

**MINUTES OF THE
SPECIAL BOARD MEETING
OF THE
BOARD OF DIRECTORS OF THE
MIDDLE RIO GRANDE CONSERVANCY DISTRICT
JANUARY 8, 2018**

Directors having been duly notified, Chairman Kelly called the regular meeting to order at 3:08 pm at the MRGCD General Office. The following Directors and Staff were present:

DIRECTORS

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

STAFF

Mike Hamman	Chief Engineer/CEO
Tanya Scott	Chief Water Counsel
Lorna Wiggins	General Counsel
Bruce Wiggins	General Counsel
David M. Fergeson	Secretary-Treasure
Jeanette Bustamante	Administrative Officer/CPO
Jason Casuga	Engineer Manager
David Gensler	Water Operations Manager
Lorenzo Benavidez	Socorro Division Manager
Becky Burnham	Budget Analyst

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

John Thompson, MRGCD Lobbyist
Scott Edeal, Valencia County

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

Chairman Kelly called for approval of the Agenda.

Chairman Kelly asked if there any other changes, no changes were made and the Chairman stated a motion is in order.

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

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

For the purposes of today's decision, snowpack and spring runoff for 2018 both appear well below average.

The District had both storage and flow triggers for water bank curtailments. The start of the 2018 Irrigation Season the District will be above the storage triggers. If you include 20174 SJC in Heron we are starting 2017 with above 89 KAF. We have begun storing Rio Grande at El Vado which he expects will put the District over 95 KAF before March 1. He also expects to capture some water in March and April even with the poor flows expected. So the District is not in bad shape storage wise. If the District uses storage early in the year we could drop below the triggers fairly quickly. Even in wet years, we have

periods when flow triggers are in effect, so those storage triggers are likely to be the dominant influence on Water Bank availability this year.

Due to good flows last year, Heron already contains over half what is needed for a full 2018 allocation. So even with the poor condition the District stands a good chance of getting a nearly full allocation in 2018.

Last year the District amended the Water Bank language to include SJC in Heron as part of the water bank storage trigger computation. At some point a decision will need to be made whether the 2018 SJC water shall be dedicated for use this year, and thus include in the Water Bank decisions.

Given the present poor outlook for 2018, Water Bank users should be prepared for periods of curtailment.

Director Lente expressed concerns that the District should not provide false hopes to the Water Bank users, everything should be decided upfront and then come back in June and July and discuss the priorities. Is it fair for the Pueblos or Pre-1907 water rights people to share the water?

Chairman Kelly asked Director Lente should the decision of SJC water be decided sooner rather than later, or revert to the methods in the past?

Director Lente responded he is not suggesting anything just don't give false hopes.

Mr. Hamman expressed that the Water Bank contract is very clear on curtailment requirements and also is clear in Rule 23. There is a good mechanism with the policy and the District will not deviate from that policy without Board approval.

Director Duggins, stated it is hard to shut a farmer off; at the beginning of the season all farmers with first cut are normally cutting at the same time, but going forward it is more difficult. Also suggested to see the 20,000 ac. ft. in Heron included into these numbers.

He also commented that the District should be more flexible.

Mr. Gensler responded that the policy has some language for flexibility, and he watches it very closely.

Chairman Kelly recommended that the Irrigation Committee meet and discuss the distribution of the water for 2018 and report back to the full board.

AGENDA ITEM NO. 4 – IRRIGATION / WATER BANK COMMITTEE REPORT & RECOMMENDATION ON WATER BANK LEASE RATES & FEES – Directors Duggins, Moore & Lente

Director Duggins reported on the Committee meeting held on January 2, 2018 and advised the Board that there were no rule changes for MRGCD Water Bank Rules - Rule 23, and after much discussion the only rate that the committee is recommending to be increased is the Water Service Charge (per/acre) fee to \$40/acre/year, this reflects an increase of \$3.00. The Administrative Fee (\$100/per lease), and Lease Rate (per acre) \$50/acre/year fee will remain the same for 2018.

Director Lente reiterated that the only change was made to the Water Service Charge fee that will increase for the 2018 Irrigation Season from \$37/acre/year to \$40/acre/year for the 2018 Irrigation Season.

Director Dunning asked if the committee discussed the Administrative fee for those properties that are less than an acre and charge them a lesser amount.

Mr. Hamman indicated that the lease is for a 5 year term and the administrative fee covers the whole term of the lease agreement as long as there are no changes.

AGENDA ITEM NO. 5 – ITEMS FROM THE FLOOR

Scott Edeal from Valencia County commented that he understands the Water Bank curtailment process and that most farmers also understand.

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

Director Dunning made the **MOTION TO APPROVE THE COMMITTEE RECOMMENDATION FOR THE WATER BANK LEASE RATES AND FEES.** Director Moore seconded the motion. The **MOTION CARRIED.**

AGENDA ITEM NO. 7 – CONSIDERATION / APPROVAL OF RESOLUTION M-01-08-18-116.6 ADOPTION OF WATER BANK RATES & FEES FOR 2018 IRRIGATION SEASON

Director Dunning made the **MOTION TO APPROVE RESOLUTION M-01-08-18-116.6 ADOPTION OF WATER BANK RATES & FEES FOR 2018 IRRIGATION SEASON.** Director Lente seconded the motion. The **MOTION CARRIED.**

Chairman Kelly stated a motion to adjourn is in order.

Director Baca made the **MOTION TO ADJOURN THE MEETING.** Director Romero seconded the motion and the **MOTION CARRIED** unanimously.

The meeting was adjourned at 2:57 p.m.

Approved to be the correct Minutes of the Special Meeting of the Board of Directors of January 8, 2018.

Attested:

David M. Fergeson
Secretary/Treasurer

John P. Kelly,
Chairman, MRGCD Board of Directors