

**MINUTES OF THE
2,183rd REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
MIDDLE RIO GRANDE CONSERVANCY DISTRICT**

JANUARY 10, 2022, 3 P.M.

Directors having been duly notified; Madam Chair Dunning called the regular meeting to order at 3:06 pm at the MRGCD General Office. The following Directors and Staff were present:

DIRECTORS		STAFF	
Karen Dunning, Madam Chair	Present	Jason Casuga	Acting Chief Engineer/CEO
Stephanie Russo Baca, Vice Chair	Present	Dr. Chuck DuMars	Chief Water Counsel
Barbara Baca, Director	Present	Patty Williams	General Counsel
John Kelly, Director	Present	Pamela Fanelli	Secretary-Treasurer/CFO
Joaquin Baca, Director	Absent	Anne Marken	Water Operations Div. Mgr.
Glen Duggins, Director	Present	Matt Martinez	Water Distribution Div. Mgr.
Michael T. Sandoval, Director	Present	DeAnna Philips	GIS Tech / Board Liaison

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

Jerry Lovato, AMAFCA	John Thompson, MRGCD Lobbyist
Nicole Friedt, AMAFCA	Thomas Padilla, MRGCD
Jared Romero, AMAFCA	Anders Lundahl, NMISC
Jennifer Faler, USBR	Theresa Davis, Albuquerque Journal
Doug Strech, MRGCD	Francesca Shirley, MRGCD
John Fleck, Utton Center	Andrew Hautzinger, VSWCD
Judith McSweeney, MRGCD	Santiago Maestas
Nolan Meadows, Mc Farms	Casey Ish, MRGCD
Michael Lundmark, Hummingbird Farm	Gabriella Coughlin, MRGCD
Max Henkels, NMDA	John Larson, El Defensor Chieftain
Tricia Snyder, Wild Earth Guardians	Yasmeen Najmi, MRGCD
Kirsten Couevas, Sublime Pastures	Hawke Morgan
Rick Altenberg	Alicia Lopez, MRGCD
Bill Diven	Jeff Gabaldon
Christopher Perea, Wilson & Company	Mike Padilla, MRGCD
Daniel Aguirre, Wilson & Company	

AGENDA ITEM NO. 1 – PLEDGE OF ALLEGIANCE

Jason Casuga led the Pledge of Allegiance.

Madam Chair Dunning declared a quorum with Directors Barbara Baca and Duggins calling in, and the meeting was publicly noticed. She noted that Director Joaquin Baca was absent due to an illness.

AGENDA ITEM NO. 2 – APPROVAL OF THE AGENDA

Vice Chair Russo Baca made the **MOTION TO APPROVE THE MEETING AGENDA**. Director Kelly seconded the motion. Rollcall vote was administered, and the **MOTION CARRIED**.

Director Duggins	Yes	Vice Chair Russo Baca	Yes
Director Barbara Baca	Yes	Director Sandoval	Yes
Director Kelly	Yes	Director Joaquin Baca	Absent
Madam Chairwoman	Yes		

AGENDA ITEM NO. 3 – CONSIDERATION/APPROVAL OF 2022 OPEN MEETINGS ACT RESOLUTION BD-01-10-22-52 - Pam Fanelli, Secretary/Treasurer-CFO

Vice Chair Russo Baca made the **MOTION TO APPROVE 2022 OPEN MEETINGS ACT RESOLUTION BD-01-10-22-52**. Director Sandoval seconded the motion. Rollcall vote was administered, and the **MOTION CARRIED**.

Director Duggins	Yes	Vice Chair Russo Baca	Yes
Director Barbara Baca	Yes	Director Sandoval	Yes
Director Kelly	Yes	Director Joaquin Baca	Absent
Madam Chairwoman	Yes		

AGENDA ITEM NO. 4 - CONSENT AGENDA

- a. Consideration/Approval of Payment Ratification - January 10, 2022
- b. Consideration/Approval of December 2021 Invoice for Wiggins, Williams & Wiggins
- c. Consideration/Approval of December 2021 Invoice for Law & Resource Planning Associates, PC
- d. Consideration/Approval of Minutes for Special Board Meeting - December 13, 2021
- e. Consideration/Approval of Minutes for Regular Board Meeting - December 13, 2021
- f. Consideration/Approval of Professional Services Agreement for Consultant and Lobbying Services between the District and John Thompson
- g. Consideration/Approval of Per Diem, Mileage & Expense Reimbursement regarding New Mileage Rates as of January 1, 2022.
- h. Memo on MRGCD Approved Licenses for December 2021 (For Informational Purposes Only)

Director Kelly made the **MOTION TO APPROVE THE CONSENT AGENDA**. Vice Chair Russo Baca seconded the motion. Rollcall vote was administered, and the **MOTION CARRIED**.

Director Duggins	Yes	Vice Chair Russo Baca	Yes
Director Barbara Baca	Yes	Director Sandoval	Yes
Director Kelly	Yes	Director Joaquin Baca	Absent
Madam Chairwoman	Yes		

Director Kelly suggested they pull Item 4.f. for the Agreement for Consultant and Lobbying Services from the Consent Agenda. The new item was reviewed as Director Kelly would like the last sentence in the Term to be stricken from the agreement. Jason Casuga agreed to the changes and will have the addendum executed.

Vice Chair Russo Baca made the **MOTION TO APPROVE ITEM No. 4.f. with above changes**. Director Kelly seconded the motion. Rollcall vote was administered, and the **MOTION CARRIED**.

Director Duggins	Yes	Vice Chair Russo Baca	Yes
Director Barbara Baca	Yes	Director Sandoval	Yes
Director Kelly	Yes	Director Joaquin Baca	Absent
Madam Chairwoman	Yes		

AGENDA ITEM NO. 5 – REPORT FROM THE WATER OPERATIONS AND WATER DISTRIBUTION DIVISION MANAGERS

a. Report on Water Supply Conditions and General Water Operations - Anne Marken, Water Operations Division Manager

Ms. Marken gave an overview of the 2022 Irrigation Start-up saying in 2021, the MRGCD started charging the irrigation system on April 1st (a month later than usual) and it adhered to a reduced demand schedule during spring runoff. These measures were taken to maximize water deliveries to Elephant Butte given the year started with a New Mexico Rio Grande Compact (Compact) debt of 97,000 acre-feet to Texas. The 2021 non-pueblo irrigation season ended on October 1, due to limited water supply and a need to minimize the 2021 accrued debt under the Compact.

Despite the efforts of the MRGCD and cooperation of its irrigators, New Mexico's Compact debt increased to 127,000 acre-feet by the end of 2021. Given the current Compact status the MRGCD is limited in its ability to store water in El Vado Reservoir. The MRGCD has committed to implement a 2022 irrigation start-up strategy that is intended to provide Compact deliveries and irrigation deliveries for early season crop needs.

The National Weather Service has identified La Nina weather patterns which typically means warmer and dryer conditions for the southwest. These conditions are expected to continue through the winter of 2021-2022 (90% chance) and into the spring of 2022 (50% chance during March-May). January is too early to predict spring runoff, as snowpack conditions can change quickly. Peak median snowpack is still about 69 days away. Snowpack conditions have improved recently, but continued accumulation is needed to benefit spring run-off. For the 2022 irrigation season, the MRGCD will have little storage water available, and will have to depend on natural inflows for irrigation deliveries in 2022. Considering poor climate forecasts and a large outstanding Rio Grande Compact (Compact) debt, the MRGCD is warning all irrigators to expect significant changes to irrigation delivery. Water Bank users should not expect to receive water during the 2022 irrigation season. Urban users should expect a departure from "regular" irrigation and may unexpectedly see canals dry.

A top MRGCD priority is to deliver water to all users and manage available water that provides for productive agriculture while maintaining or improving quality yields even during drought. Irrigators should use caution when making farming plans this year and carefully consider their water needs, and that of others. If funding is approved by the State legislature, the MRGCD's Emergency Fallowing Program (EFP) will provide financial compensation for irrigators who voluntarily forego irrigation this season. The intent of the program is to make water available for farmers whose livelihoods depend on it and to assist in reducing debt under the Compact. There is no danger of losing a water right for non-use when it is due to water shortage. A QR code for more information on the Emergency Fallowing program and to access a pre-enrollment form will be posted on the website.

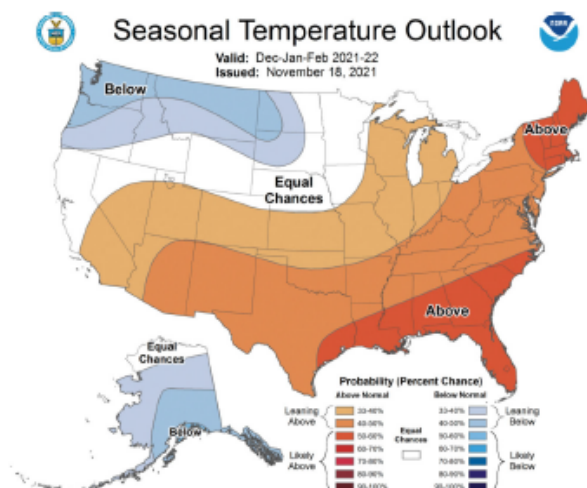


Figure 1. 90 Day Temperature Outlook (33-50% above average).

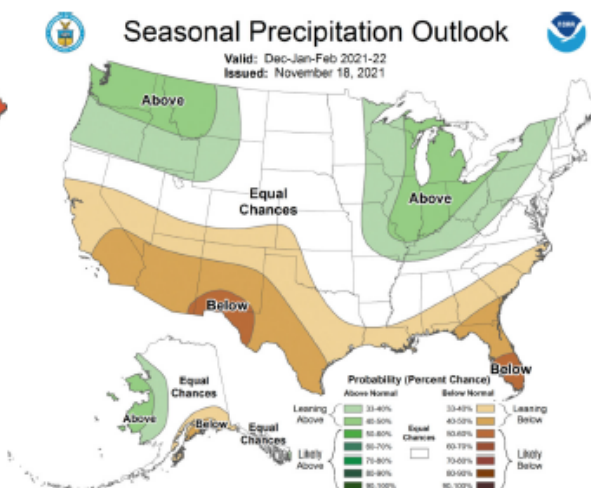


Figure 2. 90 Day Precipitation Outlook (33-50% below average)

Scan the QR code (right) to access the Three Month Outlook produced by the National Weather Service's Climate Prediction Center. This information can also be accessed at https://www.cpc.ncep.noaa.gov/products/predictions/long_range/seasonal.php?lead=1

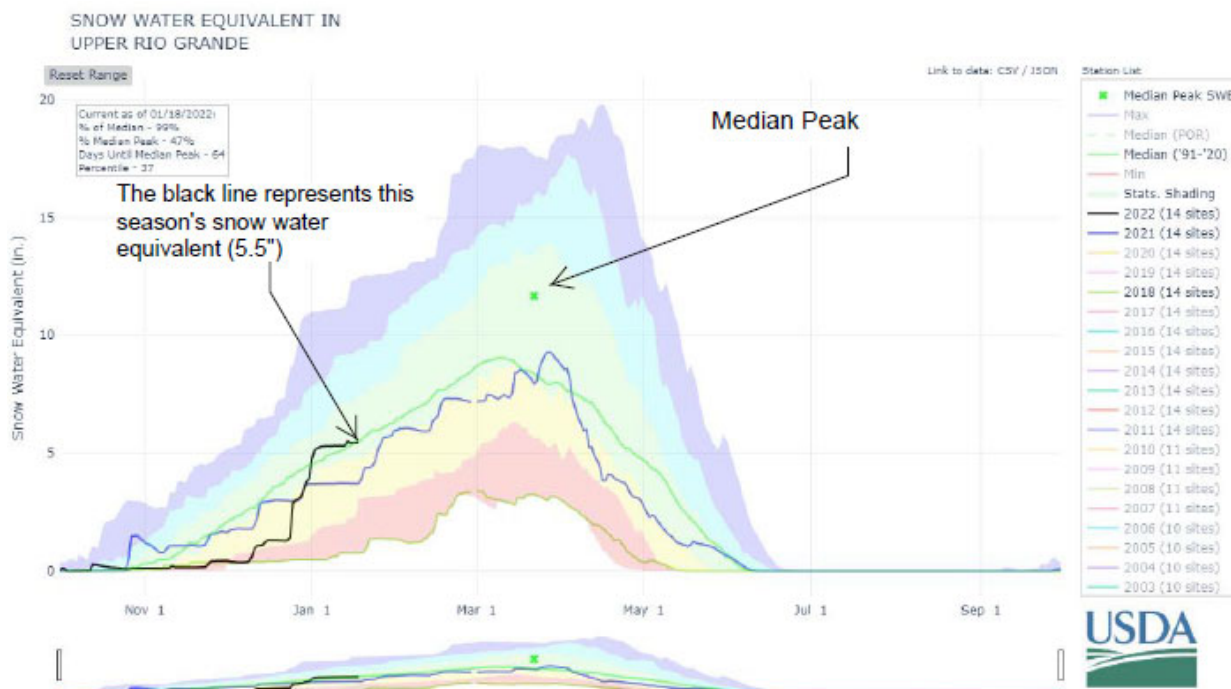


Figure 3. Snow Water Equivalent (SWE) is the amount of liquid water contained in snowpack. SWE is 99% of the median and 47% of median peak in the Upper Rio Grande Basin as of January 18, 2022. Scan the QR code to the right to access the NRCS Upper Rio Grande SNOTEL plot. This plot can be accessed at https://www.nrcs.usda.gov/Internet/WCIS/AWS_PLOTS/basinCharts/POR/WTEQ/assocHUC6/130201_Upper_Rio_Grande.html



b. Report on the MRGCD December Meet and Greet with Local Farmers - Matt Martinez, Water Distribution Division Manager and Vice Chair Russo Baca.

Mr. Martinez gave an update on the water distribution activities. He stated the Albuquerque Division Irrigation System Operators (ISOs) finished the field surveys for the Irrigation Infrastructure Project and that the dam tenders have been moving gates around. Mr. Martinez

also explained the ongoing work for the project. He stated they are doing season planning surveys for irrigators to help identify improvement opportunities. Irrigators can request this to be done at the end of irrigation season.

Mr. Martinez then talked about the four outreach events, also called meet and greets which they plan to have more in the future. The first event was held at the Socorro County Soil & Water Conservation District office parking lot, the second was held at the Durand Open Space, the third at the Tomé Dominguez Community Center and the last one was held at the San Antonio Fire Department parking lot. He also mentioned that most of their responses came from the ISO texting the link to the irrigators.

Vice Chair Russo Baca attended and discussed the event at the Tomé Dominguez Community Center. She also thanked Ms. Rita Padilla Gutierrez for letting them use the facility. She expressed that there are still misunderstandings about the Compact. She stated the Compact needs to be out to the public and made very clear that they do not have storage capability under Article VII.

Director Kelly made the **MOTION TO APPROVE THE REPORT ON DECEMBER MEET AND GREETES**. Director Sandoval seconded the motion. Rollcall vote was administered, and the **MOTION CARRIED**.

Director Duggins	Yes	Vice Chair Russo Baca	Yes
Director Barbara Baca	Yes	Director Sandoval	Yes
Director Kelly	Yes	Director Joaquin Baca	Absent
Madam Chairwoman	Yes		

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

Jeff Gabaldon

Mr. Gabaldon called on behalf of his father Charles Gabaldon and requested guidance on how to declare abandonment for an easement that runs through their property (in La Joya) that's not being maintained. Jason Casuga stated that he or Doug Strech will call him and discuss it further. Mr. Gabaldon requested an email and then a phone call.

Santiago Maestas

Mr. Maestas spoke in favor of the ditch abandonment resolution. He expressed that even though it does not cover private acequias, or private ditches, and felt that it's important to maintain the easements and to keep the valley green.

Dr. DuMars confirmed that the jurisdiction of the District does not extend to the preservation of the private easements or ditches.

Michael Lundmark

Mr. Lundmark recommended that the outlook graphs used by Ms. Marken earlier be put out regularly so farmers and irrigators can have that information to make judgements. Mr. Lundmark asked what percentage of the water measured at the gauge on the northern end of the Irrigation District belongs to the District and what percent belongs to Texas.

Dr. DuMars explained when there's an interstate compact that divides the water between Texas and New Mexico, the MRGCD does not have a particular allocation. The priorities aren't enforced above the gauge. It depends upon the rates of flow, but essentially that under the Rio Grande Compact, 57% belongs to New Mexico and 43% to Texas based on the size of the lands within New Mexico and within Texas and their irrigation district.

Mr. Lundmark also asked if the debit numbers have changed since the last meeting he attended. Jason Casuga expressed that the recent report from the NM Interstate Stream Commission was estimated at 127,000 acre feet, which is up from the 100,000 previously. Mr. Casuga expressed this is just an estimate and the actual numbers are calculated at the end of the year - 2021.

Nolan Meadows

Mr. Meadows welcomed Matt Martinez to his new position. He also mentioned meeting Gabby (Coughlin) and hoped she will work with the farmers and seed vendors. Mr. Meadows expressed that the newer varieties of plants do not hold up as well as the older ones that cannot be purchased anymore. He also mentioned the older varieties of chemicals that held up against the pests are no longer available either. Mr. Meadows asked for help in maintaining the weeds in the ditches to keep the water flowing. He hoped the Agronomist can help with these types of issues.

Jason Casuga explained that the District's conservation program may have some resources to help with his concerns. He also offered to link Mr. Meadows with staff to discuss further.

Hawke Morgan

Mr. Morgan requested information on how to appeal the Conservancy's denial of having a mountain bike race (with less than 50 riders) in the Bosque area north of the Main Street Bridge and east of the river in Los Lunas. He stated he applied for this permit in 2019 and 2020 and was denied both times, in which they stated they were concerned about having bicycles riding on the levee. Mr. Morgan requested supplying the Board with some information and plans about the race, and Madam Chair Dunning said the Urban Committee would review documents provided with his request and report at the February meeting.

AGENDA ITEM NO. 7 – PROPOSED CHANGES OF 2022 IRRIGATION SEASON

a. Consideration/Approval of Changing the Beginning of the 2022 Irrigation Season on March 21, 2022 - Jason Casuga, Acting CE/CEO and Anne Marken, Water Operations Division Manager

Jason Casuga stated that the Belen Division would start diversion on or around Monday, March 7th, to allow a full week of that water with the Socorro Division, and then beginning to charge their system the following Monday, March 14th. He expressed the target to start deliveries for priority crops would be around the 21st of March in the Socorro Division, and then delivering the first round of priorities in Belen Division on around March 28th. Ms. Casuga said the Albuquerque Division and Cochiti Divisions would start charging on or around the 21st of March and making deliveries in Albuquerque around Monday, April 4th. He also stated they are looking to make rotations by the second or third week in April. Mr. Casuga reiterated that they are not proposing any changes to Mike Hamman's December presentation on the 2022 Irrigation Season.

Dr. DuMars asked the status of the pueblos given the schedule. Director Russo Baca explained the Irrigation Committee wanted Mr. Casuga to present to the coalition, the six pueblos.

Director Duggins felt it equally important to pay attention to who got the last watering last fall, so they are not also shorted 30 days in the spring. Mr. Casuga stated he communicated that to Mr. Martinez to work with the ISOs and supervisors to evaluate that, so that does not happen.

Director Duggins made the **MOTION TO APPROVE THE BEGINNING OF THE 2022 IRRIGATION SEASON ON MARCH 21, 2022**. Director Russo Baca seconded the motion. Rollcall vote was administered, Director Sandoval abstained from the vote until it gets presented to the coalition; the **MOTION CARRIED**.

Director Duggins	Yes	Vice Chair Russo Baca	Yes
Director Barbara Baca	Yes	Director Sandoval	Abstain
Director Kelly	Yes	Director Joaquin Baca	Absent
Madam Chairwoman	Yes		

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

a. Bureau of Reclamation - Jennifer Faler, Area Manager

Ms. Faler stated they're bracing for another challenging year despite how great the snowpack is. She also stated she plans to attend every other one of the district meetings this year. Ms. Faler expressed her support to the District for everything they have done to support Compact deliveries and commended them for working to educate farmers on the Compact and how it works. Ms. Faler added to help people understand that in the northern part of New Mexico, the stored water is released out of El Vado first, then it comes down to the middle Rio Grande farmers with much return flows back to the river through the four diversions all the way down to the San Acacia Diversion Dam and then it goes to Elephant Butte, which is the Reclamation's Rio Grande Project. She reiterated Dr. DuMars' earlier statement that once it gets down to Elephant Butte and Caballo, 57% of that water is for New Mexico farmers and 43% of that water goes down to Texas, and Reclamation's District there is El Paso County Water Improvement #1. Ms. Faler expressed that Reclamation is here to deliver to farms in an environmentally and economically responsible way.

Ms. Faler mentioned they had a meeting with the Corps of Engineers in September 2020 about being able to store native water or irrigation water in Abiquiu. She stated that the District wrote a letter to Mr. Conner on December 20th, that stated we have reached an impasse with the Corps of Engineers on the issue to try to reach the higher levels in the Corps of Engineers. Ms. Faler stated Reclamation thinks pueblos are not impacted by the Compact. She said they started storing water for the prior and paramount lands of the middle Rio Grande pueblos on January 1st.

Ms. Faler stated they transferred everything in the title transfer. Ms. Faler also stated to keep them in mind for public events in the Bosque itself because of their river maintenance program. She mentioned that the El Vado Safety Dam Project is on schedule and will start once the spring runoff is done.

b. Bureau of Indian Affairs – Sandra Lucero, Acting Designated Engineer

Ms. Lucero was not present for the meeting.

AGENDA ITEM NO. 9 – REPORT(S) FROM THE SECRETARY-TREASURER/CFO - Pamela Fanelli, CMA, CGFM

a. Consideration/Approval of Change of Signature Authority Resolution #SA-01-10-22-30

Director Kelly recommended to approve administrative action for change of Signature Authority from Mike Hamman, retired Chief Engineer/CEO, to Jason Casuga, Acting Chief Engineer/CEO.

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MIDDLE RIO GRANDE CONSERVANCY DISTRICT**

CHANGE OF SIGNATURE AUTHORITY

SA-01-10-22-30

WHEREAS, the signatures on the bank accounts of the Middle Rio Grande Conservancy District (District) should be updated to allow the deletion of Mike A. Hamman, Chief Engineer/CEO due to his retirement and he is no longer an employee of the District. Additionally, his signature should be deleted on all accounts as well as the authority to enter any safe deposit boxes of the District as of January 1, 2022.

NOW, THEREFORE IT BE RESOLVED, that the authorized signatures on any and all bank accounts of the District, as well as for any safe deposit boxes held by the District and on checks, drafts, money transfers, or other instruments for payment of money, shall be any two (2) of the following persons to wit: Mr. Jason Casuga, Ms. Pamela Fanelli and Ms. Christine Nardi and that the Resolutions of each necessary to effect the foregoing are hereby adopted by the Board of Directors for the purpose herein above set forth effective January 1, 2022. In addition, Mr. Mike A. Hamman will be removed from all District accounts along with any authority to enter any safe deposit boxes of the District. The Secretary-Treasurer/CFO, Ms. Pamela Fanelli, being authorized and directed to serve the necessary signature cards and Resolutions and deliver the duly executed documents to the respective banks and the New Mexico State Treasurer's Fund all signatures heretofore authorized and any not authorized herein being deleted.

DATED AND RESOLVED: in session this 10th day of January 2022.

MIDDLE RIO GRANDE CONSERVANCY DISTRICT

Karen Dunning, Chair

ATTEST:

Pamela Fanelli, CMA, CGFM
Secretary-Treasurer/CFO

Director Kelly made the **MOTION TO APPROVE RESOLUTION FOR CHANGE OF SIGNATURE AUTHORITY**. Director Sandoval seconded the motion. The **MOTION CARRIED UNANIMOUSLY**. Rollcall vote was administered, and the **MOTION CARRIED**.

Director Duggins	Yes	Vice Chair Russo Baca	Yes
Director Barbara Baca	Yes	Director Sandoval	Yes
Director Kelly	Yes	Director Joaquin Baca	Absent
Madam Chairwoman	Yes		

b. Presentation and Approval of the 2nd Quarter Financial Statements for FY2022 and Report of the Finance Committee, Directors Kelly, Dunning and Barbara Baca

Director Kelly reported the Finance Committee met today to review the 2nd quarter finances and gave his summary below.

Middle Rio Grande Conservancy District Budget to Actual - General Fund Fiscal Year 2022, December 31, 2021 (Unaudited)						Middle Rio Grande Conservancy District General Fund - Comparison of FY 22 to FY 21 Actual Revenues & Expenditures For the Periods Ending December 31, 2020 and 2021 (Unaudited)			
Line	Original Budget	Revised Budget	Actual	Encumbrances	(Under)/Over	Line	2021 Actual	2022 Actual	Increase (Decrease) FY22 over FY21
REVENUES						REVENUES			
Taxes:						Taxes:			
1 Ad Valorem Taxes						1 Ad Valorem Taxes			
1a Ad Valorem Taxes - Sandoval County	1,974,848	1,974,848	455,505	-	(1,519,343)	1a Ad Valorem Taxes - Sandoval County	424,568	455,505	30,937
1b Ad Valorem Taxes - Bernalillo County	13,746,102	13,746,102	335,028	-	(13,411,074)	1b Ad Valorem Taxes - Bernalillo County	3,164,509	335,028	(2,829,481)
1c Ad Valorem Taxes - Valencia County	4,341,227	4,341,227	1,096,975	-	(3,244,252)	1c Ad Valorem Taxes - Valencia County	725,057	1,096,975	371,918
1d Ad Valorem Taxes - Socorro County	531,665	531,665	137,030	-	(394,635)	1d Ad Valorem Taxes - Socorro County	110,028	137,030	27,002
2a Ad Valorem Interest - Sandoval County	63,000	63,000	-	-	(63,000)	2a Ad Valorem Interest - Sandoval County	26,857	-	(26,857)
2b Ad Valorem Interest - Bernalillo County	120,000	120,000	35,701	-	(84,299)	2b Ad Valorem Interest - Bernalillo County	36,693	35,701	(992)
2c Ad Valorem Interest - Valencia County	35,000	35,000	5,934	-	(29,066)	2c Ad Valorem Interest - Valencia County	7,239	5,934	(1,305)
2d Ad Valorem Interest - Socorro County	30,000	30,000	9,564	-	(20,436)	2d Ad Valorem Interest - Socorro County	5,955	9,564	3,609
3 Water Service Charges	2,317,500	2,317,500	1,592,502	-	(724,998)	3 Water Service Charges	1,666,865	1,592,502	(86,163)
4 Water Bank Fees	33,000	33,000	1,102	-	(31,898)	4 Water Bank Fees	7,407	1,102	(6,305)
5 Licensing Fees	69,000	69,000	52,291	-	(16,709)	5 Licensing Fees	36,790	52,291	15,501
6 Interest on investments	45,000	45,000	12,693	-	(32,307)	6 Interest on investments	20,012	12,693	(7,319)
7 Project Contract Revenue - Federal	748,948	748,948	378,991	-	(369,957)	7 Project Contract Revenue - Federal	360,922	378,991	18,069
8 Project Contract Revenue - Local	307,064	307,064	-	-	(307,064)	8 Project Contract Revenue - Local	-	-	-
9 Operating and Capital Grants	2,195,812	2,195,812	206,164	-	(1,989,648)	9 Operating and Capital Grants	52,128	206,164	154,036
10 Other	97,600	97,600	88,185	(200)	(9,415)	10 Other	57,629	88,185	30,556
11 Total revenues	26,655,766	26,655,766	4,407,665	(200)	(22,248,301)	11 Total revenues	6,696,459	4,407,665	(2,288,794)
EXPENDITURES						EXPENDITURES			
12 Salaries	10,306,072	10,306,072	4,622,568	-	(5,683,504)	12 Salaries	4,765,410	4,622,568	(142,842)
13 Employee Benefits	4,412,544	4,412,544	1,787,817	-	(2,624,727)	13 Employee Benefits	1,891,190	1,787,817	(103,373)
14 Employee & Board Related Costs	526,153	557,234	199,230	60,177	(207,927)	14 Employee & Board Related Costs	195,087	199,230	4,143
15 General & Administrative Expenses	302,729	497,785	370,094	37,963	(89,728)	15 General & Administrative Expenses	244,855	370,094	125,239
16 Professional Services	407,600	490,006	107,816	312,204	(89,989)	16 Professional Services	133,899	107,816	(26,083)
17 Insurance & Legal Services	1,395,200	1,264,798	887,356	371,240	(8,102)	17 Insurance & Legal Services	708,024	887,356	179,332
18 Technology & Communication	544,322	520,948	285,719	58,389	(176,840)	18 Technology & Communication	255,900	285,719	29,819
19a Ad Valorem Collection Fee-Sandoval	20,380	20,380	4,555	-	(15,825)	19a Ad Valorem Collection Fee-Sandoval	4,513	4,555	42
19b Ad Valorem Collection Fee-Bernalillo	277,500	277,500	7,024	-	(270,476)	19b Ad Valorem Collection Fee-Bernalillo	63,341	7,024	(56,317)
19c Ad Valorem Collection Fee-Valencia	5,800	5,800	1,466	-	(4,334)	19c Ad Valorem Collection Fee-Valencia	1,160	1,466	306
19d Ad Valorem Collection Fee-Socorro	132,000	132,000	33,036	-	(98,964)	19d Ad Valorem Collection Fee-Socorro	21,896	33,036	11,140
20 Utilities	175,060	174,600	65,786	429	(108,385)	20 Utilities	87,069	65,786	(21,283)
21 Facility Maintenance	38,380	79,193	59,318	17,005	(2,870)	21 Facility Maintenance	23,639	59,318	35,679
22 Division Maintenance, Const, Rehab	1,197,800	1,213,073	346,763	178,414	(667,896)	22 Division Maintenance, Const, Rehab	402,170	346,763	(55,407)
23 Vehicle & Equipment O&M	1,588,300	1,593,171	725,651	64,673	(802,847)	23 Vehicle & Equipment O&M	593,882	725,651	131,769
24 Federal O&M Services	885,232	885,232	451,202	434,030	-	24 Federal O&M Services	453,393	451,202	(2,191)
26 Governmental Agreements & Projects	420,678	406,244	115,014	84,000	(207,230)	26 Governmental Agreements	376,775	115,014	(261,761)
27 Projects	1,225,000	1,515,559	258,726	1,092,525	(164,308)	27 Projects	73,537	258,726	185,189
28 Endangered Species Act Projects	150,000	150,000	-	-	(150,000)	28 Endangered Species Act Projects	51,774	-	(51,774)
Operating & Capital Grants						Operating & Capital Grants			
29 Wages	155,000	165,427	33,898	-	(131,529)	29 Wages	29,964	33,898	3,934
30 Fringes	-	-	8,124	-	8,124	30 Fringes	6,633	8,124	1,491
31 Other Grant Expenditures	2,117,528	2,300,477	181,834	767,943	(1,350,700)	31 Other Grant Expenditures	96,671	181,834	85,163
32 District Match for Grant Expenditures	-	89,053	10,336	36,273	(42,444)	32 District Match for Grant Expenditures	-	10,336	10,336
Debt service:						Debt service:			
33 Principal retirement	817,431	582,370	-	-	(582,370)	33 Principal retirement	681	18,448	17,767
34 Interest	96,833	96,833	18,448	-	(78,385)	34 Interest	46,334	52,952	6,618
35 Capital outlay	4,822,600	4,283,743	52,952	1,102,375	(3,128,416)	35 Capital outlay	-	-	-
36 Total expenditures	32,020,142	32,020,142	10,634,733	4,617,740	(16,767,669)	36 Total expenditures	10,527,797	10,634,733	106,936
Excess (deficiency) of revenues less expenditures						37 Excess (deficiency) of revenues less expenditures	(3,831,338)	(6,227,068)	(2,395,730)
37 Expenditures	(5,364,376)	(5,364,376)	(6,227,068)	(4,617,940)	(5,480,632)				
OTHER FINANCING SOURCES (USES)						OTHER FINANCING SOURCES (USES)			
38 Loan Proceeds	3,000,000	3,000,000	998,889	-	(2,001,111)	38 Loan Proceeds	-	998,889	998,889
39 Equipment disposition proceeds	25,000	25,000	80,585	-	55,585	39 Equipment disposition proceeds	-	80,585	80,585
40 Transfers in	250,000	250,000	7,109	-	(242,891)	40 Transfers in	-	7,109	7,109
41 Transfers out	-	-	(7,109)	-	(7,109)	41 Transfers out	(938,129)	(7,109)	931,020
42 Total other financing sources and (uses)	3,275,000	3,275,000	1,079,474	-	(2,195,526)	42 Total other financing sources and (uses)	(938,129)	1,079,474	2,017,603
43 Net change in fund balance	(2,089,376)	(2,089,376)	(5,147,594)	(4,617,940)	(7,676,158)	43 Net change in fund balance	\$ (4,769,467)	\$ (5,147,594)	\$(378,127)

c. Report on the FY2021 Surplus

d. Report on Equipment Loan Closing on December 23, 2021

Director Kelly stated that the FY2021 Surplus was \$246,000, which was moved into the Reserve Fund. He stated that the million-dollar equipment loan closed on December 23rd, and they are looking to move purchases around to cover heavy equipment instead of trucks, because the trucks are subject to the chip shortage also seen in Ford F-150s. He stated it is too early in the year to make a forecast on finance but asked to refer to Pam's summary of the budget. Director Kelly stated that they also discussed recruitment and retention of employees because of the difficulty hiring employees and keeping employees. He stated that the Finance Committee proposes increasing the starting wage to around \$15/hr., and then bumping up the pay for all the current employees as well. He stated they are also discussing incentives for people who have a Class A CDL, tanker endorsements, HAZMAT endorsement, and also looking into a program of doing a direct cost living adjustment and budgeting money for merit increases. He also discussed the investment policy. He stated they are making .16% at the state short term fund. Director Kelly stated it is time to consider a financial advisor to look at longer term investments for the endowment fund and parts of the general fund that are not needed in a 3-month window.

Director Kelly also mentioned considering putting a capital outlay request in for the building across the street. He also mentioned that Thursday is the deadline to put that in, so he asked for concurrence of the Board to add this capital outlay

Director Kelly made the **MOTION TO APPROVE THE 2nd QUARTER FINANCIALS AS WERE PRESENTED**. Director Barbara Baca seconded the motion. Rollcall vote was administered, and the **MOTION CARRIED**.

Director Duggins	Yes	Vice Chair Russo Baca	Yes
Director Barbara Baca	Yes	Director Sandoval	Yes
Director Kelly	Yes	Director Joaquin Baca	Absent
Madam Chairwoman	Yes		

AGENDA ITEM NO. 10 – REPORT(S) FROM THE ACTING CHIEF ENGINEER/CEO - Jason Casuga, PE

a. Consideration/Approval of Resolution #M-01-10-22-178 on Protection and Preservation of MRGCD Ditches & Facilities - Jason Casuga, Acting CE/CEO

Jason Casuga stated they added language reviewed by Dr. DuMars to line 47, which reads, “Nothing in this Resolution will alter the water rights of any person or of the District, require delivery of water through a ditch where there is no beneficial use of water through that ditch, and/or require that water shall be delivered to any water user.”

<p style="text-align: center;">Resolution of the Board of Directors of the Middle Rio Grande Conservancy District Protection and Preservation of MRGCD Ditches & Facilities</p> <p style="text-align: right;">M-01-10-22-178</p> <p>WHEREAS, the Middle Rio Grande Conservancy District's ("District") physical infrastructure of ditches, levees, canals, laterals, and drains, (the "ditches") originally constructed for irrigation, drainage, and flood control, have long been used as an incidental benefit for recreation as pedestrian paths, equestrian trails, running paths, dog walking, bicycling, bird watching, and as wildlife habitat and open space; and</p> <p>WHEREAS, the system of ditches enhance the quality of life in the Middle Rio Grande Valley by providing a network of natural green space and riparian habitat; and</p> <p>WHEREAS, the ratepayers of the District highly value the system of ditches for the many uses it provides and are desirous of preserving it; and</p> <p>WHEREAS, the District and the United States Department of Interior Bureau of Reclamation have recently completed transfer of title to the District of all non-Tribal lands and facilities within the Middle Rio Grande Valley in the counties of Valencia and Socorro, New Mexico, which action needs to be accounted for in District activities, including the disposition of District owned lands; and</p> <p>WHEREAS, due to land use changes and water supply delivery challenges in the future, parts of the ditch system could be vulnerable to abandonment, closure, or other actions; and</p> <p>WHEREAS, the District manages the system through a combination of ownership patterns including fee simple and easements; and</p> <p>WHEREAS, long-term planning for the future of the District's rights-of-way is needed, but as an interim measure, it is beneficial to create a process for protecting and preserving the ditches, in appropriate circumstances.</p> <p>NOW THEREFORE, BE IT RESOLVED, that the Board of the Directors of the District hereby recognizes the need for a process to be followed in the event of a proposed ditch closure or sale of District right-of-way.</p> <p>BE IT FURTHER RESOLVED, actions which may result in closure of a ditch to public access will be publicly noticed to adjoining neighbors, neighborhood associations, and posted on the MRGCD website and noticed via signage for a reasonable period of time at appropriate locations.</p> <ul style="list-style-type: none"> • If there are concerns about the proposed action expressed by affected parties, District staff will work to resolve the issues and protect traditional public access. • If the issues are unable to be resolved and a prescriptive easement is asserted by the adjacent neighbors or neighborhood, the District staff will work with the Legal staff to ascertain whether there is a sufficient factual basis for the asserted easement. 	<ul style="list-style-type: none"> • Upon a finding that grounds exist for claiming a prescriptive easement for public access, District and legal staff will present the findings to the Board. • If the Board, after consideration of staff and legal recommendations, and public testimony, agrees that grounds exist for the claim of a prescriptive easement for public access, the Board will direct the legal staff to assert a claim for such on behalf of the District and the appropriate individuals, local governmental agencies, or neighborhood groups. • Nothing in this Resolution will alter the water rights of any person or of the District, require the delivery of water through a ditch where there is no beneficial use of water through that ditch, and/or require that water shall be delivered to any water user. <p>BE IT FURTHER RESOLVED, the District will continue to cooperate with partner agencies and further the matters outlined in Resolution No. M-10-12-20-166, <i>Recognizing and Reacting to the Vastly Increased Recreational Uses of the MRGCD System</i>.</p> <p>BE IT FURTHER RESOLVED, the District will examine its rules and policies related to Disposition of Property (Rule 21, <i>Land Sales Policy</i>), Gates (Rule 28, <i>Gate Request Policy</i>), Fencing, and Abandonment, and modify those policies in accordance with this Resolution and the terms and conditions of the November 2021 transfer of title of District lands from the United States Department of Interior Bureau of Reclamation.</p> <p>BE IT FURTHER RESOLVED, this Resolution is not intended to initiate or approve construction of structural improvements for recreational use. Such improvements, other than for pedestrian/equestrian friendly gates and/or fencing are to be considered on a case-by-case basis in cooperation with sponsoring partner agencies as set forth in the Resolution No. M-10-12-20-166 mentioned above.</p> <p>DATED AND RESOLVED this ____ day of _____, 2022.</p> <p style="text-align: right;">MIDDLE RIO GRANDE CONSERVANCY DISTRICT</p> <p style="text-align: right;">_____ Karen Dunning, Chair</p> <p>ATTEST:</p> <p style="text-align: right;">_____ Pamela Fanelli, CMA, CGFM Secretary-Treasurer/CFO</p>
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Vice Chair Russo Baca made the **MOTION TO APPROVE RESOLUTION #M-01-10-22-178 ON PROTECTION AND PRESERVATION OF MRGCD DITCHES & FACILITIES** Director Barbara Baca seconded the motion. Rollcall vote was administered, and the **MOTION CARRIED**.

Director Duggins	Yes	Vice Chair Russo Baca	Yes
Director Barbara Baca	Yes	Director Sandoval	Yes
Director Kelly	Yes	Director Joaquin Baca	Absent
Madam Chairwoman	Yes		

b. Report from the MRGCD Lobbyist of Legislative Session Matters - John Thompson

Mr. Thompson stated that he sent an email to the Board today with a brief update letter and a tracking list as a result of the pre-filed legislation he is following. He stated the legislature will convene again next Tuesday, the 18th. He also stated the prefiling process will end on Friday, the 14th. Mr. Thompson stated the governor has publicly agreed to message issues on hydrogen, education, green amendments, etc. He stated the House Appropriations and Finance Committee are now going virtual, and he is hearing rumblings that legislature may soon do the same. He announced there is a change in the capital outlay process this year. He stated they due date has changed to the 14th. Mr. Thompson expressed he is tracking six bills. He stated the budget recommendations were issued last week and were noticeably lacking in water funding, but he is hoping there will be opportunities to get substantial water funding, one for the District and two statewide, as the drought impacts all of us.

Director Kelly, Chair of the Finance Committee, reminded the Board of the different needs for the Albuquerque/ER&T Division office, the Loma Larga Corrales Riverside Drain Project and general gate projects within Bernalillo County. He recommended getting those capital outlay requests in. Dr. DuMars offered his assistance in discussing the different proposals.

c. Presentation on AMAFCA Black Mesa Project - Nicole Friedt, Albuquerque Metropolitan Arroyo Flood Control and Jason Casuga, Acting CE/CEO

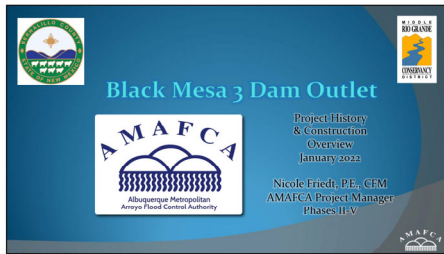
Jerry Lovato, the Executive Engineer for AMAFCA, thanked MRGCD for their support as well to the Pueblo of Isleta. He continued to give a brief history of the project which began back in 1999 when Director Kelly was the Executive Engineer at AMAFCA who put together an agreement to come up with an idea about how to drain these three AMAFCA dams that were flooding Coors and into the southwest valley.

Nicole Friedt, the project manager of Phases II thru IV, gave the presentation on the Black Mesa Project. With the history of flooding in the valley, they needed to work together with all the partners that had an interest on how to address the issue such as, MRGCD, the Bureau of Reclamation, Bernalillo County and AMAFCA.

She stated that the first phase was constructed by the Corps of Engineers, which took it from the river up to Coors Boulevard. Ms. Friedt talked about Phases and presented the Board with before and after pictures of all their work. She explained that the Black Mesa Project consisted of connecting three dams to about 25,550 feet of pipe. The project included building a pond and a storm drain, rebuilding 15,000 feet of irrigation canal, putting in 11 box culverts, various utility relocations, water line crossings, and installation of 7 irrigation Weirs, 19 irrigation turnouts, 2 new irrigation wasteways, and sheet pile bank stabilization.

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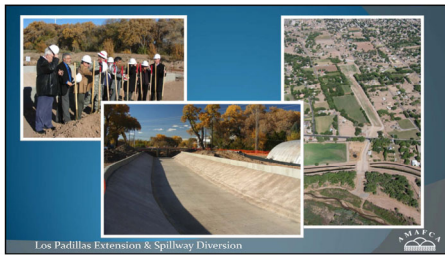
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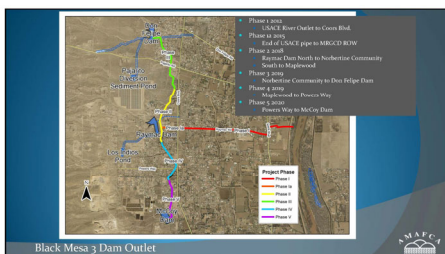
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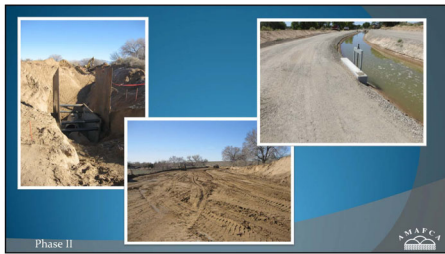
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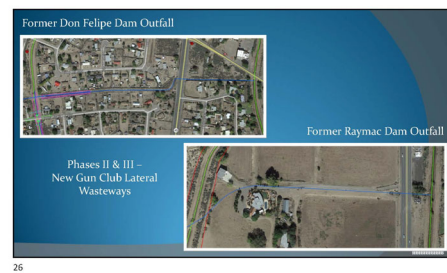
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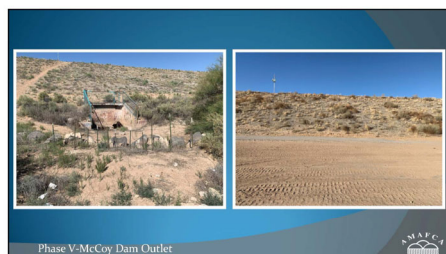
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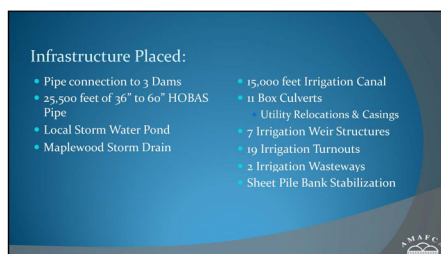
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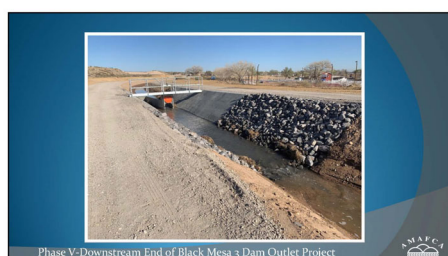
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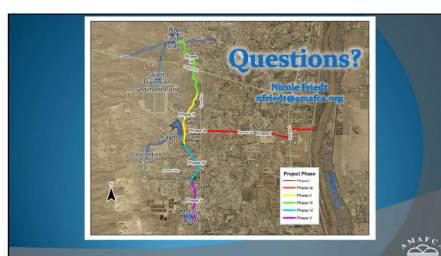
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Jason Casuga reiterated that this project and relationship with AMAFCA, SSCAFCA, and other flood control partners are important to show constituents and municipalities down south what can be achieved over time. He stated Valencia County is in desperate need of similar infrastructure.

d. Report on Agronomist Outreach Programs - Gabrielle Coughlin, MRGCD Agronomist/Agroecologist

Ms. Coughlin stated they celebrated World Soil Day across the state on December 4th and 5th. She explained that soil salts are a culprit to water conservation, so they are trying to limit the salts in our soils to prevent water from infiltrating those salts. Ms. Coughlin reported the soft launch of the Soils Lab had a good turnout. She stated they also had an event where the Community Soil Health Lab will be located. Ms. Coughlin announced they now have over 22 partners and volunteers committed to helping the Community Soil Health Lab get off the ground. Ms. Coughlin stated she will bring the fee schedule to the Board at next month's meeting to vote on. She also stated they are planning to do a soil survey in the Bernardo Wildlife Management area. Ms. Coughlin said she is scheduling site visits for the month of February for irrigators who are interested in a soil health assessment and their soils sampled.

She announced open enrollment for the Environment Water Leasing Program is January 18th and that the Regional Conservation Partnership Program will be coming online. Ms. Coughlin talked about all of the SWCD board meetings attended. She mentioned that on January 28th and 29th, a Las Vegas, New Mexico, high school would be coming to the Agri-Nature Center with interest in learning about the MRGCD, irrigation, water rights and farming.

Vice Chair Russo Baca discussed attending the Valencia County Soil and Water Conservation District meeting on December 18th. She stated that one of the things she heard the most from their partners was they want to receive a communications update to help them speak to their constituents about the issues.

e. Set Date for Special Meeting to Determine Water Bank Lease Rates - Pamela Fanelli, CFO

Ms. Fanelli asked if they can set a date to determine the water bank lease rates and have a special board meeting. She stated they decided to keep water service charge rates at \$43.82 per acre (per year) for fiscal year 2022, which is calendar year 2021. The first half is due December 2021, and the second half is due in May 2022. The water bank lease rates and the alternate curtailment lease rates considered in the special meeting is for the 2022 season. Although water bank is not operating, the same rates apply to the alternate curtailments. She stated the Irrigation Committee's opinion is to not change the water service charge rates, but the water bank rates will be reviewed. She stated that currently, the water bank rate is a \$100 for the admin fee, the current water service charge rate, plus a \$50 per acre lease fee.

Madam Chair Dunning suggested having the special meeting on the same day as the regular meeting on February 14th and Ms. Fanelli concurred.

AGENDA ITEM NO. 11 - REPORT(S) FROM THE MRGCD ATTORNEY(S) - Chief Water Counsel or General Counsel

Dr. DuMars stated that the State of Texas attempted to amend its complaint to include the middle Rio Grande, but the special master declined to even look at it and referred it to the Supreme Court. He felt the reason behind it is the demonstration we have agreed to only divert half of the water going through the MRGCD. He believes it to be a huge concession as we're not obligated to do so.

AGENDA ITEM NO. 12 - REPORT(S) FROM THE BOARD

a. Report on the Mid-Region Council of Governments Metropolitan Transportation Board Meeting, December 17, 2021 - Director Barbara Baca.

Director Barbara Baca stated that on December 17th, the Metropolitan Transportation Board met, and they talked about the federal infrastructure bill, and will report on that in January and February on how MRCOG will be addressing it. She stated they also voted on a transportation improvement program amendment to try to complete the Alameda Drain Project which relates to the District.

Director Kelly made the **MOTION TO APPROVE THE REPORT ON THE MID-REGION COUNCIL OF GOVERNMENTS METROPOLITAN TRANSPORTATION BOARD MEETING**. Vice Chair Russo Baca seconded the motion. Rollcall vote was administered, and the **MOTION CARRIED**.

Director Duggins	Yes	Vice Chair Russo Baca	Yes
Director Barbara Baca	Yes	Director Sandoval	Yes
Director Kelly	Yes	Director Joaquin Baca	Absent
Madam Chairwoman	Yes		

b. Report on the Valencia County Soil and Water Conservation District Virtual Meeting, December 18, 2021 - Vice Chair Russo Baca.

Vice Chair Russo Baca reported within Item No. 10.d.

c. Report on the Ag and Irrigation Committee Meeting, January 5, 2022 - Vice Chair Russo Baca (Chair), and Directors Sandoval and Duggins.

Vice Chair Russo Baca and Directors Sandoval and Duggins reported within Item No. 10.d.

Director Sandoval made the **MOTION TO APPROVE THE REPORT ON THE VALENCIA COUNTY SOIL AND WATER CONSERVATION DISTRICT VIRTUAL MEETING AND THE REPORT ON THE AG AND IRRIGATION COMMITTING MEETING**. Director Russo Baca seconded the motion. Rollcall vote was administered, and the **MOTION CARRIED**.

Director Duggins	Yes	Vice Chair Russo Baca	Yes
Director Barbara Baca	Yes	Director Sandoval	Yes
Director Kelly	Yes	Director Joaquin Baca	Absent
Madam Chairwoman	Yes		

With no further comments, questions or concerns, Madam Chair Dunning adjourned the meeting at 5:50 p.m.

The Chair wished everyone a happy New Year!

Approved to be the correct Minutes of the Board of Directors of January 10, 2022.

ATTESTED:

Pamela Fanelli, CMA, CGFM
Secretary-Treasurer/CFO

Karen Dunning, Chair
MRGCD Board of Directors