one's on hold.

The other big one that we have levee wise is the Bernalillo to Belen levee, which starts in Bernalillo County, right at the south diversion channel. It goes through Mountain view community and Isleta Pueblo. At the Isleta Pueblo boundary, the levee must be constructed on both sides of the river for that stretch. The most vulnerable part of the levee is from Isleta Pueblo, south, all the way through on the east side, all the way down to Belen. We experienced significant issues with that during the high runoff events of 2017, and we went into emergency operation mode there for a while with Sloan Washburn and his crews with Albuquerque and Socorro Divisions chipping in. It was one of those all-hands-on-deck there for a while to secure our drains and the levee during that runoff period.

There's a definite need for a new levee in that reach of the river. The problem is the current price tag is about a quarter billion dollars for 42 miles of levee, which is right at about \$7-million a mile, which the local governments might be able to construct for way less than that.

To date, the direct and some indirect funding that's come through in our name, we've contributed \$1.5-million on that project, just for the feasibility component of it. This project has gone through what they call the agency decision milestone, which means it's teed up to go to the headquarters Chief Engineer level at some point here early in 2019 for approval at that level. Once that happens, then it starts to fall in line for budgetary appropriations. They're looking at trying to do it at a \$20-million a year clip, which, if you do the math, over a quarter-billion dollars, that's about an 18-year project.

Over 18 years, the price tag is just going to go up. Nonetheless, it is federal dollars. We must collectively (partners, like we've done in the San Acacia levee) come up with 35% of the cost, which would be on order of about close to \$6-million every year to get \$20-million for cost share, but we're going to try to do some physical projects ahead of time. Mr. Hamman has asked the engineering group to work through our on-call engineers to do a design and cost analysis of what it would take for us to rehab the drain ahead of time, because the riverside drains need to be rehabbed. If we do that, we might be able to cover our cost share by doing that, and then, we're going to have to find state moneys and other funds, hopefully, out there to cover the other components of the cost share.

Director Dunning asked Mr. Hamman if there is a possibility of using federal funds but designated for BIA to pay for Isleta's share. Mr. Hamman responded that we are proposing that the piece be 100% federal. We really don't care where the money comes from or how they do it. There is one option of us refusing to be a cost share partner on that stretch of the levee. It's kind of worked to our benefit in the past.

Director Dunning then asked if there was any way to get the Army Corps to pay for it but have us get it done for less. The way that we worked on the Albuquerque West Levee, even though it had a different authority for it, we were able to take that over and construct it at a lower cost. That's something we're

hoping we can work into a Memorandum of Agreement with them, that does two things: allows us to go ahead and claim reimbursement or at least cost share credit for work we do ahead of time. We could do parts of the levee, maybe the clearing of the land underneath on the Bosque side of things. There are a lot of different components of that that we could try to work in there.

Unfortunately, this authorization doesn't have the same as the Albuquerque West levee that allows for local government to take it over. So, we may have some problems with that. We're going to keep the pressure on them as much as we can to consider some of those options.

The Corrales levee is a very old project that still had some outstanding wrap-up expenses. We finally arrived at a good finalized price. We contributed another \$40,223 to wrap that up. We're moving forward on working with the Village of Corrales and others to put in the Bosque Advisory committee and the Corps to figure out a way to come up with a reasonable way to do the maintenance there. We continue to have those conversations. We were able to acquire a skid-steer that we're going to share. We're going to allow them to utilize it with the appropriate attachments to do a lot of the maintenance on our behalf on the clear ditch and in the Bosque. That's going to be a good corporative effort there.

The other one that we're in the process of wrapping up is the San Acacia levee and the Socorro Reach. We are cleaned up there financially, unless some little thing comes out and some calculation down the road that requires some extra payment there. We've acquired a long boom mower for the Socorro Division to go ahead and start doing some maintenance there, even though we don't have our maintenance O&M manual in hand yet. We know if those weeds get out of control, it'll be a problem.

We're also awaiting the final reports on the project itself, including the O&M manual, so that we can go forward and do what they call the letter of map revision that Director Kelly has been on us to do for us to go ahead and formally get FEMA to designate that as a completed project so that those folks can come out of the 100-year flood plain and get a break on their insurance at some point here soon. There are approximately 1,500 properties that would get that benefit.

Chairman Duggins asked for clarification on the location. Mike Hamman reiterated that it's from the Socorro Flood Channel that goes around the city, just south of Lemitar and Escondida. It heads south from there and terminates at Brown Arroyo.

Mr. Hamman then updated the Board on Sandia to Isleta, Rio Grande Environmental Management Program. We've contributed more than \$250,000 to date (we just added \$225,000). It will be the first shovel-ready project for environmental improvements in the whole Rio Grande corridor from Colorado all the way to Brownsville, Texas. That project has limited applications, not necessarily beneficial for MRGCD, but we're hoping that other cost-share partners will see the need for it and step in and help us with finalizing that report.

That project also went through the process of agency review that authorized it to go the next level up to the chief engineer up in headquarters. So, it's moving along.

We expect additional cost-share will be on the order of maybe another \$178,000 or so before they complete that whole feasibility study. The good news is on that front is that with our position that we would not be local sponsor on this project and possibly the Bernalillo to Belen, unless they reimbursed us what they owed us on the Albuquerque West project. We have now received almost \$1½-million. That really helps us with our cost-share requirements. So, we're not taking out of our budget necessarily. It's coming out of the Corps of Engineer's reimbursement moneys.

Dr. DuMars then asked if there was a chance to get a meeting together of various people from MRGCD and legislators for funds on helping the people whose homes were impacted by the floods and mud. Mr. Hamman responded that John Thompson has set up a meeting for November 14th in Belen to put together a joint legislative request by us, the City of Belen, Valencia County, possibly Socorro County, and those local legislators that represent that area, led by Representative Baldonado to get that before this 60-day session to help leverage our investment in the study along the Belen Highline, in that area, as

well as the work that the City of Belen is doing, with their master plan for their drainage problems, and start to coalesce into a larger regional flood control study.

Mr. Hamman added that one thing we are doing with East SSCAFCA in that we are going to be doing a Water Trust Board application for some funds to try to utilize the Bernalillo Acequia a little bit more effectively for a flood control conveyance structure, where we would put our irrigation water in pipe underneath and allow the local flood control agency to use the surface for some kind of flood control conveyance structure.

c. Update on El Vado Dam Corrective Action Study – Jason Casuga, Engineer Manager

Mr. Casuga gave the history of the Safety of Dams program with El Vado. Currently, we need to deal with the face plate, the left abutment, and embankment. The issues associated with that are what's driving the project now. We seem to be in a good place with the feasibility design for the emergency spillway. The emergency spillway is just going to get a wider mouth. It'll end up being all concrete and significantly change the amount of head loss that we get when water enters that. That's a big issue right now. They cannot effectively get water into it currently.

We went through what Reclamation calls a risk analysis process. We identified several alternatives and went through the process of narrowing that down to basically two concepts.

The first concept is dealing with the face plate and the liner. It comes down to either putting something over the top of the existing liner or removing that existing liner and putting something new there. Those face plate options equate to about six different alternatives. The idea of removing the face plate and exposing that rock-filled dam is not something that any of the engineers like. What's holding the dam staying up and that rock fill in place is the fact there's something there. And no one really wants to take that off (of which Jason agrees). They are exploring different kinds of liners to put on the face of that.

Currently, the Bureau of Reclamation put out an exploratory contract, and they had one proposal come back in with a company called Carpi. This is a polyurethane liner that has been used many times in Europe in high elevation dams. Another thing they are exploring is how they would attach the system that attaches to the face plate liner. There will be a section of the dam that's having this installed on it.

The other major alternative that they were looking at doing is what they call a cutoff wall right down the middle. They would cut a trench right down the middle of the dam, and they'd basically fill that trench with a slurry concrete mix that would set over time. The biggest concerns it that it is a rock-filled dam.

Regarding the status of the roadway over the top of the dam, currently, the NMDOT has basically gotten a free pass on providing any O&M related to the highway that they put over the top. At this point in time, Reclamation and MRGCD are in full agreement that the current roadway design that we have over the top right now is for maintenance only. If we were to go forward with no agreement with the state, there would be no state road over the top.

There was a preliminary meeting a year-and-a-half ago or two years ago with the DOT, and they are now in the process of scheduling more meetings.

They are doing a sediment study. One of the things that we have to look at is ESA impacts as we go through this NEPA process, both sediment that has to be removed out to potentially do one of these one alternatives, which is that liner. They're testing the sediment to make sure there's nothing in there that can be harmful (i.e., chemicals). They are also looking to see if there's any use for that sediment. If we can make use of it, stock hold it, let it dry, and use it for maybe some of the left abutment work; however, that's a pretty extensive study.

Director Dunning asked if MRGCD had the legal authority to close a public road. Mr. Casuga responded that MRGCD is not the one making this decision. BOR is making the decision. They have exercised this right before. Chuck DuMars gave some history on similar situations in the past (i.e., Hoover Dam).

Director Dunning noted that there are problems with the road on the other side as well. Jason Casuga responded that as part of our project with Reclamation, we are changing the approach on that side, mainly because it would facilitate better O&M. They're looking at extending the road and doing some grading to extend it up that slope or widening that slope wider out and making it a much wider transition.

d. Final Review/Approval of Intergovernmental Agreement with EMRTEC – Mike Hamman, CE/CEO and Jason Casuga, Engineer Manager

Mike Hamman noted this agreement was presented at the last meeting. It has been run through counsel, and Mr. Hamman and Mr. Casuga believe all is ironed out to work well for both parties.

Director Dunning asked if an RFP was the correct vehicle for the fellowships that would come from this agreement. Bruce Wiggins responded that it's more a matter of formality in terms of defining what the product of the fellowship is going to be. For example, we don't want to run afoul of the prohibition against, you know, making donations. So, we need to get some services. We need to get some benefit from it. That is the purpose of the RFP, is it's a secondary objective of an RFP to get some services along with it. Really, the purpose of it is to define what it is that this fellowship is supposed to provide the MRGCD. The rock and the fellowships would not be separate. They would be together on one RFP because the fellowships would come from the EMRTEC (the same organization we would obtain the rock).

Director Lente made the **MOTION TO APPROVE THE INTERGOVERNMENTAL AGREEMENT WITH EMRTEC**. Director Dunning seconded the motion. The **MOTION CARRIED**.

e. Report of 63rd Annual New Mexico Water Conference, October 17 & 18, 2018 - Mike Hamman CE/CEO

Mike Hamman attended the 63rd meeting of the Water Resource Research Institute (WRI), at NMSU. The conference was designed to scare you with climate predictions and some things that are being done up in the University of Colorado Water Research group. The conference was very well put together. It had a lot of different themes that flowed well to address all the different things in terms of how people view scarcity and policy matters, how they were going to utilize science and suggest paths forward in terms of research projects, and things that could help everybody make decisions about the resources available to New Mexico in particular, the southwest in general.

Dr. DuMars and Mr. Hamman agreed we could do a poster (that the board members were given in their packets). It's also going to be posted on the website about what the District is involved in and how we're working with other folks to deal with some of the water management challenges that we're facing. It also updates where we are in terms of what is our actual water use. This helps provide a resource for folks to understand how we work and how our system is focused in on return flows and direct diversions and run of the river. We rely heavily on supplemental storage, when we have it, but we don't always have it, whereas other folks have other options that we don't have. That doesn't come through very well in some of these committee hearings.

The Board thanked Mike Hamman for the handout. Director Lente said this is the kind of items we need to have readily available, especially when you go to interim committee meetings and people have so many questions.

f. Final NWRA Conference and Imperial Irrigation District Tour Schedule - Mike Hamman, CE/CEO

Mike Hamman reported that we've got a really good tour set up on that final day of the conference (Friday). There will be three board members attending the conference but only two on the tour.

AGENDA ITEM NO. 7 – REPORT(S) FROM THE MRGCD ATTORNEY(S) (Chief Water Counsel and/or General Counsel)

No report today was given today.

AGENDA ITEM NO. 8 – REPORT(S) FROM THE MRGCD BOARD OF DIRECTORS

- a. **Report on Finance Committee Meeting, October 18, 2018 - Directors Kelly, Moore and, Romero**

This topic was covered under Item 4 of today's agenda.

Director Dunning made the **MOTION TO APPROVE THE FINANCE COMMITTEE MEETING, OCTOBE 18, 2018**. Director Baca seconded the motion. The **MOTION CARRIED**.

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

The meeting was adjourned at 4:24 p.m.

Approved to be the correct Minutes of the Board of Directors of October 22, 2018.

ATTESTED:

David M. Fergeson
Secretary/Treasurer

Glen Duggins, Chairman
MRGCD Board of Directors