

**MINUTES OF THE
2,197th REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
MIDDLE RIO GRANDE CONSERVANCY DISTRICT**

MARCH 13, 2023 - 3:00 PM

Directors having been duly notified; Madam Chair Russo Baca called the regular meeting to order at 3:05 p.m. The following Directors and Staff were present:

DIRECTORS		STAFF	
Stephanie Russo Baca, Madam Chair	Present	Jason Casuga	Chief Engineer/CEO
Karen Dunning, Vice Chair	Absent	Lorna Wiggins	General Counsel
Barbara Baca, Director	Present	Dr. Charles DuMars	Chief Water Counsel
Kelly, Director	Present	Pamela Fanelli	Secretary-Treasurer/CFO
Joaquin Baca, Director	Present	Eric Zamora	Chief Operating Officer
Glen Duggins, Director	Absent	Anne Marken	Water Distribution Division Mgr.
Michael T. Sandoval, Director	Present	Matt Martinez	Water Operations Division Mgr.

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

John Fleck, Utton Center	Tony Tafoya	Brittany Bade, MRGCD
Mike Hamman, NM State Engineer	Gus Van de Velde	Judith McSweeney, MRGCD
Holly Dietz	Natalie McCue, Pattern Energy	Ashley Veihl, MRGCD
Linda Dietz	Jon Flintoff, Pattern Energy	Estella Gamboa, MRGCD
Nettie Jones	Rima L. Benson	John Thompson, MRGCD
Nolan Meadows	Sisto Quintana	Raquel Dawson, MRGCD
Gerald Latham	Anthony Wagner, Wagner Farms	

AGENDA ITEM NO. 1 – PLEDGE OF ALLEGIANCE

Madam Chair Russo Baca declared a quorum, and the meeting was publicly noticed. This meeting was a hybrid meeting. Rollcall votes will no longer be necessary for regular motions.

Brittany Bade led the Pledge of Allegiance at today's meeting.

AGENDA ITEM NO. 2 – APPROVAL OF THE AGENDA

Madam Chair Russo Baca amended the agenda by adding the Executive Session from the special meeting to be item 16.a.i. Limited Personnel Items and added (1) CE/CEO Performance Evaluation and (2) Secretary-Treasurer/CFO Performance Evaluation.

Director Barbara Baca made the **MOTION TO APPROVE THE MEETING AGENDA with the above changes** . Seconded by Director Sandoval. The **MOTION CARRIED**.

AGENDA ITEM NO. 3 - CONSENT AGENDA

- a. **Consideration/Approval of Payment Ratification - March 13, 2023**
- b. **Consideration/Approval of February 2023 Invoice for Wiggins, Williams & Wiggins**
- c. **Consideration/Approval of February 2023 Invoice for Law and Resource Planning Assoc.**
- d. **Consideration/Approval of the Minutes for the Special Meeting (Closed Session) - February 13, 2023**

- e. **Consideration/Approval of the Minutes for the Special Board Meeting (Water Bank) - February 13, 2023**
- f. **Consideration/Approval of the Minutes for the Regular Meeting Board Meeting - February 13, 2023**
- g. **Consideration/Approval for the New Annual Willow Harvesting License Fee Schedule**
- h. **Memo on MRGCD Approved Licenses for February 2023 (For Informational Purposes Only)**

No changes were made.

Director Barbara Baca made the **MOTION TO APPROVE THE CONSENT AGENDA**.
Seconded by Madam Chair Russo Baca. The **MOTION CARRIED UNANIMOUSLY**.

AGENDA ITEM NO. 4 - UPDATES ON THE NM LEGISLATURE- John Thompson, MRGCD Lobbyist

Mr. Thompson gave updates on the New Mexico Legislature, including Senate Bill 335, Local Election Delay. He stated it passed the Senate floor and Single House Committee and was now awaiting a hearing on the House calendar. Mr. Thompson assured the Board he would keep them updated on it. He discussed two Water Trust Board Project bills, one by the Senate and one by the House. He stated one of the two would pass. He stated it was pledged by the House Appropriation and Finance Committee chair he would get that bill up. Mr. Thompson discussed that they got the capital outlay sheets the prior week and were awaiting the governor's veto authority on them. He said they were successful in fully funding the request for the water measurement devices at \$250,000. He said they additionally requested \$250,000 to run the power to the electric pumps at the siphon site and was funded \$210,000. Mr. Thompson explained they made a request for funding to replace a culvert on Highway 147 near Isleta Pueblo and he believed that was funded in the DOT budget. He announced that House Bill 2 was passed by both the House and Senate and was awaiting House concurrence. He said they were following a couple bills specifically Senate Bill 124 on public employees returning to work, House Memorial 60 on the Middle Rio Grande Compact, and a couple of bills regarding the Endangered Species Act water use. He felt they would not go anywhere though.

Madam Chair Russo Baca stated she sent a letter to the State Engineer's general counsel, Nathaniel Chakeres, regarding MRGCD's concerns on House Memorial 60. She stated it was now on the House floor and if there was anything else the Board could do to help, to let her know.

AGENDA ITEM NO. 5 - HOLLY DIETZ'S APPEAL REGARDING DENIAL OF MRGCD LICENSE FOR VEHICULAR ACCESS OF THE BARR INTERIOR DRAIN

- a. Presentation from MRGCD - Jason Casuga, CE/CEO and Lorna Wiggins, General Counsel
- b. Comments from Holly Dietz
- c. Items from the Floor (regarding the Appeal only)
- d. Determination of whether MRGCD staff followed Rule 28 when it denied Ms. Dietz's request to use MRGCD ROW for her and customers' access to her private equine business

Madam Chair Russo Baca noted they received an email from Ms. Dietz requesting that her appeal not be considered today.

Ms. Holly Dietz stated she sent her request to withdraw her appeal via email until the Board could reevaluate the gate policy. She recited the definition of a horse farm to be an area of land together with house and buildings used for crop growing and/or keeping animals, i.e., livestock, which horses are considered livestock in the United States. She continued to state that in New Mexico, there was a long history and tradition that recognized commercial breeding, training, boarding, and racing horses were agricultural activities. She stated the Bernalillo County Assessor's definition of Ag use in New Mexico is use of land for plants, crops, trees, orchard, and growing of livestock. With that, she believed she is a farm.

Mr. Casuga added that he and Ms. Dietz spoke on the phone and he thought it was a reasonable request for the policy to be reviewed and then move forward from there. However, he did note that they District has followed policy on the matter and there was no question if it was implemented correctly and wanted that to be clear. Ms. Wiggins agreed and asked if Ms. Dietz would share her email with counsel also.

Director Joaquin Baca agreed with reviewing the gate policy.

Ms. Dietz asked to hear from Director Barbara Baca regarding her visit to her property. Chair Russo Baca then asked Director Baca for her report, which is noted in agenda item 15.e.

Director Kelly asked if all members of the Urban Committee had visited her property. Madam Chair Russo Baca stated yes. She then directed Mr. Casuga to schedule a meeting with the Urban Committee to reevaluate the gate policy.

Chair Russo Baca tabled items 5.c. and 5.d. until a date to be determined.

AGENDA ITEM NO. 6 - CONSIDERATION/APPROVAL FOR A SURPLUS LAND DESIGNATION FOR PROPERTY LOCATED ON MRGCD MAP 167 (TRACTS 36, 37, AND 38) FOR A LAND SALE REQUEST BY NETTIE JONES - Ashley Veihl, Right of Way Specialist

Ashley Veihl, Right-of-Way Specialist, asked for approval for the disposal of surplus land on MRGCD map 167 Tracts 36, 37, and 38, which total 1.13 acres. She stated the property was brought to their attention by Ms. Nettie Jones, landowner adjacent to all said properties. She said Ms. Jones submitted a land sale application on February 22, 2023, and paid the \$250 application fee, stating that trash had been dumped on MRGCD's property and her own property, so she wanted to purchase the land prior to cleaning up the trash and debris. She stated these three tracts in question are excess land, which is evidenced by three things. One, they are not adjacent to an MRGCD facility and are not used as right of way for operation and maintenance of any facilities. Two, the Socorro Division Manager, Julian Avalos, wrote a statement that these tracts are not used by the District. And three, there's no legal access to these tracts. To get to them would require entering Ms. Jones' property or using the right-of-way for the adjacent railroad tracks. She then stated the staff's recommendation that this land be approved for disposal with only water rights appurtenant to the property.

Mr. Casuga asked to amend the request as he believed that the policy first required the Board to agree it was surplus land and would then bring the request for disposal at a separate time.

Madam Chair Russo Baca made the **MOTION TO AGREE THAT THESE ARE SURPLUS LANDS.** Seconded by Director Joaquin Baca. The **MOTION CARRIED.**

AGENDA ITEM NO. 7 - ITEMS FROM THE FLOOR (COMMENTS ARE LIMITED TO SIX (6) MINUTES)

Tony Tafoya

Mr. Tafoya submitted a letter to the Board, which he then read. He stated he was pleased to hear Jason's presentation at the Corrales Council Meeting and very pleased to hear a second discharge pipe was added. He said he hoped they would consider running water through two ditches one week and one ditch the next week to shorten time between irrigation, stating it was hard to germinate chile and other crops with the three-plus week rotation. Mr. Tafoya added it would be reassuring to see the siphon be completed in his lifetime for use for the next generation of farmers.

March 13, 2023

To Middle Rio Grande District Board and Staff

I was pleased to hear Jason's presentation at the Village of Corrales Council meeting, and I was very pleased to hear that a second discharge pipe would and has been added.

I hope you will seriously consider running water through two ditches one week and one ditch the next week.

This will shorten the time between irrigations from 3 and a half weeks to 2 weeks.

It is very hard to germinate chile and other crops at the 3 plus week rotation.

I am one of only a few chile farmers left in Corrales. My family farmed eight acres of chile yearly, and now I am farming less than an acre but will continue to farm chile even in these harsh times.

It would be reassuring to at least see the siphon "our delivery source" and El Vado Dam "our water storage" be completed in my lifetime for the use by the next generation of farmers in our community, no matter the size of the acreage and it should be encouraged.



Tony Tafoya

Irrigator

Corrales NM

AGENDA ITEM NO. 8 - REPORT(S) FROM THE HUMAN RESOURCES DEPARTMENT - Christine Nardi, MBA

a. Introduction of MRGCD New Hires

Ms. Nardi discussed new hires, including an irrigation systems operator for the Belen Division, an irrigation systems operator for Socorro Division, irrigation systems operator for Albuquerque Division, and a heavy equipment operator and field maintenance tech for the Cochiti Division. She reported two promotions, one for the executive assistant/records and IPRA specialist in the General Office, and Division Clerk I to Division Clerk II in Albuquerque Division. She also introduced Brittany Bade, the new public information officer. Ms. Nardi added they were sitting at 9% for vacancy rate.



Memorandum

To: MRGCD Chair Russo-Baca and Board of Directors
 Through: Jason M. Casuga, Chief Engineer/CEO
 From: Human Resources
 Date: March 13, 2023
 Re: Introduction of New Hires and Job/Title Change

General Office

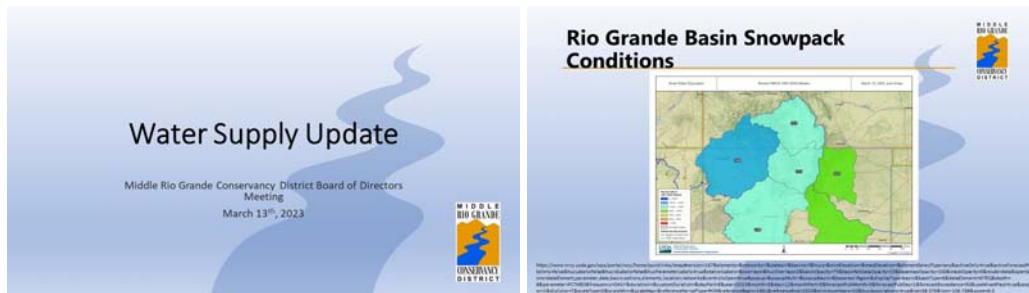
ROBERT	CALDARELLA	IRRIGATION SYSTEMS OPERATOR	02/27/2023
TARAH	JARAMILLO	EXECUTIVE ASSISTANT/RECORDS AND IPRA SPECIALIST	02/20/2023 PROMOTION
ERNEST	MCBRIDE	IRRIGATION SYSTEMS OPERATOR	03/06/2023
CALLIAH	KAYE	DIVISION CLERK II	03/06/2023 PROMOTION
JAMES	POTTER	IRRIGATION SYSTEMS OPERATOR	03/20/2023
PATRICK	GUGGINO	IRRIGATION SYSTEMS OPERATOR	03/20/2023

Cochiti Division

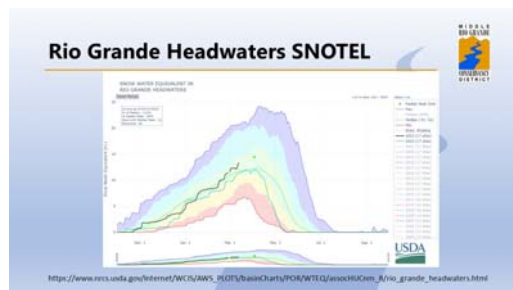
JASON	MESKIMEN	HEAVY EQUIPMENT OPERATOR	03/06/2023
CALEB	RIVERA	FIELD MAINTENANCE TECHNICIAN	03/06/2023

AGENDA ITEM NO. 9 - UPDATE ON THE UPCOMING 2023 IRRIGATION SEASON

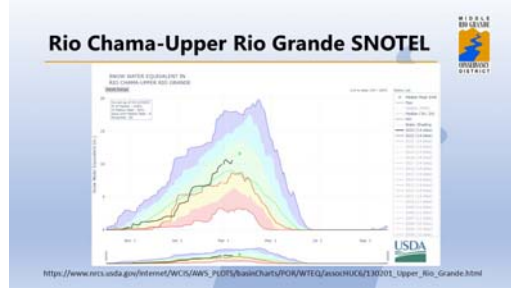
a. Report on the Water Supply Conditions - Anne Marken, Water Ops Division Manager



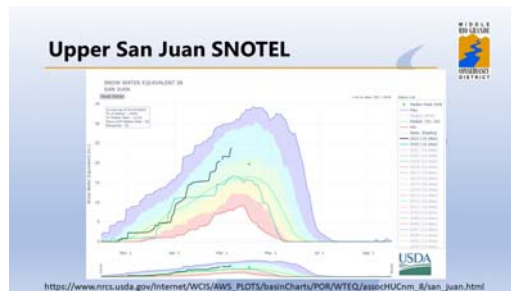
Ms. Marken stated as the middle valley enters spring, the river flows were much improved from last year; that there are 845 cubic feet per second entering the Middle Rio Grande, and at the same time last year it was much closer to 675 cubic feet per second. She stated the Natural Resource Conservation Service SNOTEL map showed snowpack conditions throughout the basin were above the 30-year median.



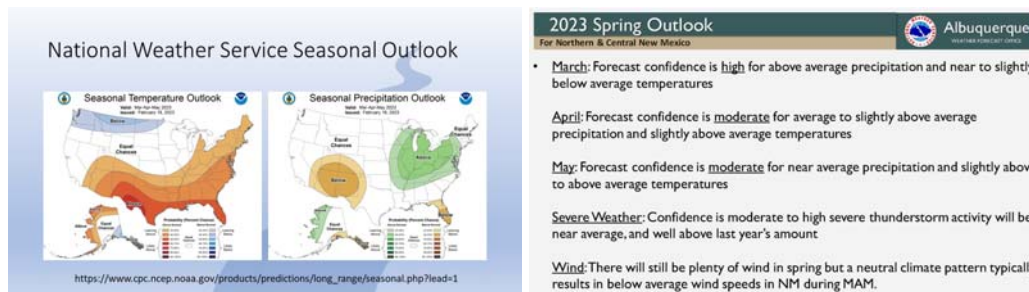
She said according to the Rio Grande Headwaters Time Series graph for snowpack conditions, there was 113% of median snowpack stored in Rio Grande Headwaters, 93% of peak median.



The Rio Chama/Upper Rio Grande Basin graph showed 118% of median, and 91% of peak median, which was outperforming the rest of the Upper San Juan Basin. She stated with those conditions in mind, MRGCD was expected to get a full San Juan Chama allocation for 2023.



She said the Natural Resource Conservation Service 50% exceedance forecast for native Rio Grande inflows for March through July at Otowi Gauge was 575,000 acre feet, which is 116% of the 30-year median, which she felt conditions have much improved from last year.



The National Weather Service (NWS) three-month outlook for March, April, and May indicated above average temperatures and below average precipitation. She said the next slide from Albuquerque Weather Forecast Office, which they produce a 2023 spring outlook for the Northern and Central New Mexico, and the previous three-month outlook doesn't include some recently observed changes in climate patterns that could result in what the slide is indicating here, which is above average precipitation in March and slowly below average temperatures, followed in April, that has average precipitation and slightly above average temperatures, and in May with near average precipitation and slightly above average temperatures. She reported that despite those previous graphs, the local office actually believed that these conditions are quite likely.

Ms. Marken stated thunderstorm activity was forecasted to be near average with below average wind speed through the spring. She said with the improved water supply conditions, they should see higher flows through the Middle Valley in the spring and spring runoff should last longer than last year. New Mexico is still carrying a debt to Texas under the Rio Grande compact which is a water sharing agreement amongst Colorado, New Mexico, Texas, and Mexico. New Mexico will start 2023 with the debt of less than 100,000 acre feet, and this is an estimate that it does

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include that 32,500 acre foot credit that was reported to MRGCD. The sizeable New Mexico Rio Grande Compact Debt coupled with construction on El Vado Dam will prevent MRGCD from storing any native water in 2023. She said the only storage water that would be available to release in 2023 was MRGCD/San Juan-Chama Project water and it was anticipated that MRGCD would receive a full allocation. She said to maximize New Mexico's Rio Grande Compact deliveries, they agreed to adhere to a reduced demand curve while the river was connected. She stated the goal is to get New Mexico's compact debt down, so when construction on El Vado is completed and available to store water MRGCD is not limited in doing so by compact restrictions. Water will be stored for pueblo prior and paramount lands in Abiquiu Reservoir for the 2023 Irrigation season. The target storage is 18,496 acre feet. This water will be stored under Rio Grande Compact restrictions and can only be released from storage when native Rio Grande inflows into the Middle Valley are not sufficient to meet the irrigation demand on the prior and paramount lands.

Releases Ms. Marken stated, in summary, water supply conditions were the best they had seen in several years, but MRGCD agreed to operate under reduced demand curve which would limit water available for delivery to irrigators and MRGCD could not store native Rio Grande water in 2023. After spring runoff, MRGCD will be operating with a run of the river supply, and without summer rains supply could get tight. She closed by saying let's all pray for a spring that's not too windy and summer rains.

Mr. Casuga added that we'll have good precipitation, but this highlights the need for getting in compact compliance, because these would be years that typically we would store quite a bit of water for use for the valley, either late in the summer or for next year; it's one of those things we really want our constituents to connect with because we want to return to a scenario in years like this, where we store this water for the dry, hot, dusty days.

b. Status Report on Water Distribution - Matt Martinez, Water Distribution Division Manager

Mr. Martinez said today marked the first day of running water in the Socorro Division and second week in the Belen Division. He said irrigation deliveries would begin on or about March 18th in Socorro and on or about March 25th in Belen Division. He continued that Albuquerque Division would begin flushing its system Monday and Cochiti Division would be flushing on March 27th with irrigation deliveries beginning on or about April 1st. He thanked Thomas Padilla and Julian Avalos for getting Socorro Division off to a good start; and a special thanks to all of the crews who have been working early mornings and long days.

Mr. Martinez explained that through the season, available water supply would be distributed in proportion to the amount of land served. He said flexibility in rotation would be provided so long as it did not create any efficiencies or delays. He said no crop type would be prioritized and they would do their best to provide follow up waterings for those who decided to plant new seed but could not guarantee the timing. He said it was expected that they would be dependent on natural flow to continue making deliveries in the summer and fall and irrigators should take that uncertainty into consideration when making farming plans. Mr. Thompson reminded that irrigators who were ready for water should begin contacting their ISOs and should not plant or fertilize until they have confirmed water availability. He said MRGCD irrigation log books have identified property not current on water service charge and document other issues with properties.

Madam Chair Russo Baca asked Mr. Martinez to discuss the status of the digital ISO book pilot project.

Mr. Martinez replied there would be 26 total users of the logbook application for 2023 that included all Belen Division ISOs. He said they would be running it parallel to the paper logbooks to ensure they prove concept and will move away from paper logbooks when they feel comfortable it is working as designed. His goal is to have all the divisions using this application next season.

AGENDA ITEM NO. 10 - REPORT(S) FROM THE DEPARTMENT OF INTERIOR

- a. **Bureau of Reclamation** - Jennifer Faler, Area Manager
- b. **Bureau of Indian Affairs** - Roland Becenti, Acting Designated Engineer

Neither parties were in attendance.

AGENDA ITEM NO. 11 - REPORT(S) FROM THE SECRETARY-TREASURER/CFO - Pam Fanelli, CMA, CGFM

- a. **Report on the Five Year Forecast and the Finance Committee Meeting - Director Kelly, Vice Chair Dunning and Director Barbara Baca**

Ms. Fanelli presented the 5-Year forecast and made recommendations. She said the problem was the District was bringing in enough funding to cover operating costs but not enough to cover debt service and capital expenditure. She said capital infrastructure was failing, which caused the District to spend resources on temporary and permanent solutions.

MIDDLE RIO GRANDE CONSERVANCY DISTRICT

5-Year Budget Forecast
Review & Recommendation
March 13, 2023

PROBLEM
The District is bringing in enough funding to cover operating costs but not enough to cover debt service and capital expenditures.

FY2022 Actual Expenditures	\$ 425,000
FY2023 Actual Expenditures YTD	\$ 950,000
FY2023 encumbrances outstanding	\$375,000
Total	\$1,750,000

Capital infrastructure is failing causing the District to spend resources on temporary and permanent solutions.

Corrales Siphon Pumping Operations

The District has Aging Infrastructure

El Vado Dam

Corrales Siphon Sink Hole, East Side, 2022

Isleta Interior Drain at Hwy 147, Sink Hole 2021

Isleta Interior Drain at Hwy 147, Temporary Repairs 2021

The District has Aging Infrastructure



Ilieta Interior Drain at Hwy 147, Sink Hole 2021



Ilieta Interior Drain at Hwy 147, Temporary Repairs 2021

Costly Aging Infrastructure Repairs



Agonal Main, Failed Concrete Panel, 2023



San Juan Main, Failed Long Crested Well, 2018



Bosque 3 Lateral, Check Repair 2018



Los Padillas Interior Drain, Waterpass 2020

Mr. Casuga explained pictures of the Corrales Siphon and the temporary pumping operation. He stated other costly infrastructure, including the El Vado Dam, had strategic importance to the District and to the whole Middle Valley. He said once it is done, MRGCD would have a 15% cost share of at least \$150 million. He said many of the areas that will be addressed were represented in the infrastructure plan, but the infrastructure was old. He said the District's infrastructure has aged and they were all feeling that when they have critical breaks in the infrastructure.

Deficits

FY2022	FY2023
Budgeted deficit - \$(2,089,376)	Budgeted deficit - \$(2,189,477)

The District has presented a deficit budget to the Board two years in a row for fiscal years 2022 and 2023. The deficits were mostly due to budgeted expenditures related to failure of infrastructure or purchases of capital equipment.

5-Year Forecast FY2023-FY2027

Beginning in FY2021, the Middle Rio Grande Conservancy District created a 5-Year Forecast that is updated on an annual basis.

The 5-Year Forecast has been updated through FY2027.

In the past, **Capital Project Planning** was included on a limited basis due to available funds.

Only expenditures related to infrastructure failures and minimal capital asset purchases were included.



5-Year Forecast Starting in FY2024

This year **Capital Project Planning** was incorporated into the 5-Year Forecast.

Ms. Fanelli said the District presented a deficit budget to the Board two years in a row and they were mostly due to budgeted expenditures related to the failure of the infrastructure or purchases of capital equipment. She said in FY2021, they created a five-year forecast that was updated on an annual basis and was updated through FY2027. She stated the capital project planning was incorporated into the five-year forecast this year.

Mr. Casuga said this was a turning point for the District. He said the five-year forecast could just be about operations, but also their future and infrastructure. He stated they were losing money by investigating the old infrastructure that was breaking. He said they had to start addressing these issues before the infrastructure breaks, which was the reason for expanding the five-year forecast.



The District has created a list of Capital Investment Projects that are in alignment with our goals of repairing or replacing aging equipment and infrastructure, increasing efficiency of water delivery, while considering the impacts on the environment.

Ms. Fanelli said the District created a list of capital investment projects that were in alignment with their goals of repairing or replacing aging equipment and infrastructure to increase the efficiency of water delivery while considering impacts on the environment. She stated the list total 680 million dollars with 175 million being on the priority list.

Total Cost of Capital Investment Projects

Capital Investment Projects	Total
Priority List	\$ 175,000,000
Future Planning	505,000,000
Total Capital Investment Projects	\$ 680,000,000

Cost of Capital Investment Projects by County			
Priority List		Future Planning List	
County	Estimated Project Cost	County	Estimated Project Cost
Bernalillo	12,700,000	Bernalillo	120,230,000
Sandoval	8,500,000	Bernalillo/Sandoval/Valencia	89,650,000
Socorro	73,000,000	Sandoval	117,300,000
Valencia	25,400,000	Socorro	2,000,000
All Counties	55,400,000	Valencia	175,820,000
Grand Total	175,000,000	Grand Total	505,000,000

TOTAL	
County	Estimated Project Cost
Bernalillo	132,930,000
All Counties	145,050,000
Sandoval	125,800,000
Socorro	75,000,000
Valencia	201,220,000
Grand Total	680,000,000

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Mr. Casuga said it would be a terrible performance item if they did not bring this to them and show the District what they're managing and all projects on the list needed to be moved forward on some level. Mr. Casuga stated while they do have a list, plans change at any given time depending on the type of funding they received.

Cost of Capital Investment Projects On the Priority List

Priority	Project Name	Year Built	Year(s) Rehabed	Estimated Project Cost
1	Corrales Siphon	Design Drawings: 1933	Rock Weir 2016, Weir Extension 2020	8,500,000
2	Socorro Main Canal Channel Lining			66,500,000
3	El Vado Stilling Basin	1933/1934	Outlet Works: 1970's, Power Project 1985	3,500,000
4	Atrisco Siphon Explorative Condition Assessment	Heading: 1933, Siphon: 1955		500,000
5	Feeder 3 Pump Station			6,500,000
6	Belen Highline Realignment Project			15,000,000
7	Belen watershed study project			720,000
8	Pirralta Drain Pedestrian Bridge			350,000
9	Loretta Road Intersection			1,000,000
10	Isleta Drain/NM 147 Culvert	1955	Extension: 1974	1,000,000
11	LFCC/San Lorenzo Arroyo Culvert Crossing			5,000,000
12	ER&T Building			10,000,000
13	Isleta Dam Gate Automation			1,000,000
14	Isleta Bridge Design	1934		830,000
15	Water Measurement Structures-(60 Structures)			5,400,000
16	San Acacia Dam Gate Automation			1,500,000
17	Turnout Upgrade			24,000,000
18	Records Building			1,200,000
19	El Vado Dam Rehabilitation (15% Non-Fed Cost)	1933/1934	Outlet Works: 1970's, Power Project 1985	22,500,000
		Total Capital Investment Projects - Priority List		\$ 175,000,000

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Ms. Fanelli stated the projects on the priority list had been carefully selected based on their goals of repairing or replacing aging infrastructure, increasing efficiency of water delivery, increasing operational efficiencies, and impacts on the environment. Ms. Fanelli also gave a listed of the projects on the list for future planning, totaling 505 million dollars, which consisted of main channel lining projects, siphon projects, Bernalillo to Belen Levy, and the San Acacia Fish Passage. Ms. Fanelli stated the list of capital investment projects they built into the five-year forecast for FY 23-27 would cost 43 million dollars which represented 25% of that 175 million on the priority list. She said the operational projects built into the five-year forecast for FY 23-27 totaled \$14,500,000 and included the capital equipment replacement and conservation projects. She said that made the total \$57,500,000 plus the cost of debt service, which would be \$58,300,000. Ms. Fanelli talked about how the District would pay for that and stated they would need to increase the mill rate by 3 mills beginning in FY 24. She stated for each one mill increase ad valorem would increase by 4.3 million per year, and the mill rate would decrease depending on how much money in grants they receive.

Mr. Casuga added to remember what they were showing was a way to accomplish the plan they would be trying to put forward. He said what they were showing is the infrastructure was breaking and the reason they were in a deficit right now was a result of trying to operate while infrastructure was breaking. He said they either had to consider a plan to try to move them forward or wait until something else breaks and not have a plan to fix it quickly. He said everything on the property list represented every county, so they were trying to propose a plan to address those needs in every county over the next 4 to 5 years.

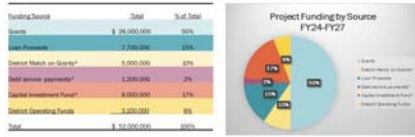
**Cost of Capital Investment Projects
On the List for Future Planning**

<u>Future Projects</u>	<u>Project Name</u>	<u>Estimated Project Cost</u>
	Albuquerque Main Canal Channel Lining	63,000,000
	Arenal Main Canal Channel Lining	28,000,000
	Bar Main Channel Lining	18,750,000
	Corrales Main Channel Lining	28,600,000
	Peralta Main Channel Lining	60,770,000
	Belen Highline Channel Lining	97,950,000
	San Juan Main Canal Channel Lining	17,100,000
	Sili Main Canal Channel Lining	41,000,000
	Cochiti Main Canal Channel Lining	39,200,000
	Atrisco Siphon	10,500,000
	San Felipe Siphon	8,500,000
	Bernalillo to Belen Levee (25% Non-Fed Cost)	89,650,000
	San Acacia Fish Passage	2,000,000
	Total Capital Investment Projects - Future Planning	\$505,000,000

Ms. Fanelli stated it was their proposal to aggressively seek out grants to help pay for capital investment, apply for loans to supplement the costs, and to increase the mill rate by one mill. She stated the projected surplus with a one mill increase of the operating fund would be about \$100 average per year. She said if they went after a three-quarter mill increase, the operating fund would maintain about \$100,000 surplus per year, but the capital investment fund would accrue approximately 1 million dollars deficit per year and projects would have to come of the priority list. Ms. Fanelli presented a graph to show the historic mill rate data.

Mr. Casuga stated they would have to really perform to get grants to help with the plan, but they felt confident doing that because the District had been very successful over the last several years doing so.

If MRGCD Gets a 1 Mill Increase in FY24 Project Cost Sources FY24-FY27 Would Be



*The 1 Mill will add up to about \$17,000,000 million over the next four years.
 *The 1 Mill will pay for District Match on Grants \$5,000,000, New Debt Service \$1,200,000, Projects \$9,000,000, and Current Debt \$1,600,000

Projected Surplus – with a 1 mill increase

Fund	FY2024	FY2025	FY2026	FY2027
Operating Fund	86,636	145,576	95,361	284,143
Capital Investment Fund	2,282	23,038	41,627	355,284

Any surpluses will be held in reserve for future capital investment projects.

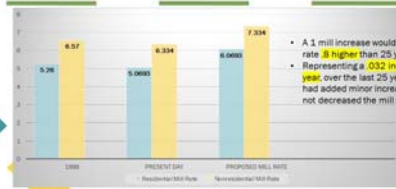
Per NM State Statute 73-18-7.1 – The Board of Directors can establish by resolution the annual assessments to be made from year to year against real property. Such assessment may be modified in like manner from time to time, but not more frequently than once every five years.

What If We Just Go After a ¾ Mill Increase?

Projected Surplus/(Deficit) – with a ¾ mill increase

Fund	FY2024	FY2025	FY2026	FY2027
Operating Fund	86,636	145,576	62,361	221,143
Capital Investment Fund	(1,008,711)	(1,003,119)	(999,923)	(701,889)

Historic Mill Rate Data



A 1 mill increase would put the rate 31% higher than 25 years ago. Representing a 0.32 increase per year over the last 25 years. If we had added minor increases and not decreased the mill rate.

Ms. Fanelli concluded by stating the District had been actively seeking grants for capital needs, but there was often a match or loan component, and the District did not have enough funds to cover those. She stated a one mill increase would bring in approximately \$4.3 million into the capital investment fund that would pay for capital investment reserve projects, debt service, and District match on grants. She reminded the Board that they can only raise the mill rates once every five years, so any decision they would have to live with for five years. She stated that dedicating the one mill strictly to the capital investment, debt service, and District match would act as a bonding/debt servicing program and put the District in a strong financial position for any unforeseen infrastructure failures.

Mr. Casuga stated their recommendation was to develop the FY21 budget with the promise that an additional one mill would be included in the MRGCD ad valorem assessment to be used strictly for capital investment in projects, debt service, and District matches on grants. He said the second recommendation would be to develop a budget and deliver it to the state and be ready for FY24.

Summary

- The District is not bringing in enough funding to cover operating costs, debt service and capital expenditures.
- The District has been actively seeking grants for capital needs but there is often a match, or a loan component and the District does not have enough funds to cover these requirements.
- A 1 mill increase would bring in approximately \$4.3 million annually into the Capital Investment Fund that would pay for Capital Investment Projects, Debt Service, and District Match on Grants.
- The District can only increase mill rates every 5 years (see NMSA 73-18-7.1)
- Any surpluses would be held in reserve for future capital investment projects.

Benefits of the Plan

- Takes the Burden of Debt Service and Large Operational Projects off the Operational Fund thereby reducing the need for an Operational Mill Rate Increase in the Future. The District can only increase the mill rates every 5 years.
- Dedicating the 1 mill to Strictly Capital Investment, Debt Service and District Match, the Program Acts as a Bonding/Debt Servicing program.
- Puts the District in a Strong Financial Position for any Unforeseen Infrastructure Failures.
- The District is being proactive and not reactive.

The Staff and the Finance Committee Recommend:

The FY2024 Budget be developed with the premise that an additional 1 mill will be included in the MRGCD Ad Valorem assessment to be used strictly for the Capital Investment Fund for Capital Investment Projects, Debt Service, and District Match on Grants.

The recommendation will be presented to the Board at the April meeting for approval to allow time for the development for the FY2024 budget.

Director Kelly spoke on behalf of the Finance Committee, who agreed that for the good of the District to continue doing their mission to catch up with the old infrastructure, they had to do

something. He said raising taxes was never a good thing politically, but they had an obligation to do what's right for the District, and adding the one mill would be setting up a separate funding source. He said the Finance Committee concurred with the recommendation and needed to make a decision at the April meeting.

Director Barbara Baca felt it would be irresponsible as an agency if they did not take this step.

AGENDA ITEM NO. 12 - UPDATES FROM THE OFFICE OF STATE ENGINEER - Mike Hamman, State Engineer

Mr. Hamman stated although John Thompson gave a report on the legislature, he wanted to go over items that he's been engaged among other matters. In reference to your needs for infrastructure purposes, the funds MRGCD hoped to achieve was critical right now for many reasons. He stated they had many opportunities to leverage funds at the state and federal levels. He encouraged MRGCD to do it at the fullest extent possible. He stated this year they had an unprecedented surplus of oil and gas revenues the state has that would hopefully be put to good use. Mr. Hamman stated they put together a 20-person group of respected and well-educated members of the water and stakeholder community to look at three major areas, which were community infrastructure problems throughout rural New Mexico, stormwater infrastructure, and river aquifer and watershed health. He said they produced 17 major recommendations and 110 strategies and actions items out of that process that they recommended to the governor's office and legislature. He said it has had a huge impact on the legislature and the number of bills moving through right now. Mr. Hamman stated on the capital side. He said they also had a statewide allocation every year for 2 million dollars to continue irrigation measurement structures for various parts of the state. He said they were getting 10 million dollars for MRG Channel habitat and federal dollar leveraging in the capital budget and a 10 million allocation for Middle Rio Grande San Acacia Reach work. He stated they requested a modification to last year's funding that MRGCD had on the books for following programs that had been altered to expand the purpose for improvements to the Low Flow Conveyance Channel. Mr. Hamman discussed a couple of bills of interest, including SB337, the Water Security Planning Act, Senate Bill 1, House Memorial 60, and House Bill 121, Water Leasing Act modifications. He said the Colorado River issues were important and tricky and that the atmospheric rivers would save them another year or two, but the '07 guidelines would expire in 2026.

Madam Chair Russo Baca thanked Mr. Hamman for coming in-person to present. She said the people from Corrales appreciate the state keeping its promise of helping out the MRGCD with electricity and keeping their commitments.

AGENDA ITEM NO. 13 - REPORT(S) FROM THE CHIEF ENGINEER/CEO - Jason M. Casuga, PE

- a. **Consideration/Approval for SunZia Transmission Line Crossings of Riverside Drains and the Rio Grande Floodway - Eric Zamora, COO and Rhett Sanders-Spencer, Right-of-Way Specialist**

Mr. Sanders-Spencer presented their consideration and approval for the final SunZia Aerial Utility Crossing of the Rio Grande Floodway and Riverside Drains in that area, License No. 172-2022. He stated the section of the SunZia Transmission Line they were licensing with MRGCD extended on the west side all the way to the Belen Highline Canal and all the way east to the San Juan Main Canal, and the 13 facilities outside of the floodway and the riverside drains have already been reviewed by this Board and those licenses have been approved. He stated it had satisfied all requirements for that type of license agreement with MRGCD.

SunZia Transmission Line Project

For MRGCD Board Consideration and Approval

**SunZia Aerial Utility Crossings of the Rio Grande
Flyway & Riverside Drains**
License No. 172-2022

March 17, 2023
Board Location: Spencer, Right of Way Specialist

SunZia Transmission Line Project
EXHIBIT MAP

Photo 1, Exhibit Map

- The yellow line denotes the approximate path of the SunZia transmission line preferred alternative route at this location, co-located with the Western Spirit Transmission Line.
- This will be an aerial utility suspended across the Upper Subular Riverside Drain, the Rio Grande Flyway, and the low basin Lower Riverside Drain.
- There will also be a (1) 180' tall steel monopole structure installed within the Riverside Drain, approximate location denoted by the red circle.

SunZia Transmission Line Project
BO & FEIS

- BO released by the USFWS in January 2023
- FEIS released by the BLM in February 2023
 - Addressed MRGCD comments made to the Draft EIS
- Each document was reviewed by MRGCD Staff including the COO, our Planning Specialist, and a ROW Specialist. SunZia has also coordinated with BOR for review of the same documents.
- Takeaways for resource protection have been embedded into a draft of License 172-2022, which binds SunZia Transmission LLC compliant to the obligations under the BO and FEIS as they pertain to MRGCD Now.

SunZia Transmission Line Project
VICINITY MAP OF CORRIDOR

SunZia Transmission Line Project
CONTEXT

License No.	Facility	Status	Project Phase
169-2022	Garza Shoshone	Completed	1
167-2022	Infant's Lane #1	Completed	1
168-2022	Bronze Stream Drain	Completed	1
169-2022	Infant's Lane #2	Completed	1
170-2022	Upper Subular Riverside Drain	Completed	1
171-2022	Rio Grande Flyway	Approved	2
172-2022	San Juan Basin Central	Completed	1
173-2022	Brown Springs Canal	Completed	1
174-2022	Garza Shoshone	Completed	1
175-2022	Infant's Lane #1	Completed	1
176-2022	Bronze Stream Drain	Completed	1
177-2022	Infant's Lane #2	Completed	1
178-2022	Line Intersect Station	Completed	1
180-2022	Brown Springs Canal	Completed	1
181-2022	Line of US 50/100N, 18 mi & W	Not	1

Figure 1, Table showing licenses with SunZia Transmission LLC

- All of those except for License 172-2022, highlighted in red, have already been considered and approved by this board.
- Consideration and Approval of License 172-2022, the agreement that would cover the crossings of the Riverside Drains and the Rio Grande Flyway, was tabled until the USFWS Biological Opinion (BO) and the BLM Final Environmental Impact Statement (FEIS) analyzing this preferred alternative route were completed and released.

SunZia Transmission Line Project
STAFF RECOMMENDATION

Staff recommendation is to **approve** License No. 172-2022

- The Licensee has fulfilled all the requirements for this type of license agreement with the MRGCD.
- The Licensee has demonstrated a commitment to satisfying requirements with all agencies and entities, federal and state and otherwise, which have jurisdiction throughout the route of the project.

Mr. Casuga stated the MRGCD needs to invest some time with this permitting process on the river now that it is fully back to us in developing conservation measures for scales of projects going forward, but none of that's been done. Stating we don't have that ourselves, so much of what we are relying on is what the Federal Government is requiring. He thought many of those are best management practices, but it's taught us much. He agreed completely with what Rhett (Sanders-Spencer) said in that the licensee has satisfied all the requirements as they sit for the MRGCD now. He support from a staff level that the license should be issued.

Director Kelly commented on how he knows this was quite controversial when the location was down in Lemitar, New Mexico, and thinks there's been much work done to co-locate this next to the Western Spirit line. He felt that if this country's going to implement green energy we've got to have a way to run it around and unfortunately, sometimes that's a big, ugly power line depending on your perspective. He also thought it's incumbent on us to continue the process here, and this is not an opportunity to shut down a regionally needed project.

Director Kelly made the **MOTION TO APPROVE THE ISSUANCE OF THE LICENSE AS DESCRIBED**. Seconded by Director Joaquin Baca. The **MOTION CARRIED with the Chair abstaining from the vote**.

b. Corrales Siphon Updates - Alicia Lopez, Engineering & Mapping Manager

Ms. Lopez gave an update on the Corrales Siphon emergency pumping implementations. She reiterated that the project was a direct result of the failure on the east side of the siphon. She stated that PNM installed 3500 feet of three-phase power line that was complete as of today. She talked about HEI making their connection from PNM's transformer to the pump's Minutes of Middle Rio Grande Conservancy Regular Board Meeting March 13, 2023

disconnect to avoid any potential conflicts with any future projects or work on the outfall. She also mentioned Rain for Rent carried out removing the diesel pumps and bringing in two electrical pumps and ran a secondary line, Albuquerque Division provided trenching backfilling earthen pads and erosion protection for the pump alignment. She stated there was 40 CFS coming out of the pumps right now and are much quieter. She stated they would also be installing a perimeter fence around the pump and figure out how to best clear vegetation.

She closed by thanking the District’s representatives from Rain for Rent, HEI, PNM, our Albuquerque division, as well as LeAnne Corwin, MRGCD Safety Officer, and the city of Rio Rancho and staff for the guidance on how to get through some of the permitting for PNM. She also thanked the Water Ops team for being willing to learn this new system and manage it throughout the season.

Mr. Casuga added this pumping system would be more dependable. He stated they should celebrate the flexibility it brings but it was important to understand it did not necessarily mean their volumetric flow or total volume delivered to Corrales would be different.

Director Kelly thanked the staff for getting it installed in a quick manner. He added to hope Water Trust Board funding came through so they can move into design and get the new pipe across the river for the next 100 years.

Corrales Siphon Update

March 13th, 2023
Middle Rio Grande Conservancy District

Prepared by:
MRGCD Engineering & Mapping Department





- Sole water source to approx. 1000 irrigated acres
- Damage and leakage present on the upstream side of the river
- 1200ft in length, 36" wood stave pipe
- Wilson & Co. selected HDD as preferred alternative.
- MRGCD submitted a Water Trust Board application to fund construction

Temporary Water Supply

- Electric Pumps: (2) pumps 15 - 20cfs capacity
- Minnow Egg Monitoring



PNM

3,500 LF Three Phase
Power Extension: \$430,000



HEI

Power Extension from PNM
Transformer to Pump
Disconnect Switches: \$83,000



Rain for Rent

Supply of (2) - 40 cfs Electrical Pumps and Installation of Secondary 21" Pipeline:
\$543,000 for Installation and Rental over the irrigation season

MRGCD Albuquerque Division provided the trenching, backfilling and earthen pad for the pumps.





Upcoming Work

Installing a Perimeter Fence around Pumps

Explore Options to minimize and clear vegetation on the intakes

Questions

c. Report on the Family Farm Alliance Annual Conference, February 23-24, 2023 - Jason M. Casuga, CE/CEO and Chair Russo Baca

Mr. Casuga stated that he and the Chair attended and heard good conversations at the meeting. He stated he got to spend time talking with Tanya Trujillo with US Department of the Interior. He said her mind was still on the Rio Grande, which was important to know they had advocates. He said there was an interesting conversation on using public funding to go to private partners who then put that money to farmers to farm and sell positive outcomes of farming, i.e., carbon storage, etc. He said they also spent time with the Elephant Butte Irrigation District and felt there's much collaboration that could happen between their organization and the Conservancy District.

Madam Chair Russo Baca added the conference was really good and the best part was the one-on-one conversations they had with their federal partners. She also submitted written report:

February 22-24, 2023 Family Farm Alliance Conference, Reno, NV.

Mr. Casuga and I attended the 2023 Family Farm Alliance conference in Reno Nevada on behalf of the MRGCD. This is a very informative conference. This conference discussed a variety of topics from conservation, forestry and ag solutions, the SCOTUS case of TX v. NM & CO, as well as the Farm Bill among others. Rep. Cliff Bentz Chairman of the House Committee on Natural Resources, and subcommittee on water, oceans and wildlife spoke during lunch.

d. Report on the Land & Water Summit, March 2-3, 2023 - Rhett Sanders-Spencer, Right-of-Way Specialist, Chair Russo Baca and Directors Joaquin Baca and Sandoval

Rhett Sanders-Spencer said that he, Ashley Veihl and Michael Padilla attended the Land & Water Summit. He said the theme was communities, collaboration, and climate change. He said one big takeaway was a big professional interest in green stormwater infrastructure. He said many contractors and landscape groups were developing things like rain gardens to capture stormwater, grow food, and clean the water. Mr. Sanders-Spencer stated much of the

conference was about a commitment to acknowledging and incorporating the culture aspects of land and water and the approach to management practices.

The Chairs authored report is below:

March 2-3, 2023 Land and Water Summit, IPCC.

I gave a presentation on water shortage-sharing agreements. I brought up the current legislation HM 60, which includes a resolution that there be a “negotiated water shortage sharing agreement among all significant water rights and water permit holders that meets the criteria for an alternative administration plan set forth in the rules promulgated by the state engineer pursuant to Section 72-2-9.1 NMSA 1978.” The statute creating the MRGCD in the late 1920s expressly provides for the MRGCD Board of Directors to require sharing shortages among all its water users whenever there is less than a normal supply. Sharing of shortages pro-rata among all users, except for Pueblo water users who are not irrigating newly reclaimed lands, has been the policy of the MRGCD elected Board for the last 85 years. *See* NMSA 1978, Sec. 73-14 49 through Sec. 73-14-52.

Mr. Casuga and I also sat on a panel roundtable discussion. Several MRGCD staff members attended the conference.

e. Report on the Six Middle Rio Grande Pueblo Coalition Meeting, March 9, 2023 - Jason M. Casuga, CE/CEO

Mr. Casuga talking about the Six Middle Rio Grande Pueblo Coalition Meeting. He said there was still much energy around the startup plan. He said he needed to improve on being able to fully present the plan as well as it had been done in previous years and made that commitment to the Coalition. He said Mr. Zamora presented some maintenance items at the meeting. He said he was going to add it to his 2023 goals to make sure there was no question about their startup plan for the next year.

Eric Zamora stated he had been working with Ms. Fanelli, Ms. Nardi, and Mr. Casuga doing an assessment on MRGCD assets and looking at the amount of equipment they have, the number of miles of canal they maintain by division, by pueblo, and by county. He said he presented a brief introductory look into that at the Coalition meeting. He said they are finding out the District doesn't allocate resources very well and hoped to start making maintenance boundary adjustments. Mr. Zamora stated they found there was a night and day difference between the maintenance effort and level of service they were providing to each side of the river, so they wanted to improve on that. He stated the largest division by far is the Belen Division being over 425 miles of canal, representing about 42% of the entire District based on miles of canal, yet the resources that the District has down there are in some cases 50% less than the other divisions. Mowers, for example, he did a brief assessment on how many miles of ditch a mower in Cochiti and Socorro versus Albuquerque and Belen is required to maintain on an annual basis. Socorro and Cochiti is about 25-26 milers per year per mower in Albuquerque. It's about 40 miles; in Belen, it's about 48 miles. Twice the number of miles in Belen versus the two smaller divisions. He reported they are taking a look at each of the various pieces of equipment as well as personnel as they are also under staffed in the Belen Division compared to the other divisions. For example, again, our Albuquerque Division is about a third of the District's facilities as far as miles of canal, and they have about it's about 48 full time employees budgeted for the Albuquerque Division. In Belen, it's closer to 40. He stated the fact that Belen has mechanics budgeted in their budget where Albuquerque relies on ER&T (the Equipment Repair & Transportation Department).

f. Discussion on the 100-year Anniversary of the Conservancy Act of 1923 - Jason M. Casuga, CE/CEO

Mr. Casuga stated one of the commitments in his goals is a celebration this year that's not fully scoped. They needed to know what groups to work with to plan the celebration event for the 100-year anniversary of the Conservancy Act.

Madam Chair Russo Baca added that Ms. Bade and Mr. Fleck could have a meeting to discuss and then form a committee of board members, mentioning Director Joaquin Baca.

Mr. Casuga mentioned going to the Conservation Committee to see if anybody was interested and said if they were going to make it in the August/September time frame, they needed to hit the ground running.

Dr. DuMars thought it should be a multicultural event because the pueblos were here long before there was a Conservancy District, and the pueblos were a critical part.

g. Upcoming Events

- 1. Farming in The Flyway Series, Soil Health Strategies for Salt-Affected Middle Rio Grande Soils Workshops, 164 NM-116, Bosque, NM - March 17 & May 12, 2023**
- 2. Agriculture Appreciation Day, Valencia County Soil & Wildlife Conservation District, March 25, 2023**
- 3. NWRA Federal Water Issues Conference, Washington, DC - April 17-19, 2023**

Mr. Casuga added an item that he and Ms. Bade will be putting out a press release regarding the start of the 2023 irrigation season the next morning.

AGENDA ITEM NO. 14 - REPORT(S) FROM THE MRGCD ATTORNEY(S) - Chief Water Counsel or General Counsel

Lorna Wiggins stated she did not have anything to report.

Dr. Charles DuMars stated he and Jason (Casuga) had a good conversation with Chris Shaw who said NM ISC wanted to file an innocuous brief on the WEG (Wild Earth Guardian) case, which he didn't think to be a good idea. He said Mr. Shaw was hopeful they would try to intervene as a real party and interest.

Dr. DuMars said they met with WEG twice and had particularly good discussions. He said they learned there was a great need to try to have a series of small workshops on what's actually gone on in the prior biological opinions they have done. He said BOR had agreed to organize those workshops.

Lastly he sent a draft document for the conditions on which La Joya could join the MRGCD, which Mr. Casuga has received. The plan is to get back to them and provide that to them at some time if the Chair and everybody else is in agreement.

AGENDA ITEM NO. 15 - REPORT(S) FROM THE BOARD

- a. Report on the Conservation Advisory Committee Meeting, February 16, 2023 - Chair Russo Baca**

The Chair's written report:

February 16, 2023 Monthly Conservation Advisory Committee Meeting, Virtual.

This was the first hybrid meeting of the CAC. There were several attendees in person at the MRGCD main office. The 2023 Irrigation Start Up was discussed as well as the leasing program, on farm program as well as an update on the outfalls. Please see agenda attached.

b. Report on the CEO's Performance Meeting, February 14, 2023 - Chair Russo Baca and Vice Chair Dunning

The Chair's written report:

February 14, 2023, Report on CEO's Performance/Goals, MRGCD Main Office.

Vice Chair Karen Dunning and I discussed with Mr. Casuga his goals as well as went over his performance evaluation by the MRGCD board of directors.

c. Report regarding the La Joya MOU, February 27, 2023 - Chair Russo Baca

The Chair's written report:

February 27, 2023 SJCP Water owed to ABCWUA and the MOU with La Joya., MRGCD Main Office.

This discussion was regarding the San Juan Chama Water MRGCD owes to ABCWUA as well as the draft of the MOU with La Joya. This MOU is currently in a draft stage and will then be sent to La Joya for their leadership review.

d. Report on Water Measurement and Reporting Needs for Water Markets, March 1, 2023 - Chair Russo Baca

The Chair's written report:

March 1, 2023 Water Measurement and Reporting Needs for Water Markets, Virtual.

I was invited to participate in a virtual convening on Water Measurement and Reporting Needs for Water Markets. The convening brought together water stakeholders, practitioners, and other experts from California, New Mexico, and Utah. We discussed (1) what surface water diversion, groundwater extraction, and water use information is currently available in different contexts, (2) what information would be needed to support fair and effective water markets that enhance climate resilience for agriculture and ecosystems, and (3) how to bridge the gaps between them.

Ultimately, this convening will inform a synthesis of policy insights and recommendations for improving measurement and reporting to meet a foundational data need for water markets. It will also contribute to a broader analysis of how institutional context affects the ability of a water market to achieve its policy goals.

Anne Marken put together additional talking points for this virtual convening. Please see attached.

e. Report on the Site Visit to the Holly Dietz' property, March 6, 2023 - Director Barbara Baca

Director Barbara Baca thought it an important visit and speak with Ms. Dietz. She stated she and Mr. Casuga went to look at her property and the Conservancy's gate. She felt it valuable to review each project. She stated difficult conversations when we're talking about the evolution of

the Conservancy District and our multiple miles of facilities and ditches, which is one of the reasons that we produced the gate policy in the first place, to try and prevent that conflict between vehicles, pedestrian users, horseback riders, recreation as well as irrigators and farm uses. She stated it was illustrative. She said she's happy to sit on the gate policy discussion and bring that to the table as we address it. Closed by thanking Ms. Dietz for the visit.

Chair Russo Baca made the **MOTION TO APPROVE THE DIRECTOR BACA'S REPORT**. Seconded by Director Kelly. The **MOTION CARRIED**.

f. Report regarding WEG Settlement Discussion, March 8, 2023 - Chair Russo Baca

The Chair's written report:

March 8, 2023 Discussion with WEG, Bureau of reclamation Office, 555 Broadway Blvd NE, Albuquerque, NM 87102. This confidential discussion was with the WEG, MRGCD and other parties involved in the litigation.

Chair Russo Baca made the **MOTION TO APPROVE THE REPORTS FROM THE BOARD**. Seconded by Director Barbara Baca. The **MOTION CARRIED**.

AGENDA ITEM NO. 16 - EXECUTIVE SESSION

- a. NMSA 1978 Open Meetings Act, Section 10-15-1(H)2**
 - i. Limited Personnel Matters
 - 1. CE/CEO Performance Evaluation
 - 2. Secretary-Treasurer/CFO Performance Evaluation
- b. NMSA 1978 Open Meetings Act, Section 10-15-1(H)7**
 - ii. Threatened or Pending Litigation

Chair Russo Baca requested a motion to move into Executive Session at 5:37 p.m.

Chair Russo Baca made the **MOTION TO GO INTO EXECUTIVE SESSION TO DISCUSS LIMITED PERSONNEL MATTERS AND THREATENED OR PENDING LITIGATION**. Director Kelly seconded the motion. Rollcall vote was administered with all members voting yes. The **MOTION CARRIED**.

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

Director Kelly made the **MOTION TO GO BACK TO REGULAR SESSION**. Seconded by Chair Russo Baca. Rollcall vote was administered with all members voting yes. The **MOTION CARRIED**.

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

Director Kelly stated during closed session, the Board spoke about potential litigation and no decisions were made. We also recapped the evaluation of our chief engineer and went through

the evaluation of our chief financial officer. He said based on that, he had two motions to make. The first one being based on the CEO Chief Engineers performance in accordance with the terms of his contract.

Director Kelly made the **MOTION TO FIND THE CEO/CE's PERFORMANCE AS SATISFACTORY OR BETTER AND TO INCREASE HIS SALARY BY \$10,000 PER YEAR PER HIS EMPLOYMENT CONTRACT.** Seconded by Director Sandoval. The **MOTION CARRIED.**

Director Kelly continued state the second motion he'd make was based on the CFOs performance in accordance with the terms of her employment.

Director Kelly made the **MOTION TO FIND THE CFO's PERFORMANCE SATISFACTORY OR BETTER AND INCREASE HER SALARY BY 5% PER THE TERMS OF HER CONTRACT.** Seconded by Director Joaquin Baca. The **MOTION CARRIED.**

With no further comments, questions, or concerns, Madam Chair Russo Baca adjourned the meeting at 5:59 p.m.

Approved to be the correct Minutes of the Board of Directors of March 13, 2023

ATTESTED:

Pamela Fanelli, CMA, CGFM
Secretary/Treasurer

Stephanie Russo Baca, Madam Chair
MRGCD Board of Directors