

**MINUTES OF THE
2,219th REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
MIDDLE RIO GRANDE CONSERVANCY DISTRICT**

JANUARY 13, 2025 - 3:00 PM

Directors having been duly notified; Chairman Kelly called the regular meeting to order at 3:00 pm. The following Directors and Staff were present:

DIRECTORS

John P. Kelly, Chairman
Colin T. Baugh, Vice Chairman
Brian Jiron, Director
Stephanie Russo Baca, Director
Glen Duggins, Director
Micheal T. Sandoval, Director
Karen Dunning, Director

Present
Present
Absent
Present
Present
Present
Present

Jason Casuga
Lorna Wiggins
Jeff Wechsler
Pamela Fanelli
Eric Zamora
Anne Marken
Matt Martinez

STAFF

Chief Engineer/CEO
General Counsel
Chief Water Counsel
Secretary-Treasurer/CFO
Chief Operating Officer
Water Distribution Division Mgr.
Water Operations Division Mgr.

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

Lt. Col. Matthew Miller, USACE
Stephanie McKenna, USACE
Kelly Allen, USACE
Jared Minor, USACE
Jennifer Faler, USBR
Patrick Taber, BIA
Elaine Hebard
LeeAnn Corwin, MRGCD
Mitch Georgina, MRGCD
Yining Bai

Tony Tafoya
Annie Sanchez
Santiago Maestas
Luke Smith, Wilson & Co.
Josh Gamboa, MRGCD
Josh Hind, MRGCD
Grace Haggerty
Lucille (surname not provided)
Kim Reana

Tarah Jaramillo, MRGCD
Angel Madera, MRGCD
Christine Nardi, MRGCD
Amanda Molina, MRGCD
Kaleb Brooks
Casey Ish, MRGCD
Julian Avalos, MRGCD
Mark Sanchez
Yasmeen Najmi, MRGCD

AGENDA ITEM NO. 1 – PLEDGE OF ALLEGIANCE

Lorna Wiggins led the Pledge of Allegiance at today's meeting.

Chairman Kelly declared a quorum, and the meeting was publicly noticed. This meeting was a hybrid meeting with everyone excluding Director Jiron attending. Rollcall votes will no longer be necessary for regular motions.

AGENDA ITEM NO.2 - APPROVAL OF THE AGENDA

Chairman Kelly changed 10(a) to be reported by Director Russo Baca only, 11(a) to update on the Socorro Main Canal Project Phase II instead of consideration/approval and deleted 14(a) Report on the Farmers of Future Farmers Meeting, as that meeting was cancelled.

Director Dunning made the **MOTION TO APPROVE THE MEETING AGENDA WITH THE ABOVE CHANGES**. Seconded by Director Sandoval. The **MOTION CARRIED UNANIMOUSLY**.

**AGENDA ITEM NO. 3 - CONSIDERATION/APPROVAL OF 2025 OPEN MEETINGS ACT
RESOLUTION BD-01-13-25-58 - Pamela Fanelli, Secretary-Treasurer/CFO**

Ms. Fanelli asked for consideration and approval of the 2025 Open Meetings Act Resolution, which states any meeting held for the purpose of formulating policy, rules, and regulations, will be declared a public meeting and be open to the public with reasonable notice. She added there are also rules for special, emergency, and closed meetings in the resolution.

Director Dunning asked if this was the same resolution previously passed. Ms. Fanelli answered yes.

Vice Chairman Baugh made the **MOTION TO APPROVE THE 2025 OPEN MEETINGS ACT RESOLUTION BD-01-13-25-58**. Seconded by Director Russo Baca. The **MOTION CARRIED UNANIMOUSLY**.

AGENDA ITEM NO. 4 - CONSENT AGENDA

- a. **Consideration/Approval of Payment Ratification – January 13, 2025**
- b. **Consideration/Approval of December 2024 Invoice for Wiggins, Williams & Wiggins**
- c. **Consideration/Approval of December 2024 Invoice for Law and Resource Planning Assoc.**
- d. **Consideration/Approval of December Invoices for Spencer Fane LLP**
- e. **Consideration/Approval of the Minutes for the Regular Board Meeting – December 9, 2024**
- f. **Consideration/Approval of the Minutes for the Special Board Meeting - January 3, 2025**
- g. **Consideration/Approval of Per Diem, Mileage & Expense Reimbursement regarding New Mileage Rates as of January 1, 2025**
- h. **Memo on MRGCD Approved Licenses for December 2024 (For Informational Purposes Only)**

Chairman Kelly noted they spent \$1.8 million with two payments to Vital Consulting for work on the Socorro Main Canal, with \$1 million in one month, and \$800,000 in another month.

Director Sandoval made the **MOTION TO APPROVE THE CONSENT AGENDA**. Seconded by Director Dunning. The **MOTION CARRIED UNANIMOUSLY**.

AGENDA ITEM NO. 5- UPDATES FROM THE US ARMY CORPS OF ENGINEER - Jacob Pauley, USACE Senior Civilian

Lieutenant Colonel Miller introduced himself to the Board and gave some background information. In regard to his role with the Corps of Engineer District, he leads a team in civil works and military construction. He added that they house the Tribal Nations Center of Expertise in Albuquerque and are partnering with the MRGCD on the B-to-B Project. He gave a brief update on the B-to-B Project, stating they are 95% complete on the Mountain View design. He informed the Board that they expressed capability for \$12 million in the President's budget, but it was not included in the President's budget or the House or Senate Appropriation Bills. He said they are still committed to the project and doing all they can to express capability. They will be ready to execute when that comes together.

Director Dunning asked Lt. Col. Miller to talk and be more specific about the funding.

Lt. Col. Miller expressed that the work plan comes out after the President's Budget, which is money that is unassigned to projects. He said they, along with other districts, expressed

capability for \$12 million, and there is a possibility it could be included in the work plan budget, but it will be competing against other projects across the nation. It could also be attached to a related supplemental bill.

Chairman Kelly thanked the Corps for working with MRGCD and BOR on the storage agreement at Abiquiu. He said they are pleased that the first piece of the San Acacia Levee is done, which protects the majority of Socorro. He also believes they are going to get a submittal in the letter of map provision for FEMA.

Mr. Casuga commented that they are close.

Chairman Kelly asked if they have resolved the internal drainage issues behind the levee.

Mr. Casuga answered that the issue at Brown Arroyo still will always exist, but they are going to submit it and see what FEMA says.

Chairman Kelly stated that when that project was finished, he had a briefing and some hard criticism for the Corps on that. He noted that the construction market in New Mexico has changed, and people are lucky if they even get one bidder, so going with the 8(a) set-aside might be the way to handle the next reach of levee, and they hope the Mountain View Reach goes a lot smoother.

Chief of Regulatory Division, Kelly Allen, Senior Project Manager on Bernalillo to Belen, Stephanie McKenna, and Chief of Civil Works Albuquerque District, Jared Minor introduced themselves to the Board.

Chairman Kelly asked if the residual concentrations of fuel and weather diesel found in the geotechnical testing on the levee project was found in soils above or below groundwater level.

Stephanie McKenna responded that the contamination was shallow and what was found was above groundwater.

Chairman Kelly asked if it was within the existing spoil bank levee or along the center line of the new levee alignment.

Ms. McKenna stated the phase they are pursuing to construct is the culvert and urban crossing at the I-25 southern terminus of the Mountain View Reach and believe it to be the existing spoil bank. Mr. Casuga added it is just north of I-25 as the drain approaches to go underneath I-25.

Chairman Kelly inquired if the Corps had any other programs, they could be eligible for help on.

Ms. McKenna said she could put them in contact with someone dealing with environment radiation. Mr. Casuga added that before they try to identify funding and execute a contract, they need to try and understand the full extent of what the geotechnical study found.

AGENDA ITEM NO. 6 - REPORT(S) FROM THE WATER OPERATIONS AND DISTRIBUTION DIVISIONS

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

Ms. Marken reported that the dry, warm weather has left snow packed conditions across the basin significantly below average for this time of year. She went over the different

graphs, which show that the Rio Grande Headwaters in Colorado snowpack levels are below median but better than they were this time last year, and the Rio Chama Upper Rio Grande conditions are fairly below median at 43% for this time of year, but there is still a lot of winter left, and conditions could improve. She noted that if the basin does not receive significant snow accumulation in the coming months to expect the Rio Grande to have below average spring runoff this year. The seasonal outlook for February through April suggests a continuation of the above average temperatures and below average precipitation. Ms. Marken reported that the Compact ended 2023 with 121,500-acre feet of debt, and even though the official 2024 debt numbers will not be reported until April, it is estimated that the debt grew by a couple thousand-acre feet. She noted that Article 6 and 7 Compact restrictions on native Rio Grande storage are in place and will likely remain there for the rest of the 2025, meaning they would not be able to store any native Rio Grande water this year to use in the Middle Rio Grande, and El Vado will remain unavailable to store more than 16,500 acre feet for the foreseeable future due to the dam rehabilitation project. She reminded that they do have space to store water in Abiquiu, but they likely will not be able to use it to store native Rio Grande water this year due to the Compact. The only storage water they will have available in 2025 will be the 2025 San Juan Chama allocation, plus a small amount that carried over from 2024. Ms. Marken expressed that it is too early to determine whether they will receive the full 20,900-acre feet allocation, but there is suggestion of possibly a partial allocation. She then discussed the sediment plug on the Rio Chama, where they have successfully increased channel capacity from Abiquiu to around 500 cubic feet per second, but work will continue until January 21st. The goal is to get at least 1000 CFS. She noted that since flows were increased to 500 CFS, there have been reports of groundwater seepage on lands downstream of the project, and the Corps will make field visits to verify those claims. If those claims are verified, the Corps could be limited to a restricted flow, which could lead to significant spring flood storage of native Rio Grande water this spring. Ms. Marken voiced that the San Juan Chama contractors wrote a letter to the Corps of Engineers requesting funding for removal of sediment in the Chama. She said they have also asked for additional operational flexibility with San Juan Chama water in their reservoirs for spring so they can creatively move water. As for MRGCD, that would mean a small amount of water available to augment river flows when it is not naturally producing enough to meet needs. Farmers should expect limited irrigation deliveries once spring run-off is over and MRGCD is out of San Juan Chama water.

Director Dunning asked what their options will be if they get a lot of snow in the next couple months and have an above average spring run-off, because they will not be able to move it down due to the plug.

Ms. Marken responded it would be a lot like what happened in 2023, where they could have water being stuck in storage and a lot of water moving through the river after irrigation season.

Director Duggins stated the Feds need to own their part. He said he is tired of the farmers being threatened to get turned off potentially for the entire year, which would devastate everything, while the Feds are happy using what they want. He said that it is our water, and it comes out of the Middle Valley.

Chairman Kelly asked if anyone has surveyed the profile of the channel regarding the Chama plug. He also asked if they have created a perch situation on top of the sediment plug that washes down below the one mile of the actual plug to where they have created a hydraulic differential there.

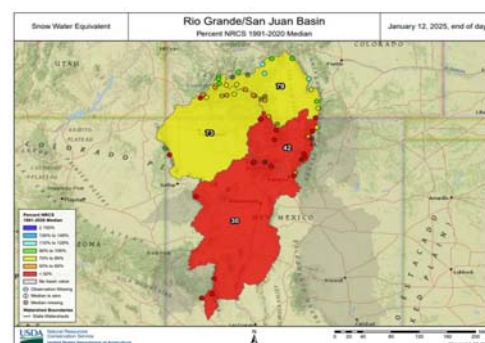
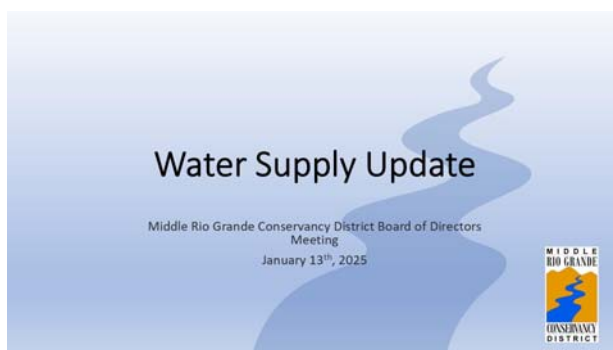
Ms. Marken answered they have done surveys of the channel profile through the project area. She could not answer that specific question but will get back to them on that.

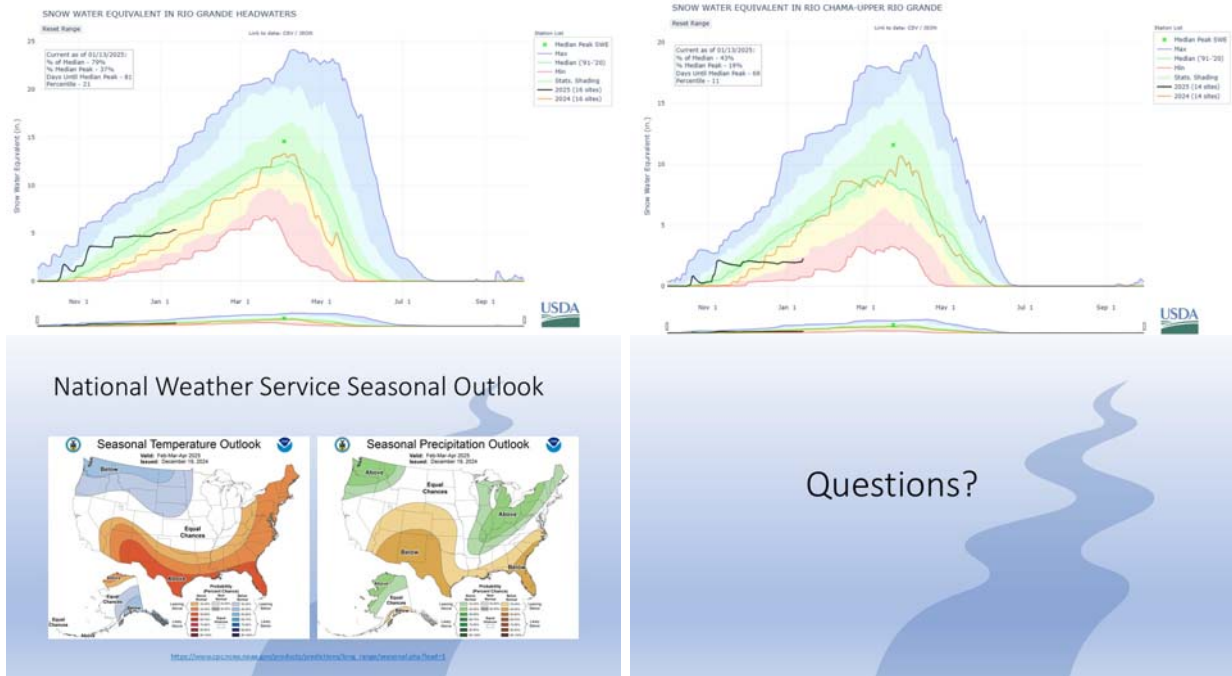
Chairman Kelly said a concern of the MRGCD is that due to a lack of river maintenance, their highly variable sand bed channels get locked in by vegetation, willows, sedges, and grasses, with sediment plugs on top of that, which adds more confinement of the channels to where they cannot push the water, they need through the system. He said they need to push 1800 CFS out of Abiquiu and cannot keep cutting flows back every time somebody complains about a little bit of water outside of the old channel. He added they have seen flood capacity below Abiquiu drop over the last 20 years, and they are losing their conveyance system due to lack of maintenance and souring flows because people will not push things to the limit and move dirt and rock like the river needs.

Lt. Col. Miller commented that he shares that concern, and they do not really have a good authority for channel maintenance right now.

Mr. Casuga voiced that MRGCD needs to advocate for the State to fund more money to the ISC in the short term, as they are hearing from the Corps that the federal agency does not have any flexibility in O&M. He noted they will be asking them to research whatever flexibility they do have and what actions they could take. He said there is an ongoing conversation about WRDA 2026, and they need to know for sure what the court can and cannot do so they can have a realistic conversation on if they can do more. He added that on the State side, they need to have conversations about funding and whether or not properties should be developed in the location of the river that they are, because so many river releases, morphology, and change has been confined in that area in the way it has been developed. He explained they need to be asking if mistakes were made where people should be developing and how they would go about remedying that with those families, while also allowing the river to have space to be a river.

Director Duggins stated that what just happened in California with the wildfires is going to happen to them one day. He said they need to keep it clean and not devastated. He expressed that he loves Cottonwoods as much as anybody, but it is unhealthy and too thick. If it were thinned out, it would be a lot safer, and the trees would be healthier.





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

Anne Marken gave a brief update on Water Distribution in place of Mr. Martinez. She stated that in the past month, the ISOs took some much needed leave after the long irrigation, but they are back at it now in the new year to get ready for the upcoming irrigation season. She said they plan to start charging on February 24th, and the extent of the charging will be dependent upon how much water there is in the river.

AGENDA ITEM NO. 7 - ITEMS FROM THE FLOOR (Comments are limited to three (3) minutes)

Tony Tafoya

Mr. Tafoya asked the Board to consider new, more efficient pumps, and maybe adding a third pump, as two pumps are not adequate and there is too long of a wait period between irrigation. He explained that the water is in each ditch for 7 to 9 days, making rotations almost two weeks every time, but ground crops need a lot more water. He encouraged overnight irrigation, as lot of water is going back into the system after they paid to have it pumped into ditches, and that needs to stop. He added that he does not see why irrigation water cannot make it, when flood water seemed to get through the plug easily.

Santiago Maestas

James (aka Santiago) Maestas reported that work has begun on the Peralta Acequia. He said cottonwoods that were blocking the right of way were removed and hopefully the ditch bank erosion work will be completed before the season begins. He asked what will happen next with engineering on the Peralta Acequia and what irrigation improvements can be made to make the one hour per acre requirements soon.

Elaine Hebard provided public comment; refer to Appendix I.

AGENDA ITEM NO.8 - REPORT(S) FROM THE DEPARTMENT OF THE INTERIOR**a. Bureau of Reclamation - Jennifer Faler, Area Manager**

Jennifer Faler reported that they are in the first fill of El Vado, but it is being suspended, as there is instrumentation on the dam that conflicts with ice moving upward and impacting it. She said they can safely store 16,000 and they should not have the debris clogging issue that impacts their ability to deliver water, which is very good news. She expressed that not being able to continue filling it would not be the worst-case scenario, because they need to focus on collecting design data, and a lot of that is beneath the ground level in the reservoir. They expect the design data plan this spring and will figure out contracting mechanisms. Ms. Faler stated they have narrowed it down to three alternatives, which are crest wall through the dam, large rehab of the current structure, or concrete. She added that they are working on a schedule and have a session planned to see where they can skip steps in the full Safety of Dams process. She reiterated that the design data collection is the critical path that they want to stay focused on. She shared that they are waiting for an approval concurrence for El Vado, which is going through the final approve process. Ms. Faler voiced they are storing the P&P water in El Vado in lieu of Abiquiu, as that agreement expired, and they are awaiting the Corp's approval for that agreement. She noted their conveyance improvement projects are a focus in the office, and they have two river realignments. They have an EIS and feasibility study moving. Wayne Pullen visited and mentioned reorganizing the region and looked at name change to Upper Colorado and Rio Grande Basin Region, but due to bad timing, they will stick with the Upper Colorado River, Upper Colorado Basin. She announced that one of the assistant regional directors is retiring and they will be making a decision on the new hire this week. They are also setting up a construction office to the Albuquerque Area Office to oversee Fish Passage.

Director Duggins asked if they only looked at old alternatives when it came to El Vado.

Ms. Faler responded there are new and old alternatives. She said that one of the new alternatives is a significant reconstruction effort as long as it is in the same footprint and storing the same amount of water. She added that some of the old alternatives were also discounted for good reasons.

Mr. Casuga commented that consultants were able to go through the process and sign the appropriate paperwork, and there was open discussion for the consultants to participate and see if anything missed.

Director Duggins asked how many acre feet of the debt was used by the federal.

Ms. Faler responded that they have not done a study to that effect. She stated that when flows were less than 100 CFS, all water was in the channel and there was not a difference in the flow in the river and flow to the west, and there were zero losses through that reach during that time. She added that they are keeping track of the water, but she did not know specifics on how much was lost.

Director Duggins expressed that all the green is losing water, and he believes the federal government is doing that by design and needs to own that.

Ms. Faler expressed they have a project to improve the conveyance through that region and are working through the process as fast as they can.

Chairman Kelly asked if they should be looking at the dam removal and rebuild at El Vado. He stated they are in it for 15%, and asked if that percentage would drop or the repayment schedule would be extended.

Ms. Faler responded that they have a loud voice in that room, and it would not be a complete rebuild, but does need to be a similar footprint. She added it would probably be flattening out the slope and adding more material, which is not that expensive, but cost would be a consideration. She added that after they complete the design data collection and feasibility level study, they will have good cost estimates to make a decision moving forward.

Director Russo Baca asked if they were going to be having any other public meetings on the San Acacia Reach.

Ms. Faler said she could get back to her with an answer to that.

Vice Chairman Baugh asked if they would be moving the instrumentation on El Vado to continue filling.

Ms. Faler answered yes that it is temporary. She added that it is specific to the faceplate and what is happening once they get above the grout, and it is telling them what is happening with the faceplate, as they will not be able to raise the level without knowing what is happening in the faceplate. Knowing how much water they can store in El Vado is not the current critical path.

Mr. Casuga added that it is a win that El Vado is structurally stable enough to get the water surface elevation high enough to protect the outlet works.

b. Bureau of Indian Affairs - Patrick Taber, Acting Designated Engineer

Patrick Taber reported that they have started to receive NRCS flow forecast data for the upcoming season, and he is looking at those in conjunction with some of the BOR staff for predicting the pueblos prior and paramount water supply and storage requirements. He said the current estimate looks a little bit optimistic but hopes to see improvements. He noted that he reached out to Mr. Zamora to do a few field site observations.

AGENDA ITEM NO. 9 - REPORT(S) FROM THE HUMAN RESOURCES DEPARTMENT - Christine L. Nardi, MBA

a. Introduction of MRGCD New Hires

Ms. Nardi announced they have a new promotion to a Property and Asset Management Supervisor reporting to ER&T, and a new hire of ISO in Bernalillo county. The vacancy rate is 9.96%.

ER&T Division

BRANDON	SMITH	PROPERTY & ASSET MANAGEMENT SUPERVISOR	01/06/2025 PROMOTION
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General Office

SAUL	ORTIZ-TENA	IRRIGATION SYSTEMS OPERATOR	01/21/2025
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Chairman Kelly voiced it was great to see all the employees together in one room at the December event and gave an appreciation of the different people that work for the MRGCD.

AGENDA ITEM NO. 10 - REPORT(S) FROM THE SECRETARY-TREASURER/CFO – Pam Fanelli, CMA, CGFM

a. Report on the Exit Interview of FY2024 Audit with Carr, Riggs & Ingram, and Report on the Finance Committee Meeting, December 11, 2024 - Russo Baca

Director Russo Baca provided a written report on this item, but noted it was an overview of the Exit Interview regarding the audit that is done every year to go over financials.

b. Report on the 5-year Forecast and Report on the Finance Committee Meeting, January 8, 2025 - Chairman Kelly, Director Dunning and Russo Baca

Ms. Fanelli presented the 5-year forecast. She discussed the 5-year forecast of the General Fund revenues, stating that their major revenue items for this fund include the ad valorem charges, water service charges, licensing fees, investment income and federal contract revenue. Ad valorem accounts for 79%, water service charges 10%, and federal O&M contracts 5% of total revenue. She stated that ad valorem assessments are projected to increase by 2.8% for 2025 and 3.3% in Fiscal Year 2026 through 2029. They have forecasted there to be water service charge increases of \$8 an acre in 2026, \$5 in 2027, \$4 in 2028, and \$2 in 2029. She explained that the current water charge is \$51.25 and if they do increase, it will be \$70.25 per acre by 2029. Ms. Fanelli discussed that licensing revenue includes the assumption that they will increase fees based on the new fee schedule that will be implemented by FY2027, increasing licensing fees from \$90,000 per year to \$750,000 per year. Investment income is budgeted at \$600,000 per year for fiscal year 2026 through 2029, and the Federal Project Revenue is budgeted by using the in lieu of ad valorem and water service charge method, but they are unsure of the exact amount for fiscal year 2026, as it will depend on what is approved by Congress. She went over the General Fund forecast expenditures, which include payroll infringers at 63%, dramatic increases in insurance and legal services, and increases in fuel, pipe herbicide, and concrete costs, along with parts and repair costs. She noted that they could not secure general liability insurance for FY2025 and were forced to go to the State Risk Fund. Bureau of Reclamation costs are projected to increase due to operations and maintenance for the San Juan Chama and El Vado Projects. Ms. Fanelli noted that capital equipment prices have also increased over the last four years anywhere from \$50,000 to \$100,000 per unit. She went over some of the major cost categories in more detail. The Board agreed to fund the General Fund for capital expenditures by \$1,000,000 per year. She shared that they have forecasted to spend \$500,000 on capital equipment in FY2026, \$800,000 in FY2027 and FY2028, and \$1,000,000 for FY2029, and parts and repairs were increased by \$100,000 per year to account for increased costs.

Ms. Fanelli explained the reason behind increasing the water service charge per acre. She voiced that wages for ISOs are projected to increase by \$420,000 in FY2026, which is the equivalent to an \$8 per acre increase in water service charges. The increase in Union employees, supervisors, and clerks is \$835,000, which is equivalent to \$15 per acre. She noted that projected water service charges do not cover the ISOs, ad valorem valuation increases on average around \$800,000 per year, and wage increases alone take up 88% of the ad valorem increase, which leaves almost nothing for operations and maintenance for BOR fringe increases, insurance increases, and equipment increases. Ad valorem cannot be increased again until FY2029. They addressed other areas of revenue and the

only thing they have available is the water service charge for the General Fund. For FY2025, they are budgeting \$58.6 million in grant revenue, \$7 million in grant matches, and \$4 million in loan process, for a total of \$69 million. Ms. Fanelli added they will still continue to focus on grants for large infrastructure needs. She stated that for FY2025 through 2029, total debt service payments will be \$7 million, which will come from the Capital Equipment Fund to pay it, with the total debt for the end of FY2029 forecasted to be \$9.3 million. Ad valorem revenue from the Capital Investment Fund would total \$22.8 million. She expressed that the District does plan to secure a \$4 million equipment loan in FY2027 and FY2029 to provide \$8 million for the Operating Fund. She discussed some of the accomplishments of their Capital Investment Fund and thanked taxpayers for the one mill increase that was for the Capital Investment Fund. She said the 5-year-forecast contributes \$7 million to the Debt Service Fund, \$7 million in grant match, a total of \$69 million in grant expenditures, and funds \$8 million in projects from the Capital Investment Fund, which would not have happened without the one mill increase. She recommended consideration for increasing the water service charge by \$8 an acre as projected in the 5-year forecast.

Director Dunning asked why it is going to take them so long to implement the charging more for the right of way.

Ms. Fanelli responded that they are going to try to implement that in the middle of FY2026, which will provide them with some contributions.

Director Dunning asked about getting an employee certified in cherry picking so they could do more tree removal themselves.

Mr. Zamora responded that they have looked at that, but there are a lot of safety issues involved, and it is difficult to get equipment in the smaller ditches, which is where the bulk of the projects go. He added that for the wider right of ways, their staff can take those down and attend training for that.

Director Dunning inquired if Los Alamos was producing any electricity.

Ms. Fanelli stated there is a minimum charge they pay MRGCD a year of \$50,000. Mr. Casuga added that the head of the dam is not high enough at this point for them to produce electricity.

Director Russo Baca asked where else they could find a shortfall of money if they increase the water service charge by \$5 or \$6.

Ms. Fanelli responded that they would take it from the equipment budget.

Mr. Casuga added that employing people costs money and most of them work in the ditch banks. He noted that labor costs are going up, and they still have to be able to protect levees and manage the right of ways.

Director Duggins expressed that it is ridiculous to raise the water service charge. He believes the books are straight, but there is waste everywhere. He added that he could get around the tax increase better if he did not have to look at so much waste. He voiced that farm commodities are going down and most people cannot pay for these increases, and number of farmers are drastically going down. He commented that all he sees is

MRGCD blossoming into everything it does not need to be into it and then adding charges on top of that, and he does not care what other districts charge.

Mr. Casuga explained that ISO pay will cost \$3.5 million in 2026, and the water service charge does not generate the amount of money they need to pay them, so they have to subsidize from somewhere. He added that a vast majority of the expenses are tied to personnel, and they could cut expenses from a number of different places, but it still would not turn around the number of costs for personnel that are going up. He said the expense to move water is growing and they have to offset that somehow.

Director Duggins asked if they wanted farmers to leave.

Chairman Kelly voiced that they raised the assessment 20% from 5 mills to 6 plus, and if they did that on the water service charge, they would be asking \$10 the first year. He pointed out that those mill increases turned into \$70 million worth of grant funding. He stated they have to look at impacts on all ratepayers and their benefits, and right now the water service charge is the only place they can go.

Director Duggins said he understood what the costs are and has total faith in their books, but there is too much waste, and what they have on paper does not give the vision of all the waste in the field.

Director Russo Baca said it seems unfair to not pay for ISOs with water service charge and continually asking other ratepayers. She noted they can eventually increase the mill in a few more years, but that would still be asking for farming to be subsidized, and they are still \$400,000 with an increase.

Mr. Casuga responded that looking and aspiring to get to a point where the service charge pays ISO pay is something to be striving for, but they are not there yet. He said they can have a conversation about cuts but that could have consequences that could happen in the irrigation season. He stated that in specific areas, there are business minded decisions involving personnel that he could update on to bring light to decisions they have made offline. He added that they will continue to cut cost wherever they can.

Chairman Kelly noted that as a taxpayer in Bernalillo, they generate a lot of money for the Conservancy District, and the last thing they need to do is trigger a tax revolt there.

Director Duggins responded that money should not be a factor in who gets what. He noted that he has never voted against any city project anywhere in his years of service and if they are going to go by who pays more money, he writes a bigger check to MRGCD than anybody there, so why is his voice not more. He said this is the United States and they do not go by who has more money, and they are losing farms, and everyone is going to lose when they are gone.

Director Kelly voiced that the Board has some tough decisions on where money comes from and where it goes, and they have a deadline to get it done.

c. Discussion of MRGCD Rates - Jason M. Casuga, CE/CEO and Pam Fanelli, CMA, CGFM

Discussed in item 10.b. above.

- d. **Consideration/Approval of Resolution BA-01-13-25-99 Adoption of Amended Budget for FY2025 (7-1-24 to 6-30-25)**
- e. **Consideration/Approval of Resolution BA-01-13-25-100 Adoption of Amended budget for FY 2025 (7-1-24 to 6-30-25)**
- f. **Consideration/Approval of Resolution M-01-13-25-215 Disposal of Obsolete items**

Chairman Kelly went through all resolutions, stating that the first two are budget adjustments to reflect that the Corps of Engineers Levee Project is not coming up in the current fiscal year, so they need to adjust the budget to account for those funds, and the third one is to authorized disposal of obsolete items valued less than \$5,000 as allowed by DFA.

Director Dunning made the **MOTION TO APPROVE RESOLUTIONS BA-01-13-25-99, BA-01-13-25-100, AND M-01-13-25-215**. Seconded by Director Russo Baca. The **MOTION CARRIED UNANIMOUSLY**.

g. Presentation/Approval of the 2nd Quarter Financial Statements for FY2024

Ms. Fanelli presented on the 2nd Quarter Financial Statements for FY2025 for the General Fund. Actual revenues were \$8.9 million. She noted that ad valorem of revenues are their main source of revenues that are paid twice a year. Actual expenditures total \$12.8 million and total expenditures are lower compared to this time last year, but the District is trending higher in payroll infringes and federal O&M charges. The budgeted equipment funds of \$800,000 were reallocated to salaries to accommodate the Union contract and associated impacts. For the Grant Fund, expenditure was budgeted at \$37 million, and they have spent \$3.3 years to date, but the numbers will increase dramatically this third quarter due to higher expenditures from the Office of the State Engineer contract. Year to date revenues for the Capital Investment Fund are a little over \$1 million and expenditure is \$795,000, with transfers to the Debt Service Fund totaling \$400,000 and transfer to the Grant Fund totaling \$250,000.

Director Sandoval made the **MOTION TO APPROVE THE 2nd QUARTER FINANCIAL STATEMENTS**. Seconded by Director Russo Baca The **MOTION CARRIED UNANIMOUSLY**.

(Director Duggins was out of the boardroom temporarily)

AGENDA ITEM NO. 11 - REPORT(S) FROM THE CHIEF OPERATIONS OFFICER - Eric Zamora, PE

a. Update on the Socorro Main Canal Water Trust Board Project Phase II

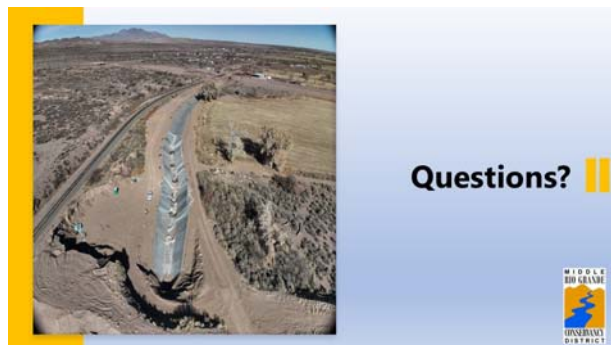
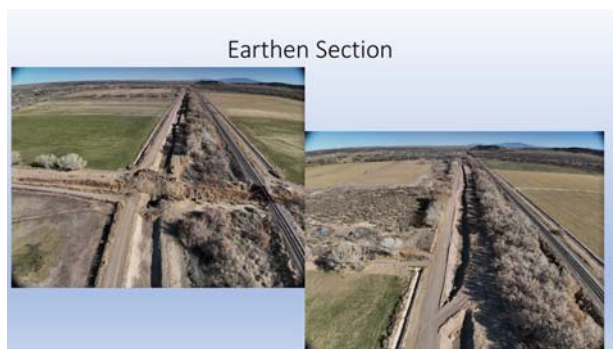
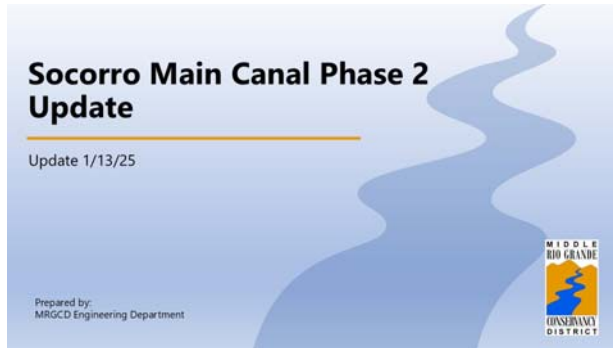
Mr. Zamora first clarified that he and his division managers do not take reports of waste lightly, and if they receive any reports of waste, they will report back to the Board in writing on those accusations, as they are happy to investigate them.

Angel Madera, from the Engineering Department, gave an update on the Socorro Main Canal Water Trust Board Project Phase II. The project is being constructed by Vital Consulting Group, and project management is being taken care of by Wilson & Company. Vital has completed 634 linear feet of shotcrete, which is 50% complete, and concrete canvas is a new material they are using. Currently, 1,242 liner feet of concrete canvas have been placed, and for the earthen section they have shaped 3,160 linear

feet of channel. Other items being constructed currently are turnouts, a 60-inch culvert, and a new long crested weir to replace the existing check structure.

Vice Chairman Baugh asked what the lifespan of the fabric or concrete like material is.

Mr. Zamora responded that the supplier indicated it has a 20-year lifespan before significant maintenance has to be done on it.



b. Update on the Low Flow Conveyance Channel Maintenance Project

Mr. Zamora gave a brief update on the Low Flow Conveyance Channel Project. He stated the contractor, CF Padilla, started on the project and it will end up costing \$6 million. It is currently 20% completed, and they anticipate that it will extend through May. The contractor believes they can get about 6 miles of maintenance on the Low Flow.

Director Duggins asked if the pipes that were installed to divert back to the river are now in the channel and if they will be big enough to flow the water they need .

Mr. Zamora stated there is a single barrel crossing and they are looking at a project to upsize it.

c. Report on the Six Middle Rio Grande Pueblos Coalition Meeting, December 10, 2024 - Eric Zamora, COO, Directors Russo Baca and Jiron

Mr. Zamora voiced that the meeting was lightly attended and the highlight was the report and update from the Secretary of State's Office on the election process. The District also gave an update on winter projects and BIA.

Director Russo Baca stated that Mr. Zamora handled the meeting well and they heard a short update on the Local Election Act that was presented by Maggie Toulouse Oliver, who they are still working closely with.

NOTE Director Duggins left the meeting at 5:08 pm.

AGENDA ITEM NO. 12 - REPORT(S) FROM THE CHIEF ENGINEER/CEO - Jason M. Casuga, PE

a. Report on the Centennial Kick-Off Employee Appreciation Event, December 12, 2024 - Amanda Molina, PIO and Jason M. Casuga, CE/CEO

Ms. Molina gave a report on the Centennial Kick-Off Employee Appreciation Event. She said it was highly attended, and she thanked the staff and board members that participated. She voiced that moving forward they will have something almost every month and hope to end their Centennial with an employee event to highlight some for the talents of staff. The Centennial Committee will meet tomorrow to discuss plans and provide updates.

b. Report on the Bernalillo County Farmers/Irrigators Information Meeting, January 9, 2024 - Eric Zamora, COO, Amanda Molina, PIO, Casey Ish, Conservation Program Manager, Chairman Kelly, Vice Chairman Baugh and Directors Dunning and Russo Baca

Mr. Zamora shared that the meeting was well attended, and Ms. Marken carried the bulk of the meeting with water updates and reports. He said there were a lot of questions on the Compact and how the District is a player in that agreement.

Ms. Molina added that they promoted the event through district wide email, which is new. She said it featured their end of season irrigation newsletter and several other links that included upcoming important dates. She noted that there is a sign-up form on the home page for people to register for these emails. They are still finding that the most effective

way for ISOs to communicate with farmers is through text; however, they found that 63% of people opened emails from a desktop rather than by mobile. She said they will continue to do their best to get information out by communicating in all different ways.

Director Russo Baca noted that she is getting an error message when trying to sign-up on the website homepage. Ms. Molina responded she would look into that.

Director Dunning commented that she was surprised how good the turnout was since it was lightly snowing and guessed that 30%-40% of people there were from Sandoval County to get updates on the siphon.

Mr. Zamora added that Representative Cates and Councilman Rick Miera from Corrales attended and were very active in discussions related to the Corrales Siphon and other issues. He thanked them for their participation.

Vice Chairman Baugh stated it was a great event, and he is excited to see the May or June follow-up for the counties when the season is active. He added that Mr. Casuga and Mr. Zamora and his team did very well and answered questions.

c. Information on Upcoming Events

1. **Socorro County Farmers/Irrigators Information Meeting, January 16, 2024 (9:00 AM Noon) - City of Socorro Convention Center**
2. **Annual Irrigation Leaders Workshop, January 21-23, 2025 - Chandler, AZ**
3. **NM Hay and Forage Conference & Trade Show, January 23-24, 2025 - Ruidoso, NM**
4. **Sandoval County Farmers/Irrigators Information Meeting, January 30, 2024 (9:00 AM - Noon) - Black Mesa Casino Meeting Room**
5. **NWRA Policy Conference, April 28-30, 2025 - Washington DC**

Chairman Kelly discussed the upcoming events. He also announced the Land and Water Conference on March 5th.

AGENDA ITEM NO. 13 - REPORT(S) FROM THE MRGCD ATTORNEY(S) - Chief Water Counsel or General Counsel

No discussion was needed in regular session by legal counsel.

AGENDA ITEM NO. 14 REPORT(S) FROM THE BOARD

~~a. Report on the Farmers for Future Farmers Meeting, December 18, 2024 - Director Jiren~~

Removed as the meeting was cancelled.

b. Report on the New Mexico Water Policy Summit, December 18, 2024 - Director Russo Baca

Director Russo Baca provided written reports for 14(a) and 14(b).

c. Discussion/Approval of Board Committees - Chairman Kelly

Chairman Kelly kept everyone in their current committee roles.

Director Dunning made the **MOTION TO APPROVE THE REPORTS FROM THE BOARD**. Seconded by Director Sandoval. The **MOTION CARRIED UNANIMOUSLY**.

The chair requested a motion to go into closed session at 5:20 pm.

Director Sandoval made the **MOTION TO GO INTO EXECUTIVE SESSION**. Seconded by Director Dunning. Rollcall vote was administered with all members voting yes. The **MOTION CARRIED**.

Director Sandoval	Yes	Chairman Kelly	Yes
Director Russo Baca	Yes	Vice Chairman Baugh	Yes
Director Dunning	Yes		

AGENDA ITEM NO. 15 EXECUTIVE SESSION

a. NMSA 1978 Open Meetings Act, Section 10-15-1(H)2

1. Limited Personnel Matters

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

1. Threatened or Pending Litigation

The chair requested a motion to go back into regular session at 6:37 pm.

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

Director Dunning	Yes	Chairman Kelly	Yes
Director Russo Baca	Yes	Vice Chairman Baugh	Yes
Director Sandoval	Absent		

With no further comments, questions, or concerns, Chairman Kelly adjourned the meeting at 6:38 pm.

Approved to be the correct Minutes of the Board of Directors of January 13, 2025.

ATTESTED:

Pamela Fanelli, CMA, CGFM
Secretary/Treasurer

John P. Kelly, Chairman
MRGCD Board of Directors

MRGCD Board Meeting of January 13, 2025
Public Comment -- Elaine Hebard¹

Hooray! It's snowing as I write these comments! But, while we can hope that today's snow showers will lead to a meaningful snowpack, "the above-average temperatures and dry conditions are expected to resume next month and into spring." according to the National Weather Service and reported in today's Albuquerque Journal.²

Such a forecast comes on top of another dry year in 2024, the persistence of a Compact debit preventing water storage (even if El Vado was up and running), and increasing pressures from a variety of users. Once again, demands on surface water flows will likely exceed the actual wet water. Climate change will reduce river flows in the future, so reducing the Compact debt now must be a high priority.

As the former State Engineer wrote last June, "reducing depletions and managed shortage sharing, as well as improving infrastructure, are the best avenues for maintaining Compact compliance and avoiding catastrophic curtailment." It is the only way to get out of Article 7 and 8 restrictions.

What if 2025 is dry, again? While it is still early in the season, the 2025 water year is shaping up to be a hot, dry year, again.

New Mexico SNOTEL Snow/Precipitation Update Report
 Thursday, January 09, 2025
Basin Index (%)

Basin	Snow Water Equivalent Pct of Median	Water Year-to-Date Precipitation Pct of Median
Rio Grande Headwaters - Colorado	82	90
Upper Rio Grande Basin - New Mexico	39	97
San Juan River Basin	83	82
Rio Chama River Basin	46	61
Jemez River Basin	28	71

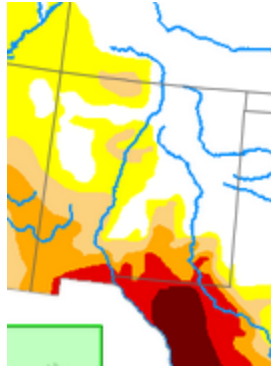
Note: Medians and averages are calculated for the period 1991-2020.

I've included some basin plot graphs in the following Más Information section. I've also included the latest set of seasonal and monthly temperature and precipitation Outlooks, which continue to show that it will be hotter than normal as well as dryer -- at least until August.

Furthermore, consider what is happening to the south of us. According the current Drought Monitor map, the drought intensity has already reached the maximum intensity there:

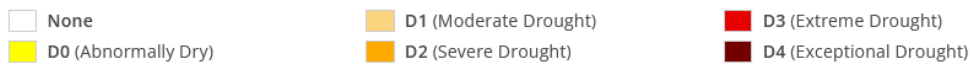
¹ For those who may not know me, I am a retired attorney and water planner, and have been attending MRG water-related meetings for three decades. My intent is to provide information and insights, often with a different perspective than staff's.

² *City of Albuquerque had second-warmest year on record in 2024, according to NWS*, By Gregory R.C. Hasman / Journal Staff Writer, January 13, 2025, <https://www.abqjournal.com/news/>



Map released: Thurs. January 9, 2025
Data valid: January 7, 2025 at 7 a.m. EST

Intensity and Impacts



Certainly there will be pressure from the south to deliver what is owed!

The *2020 Water Use Report*, published by the Office of the State Engineer, came out last November. Not only is it worth mentioning on its own merit, but it could be useful in working to decrease depletions. (It would be helpful if Depletions, once reported, were to be again.)

For instance, the Report shows the wide variation in who uses what water in which counties.

2020 Groundwater and Surface Water Withdrawals by MRG Compact Counties*

	WSW	WGW	TW
Bernalillo County	72,852	82,685	155,537
Sandoval County	55,988	23,300	79,288
Valencia County	137,937	20,829	158,766
Socorro County	92,436	32,374	124,810
Sierra County	110,864	4,016	114,881
Santa Fe County	8,721	11,573	20,295
	478,798	174,777	653,577

Comes from Table 5. Summary of withdrawals (acre-feet) in New Mexico counties, 2020.

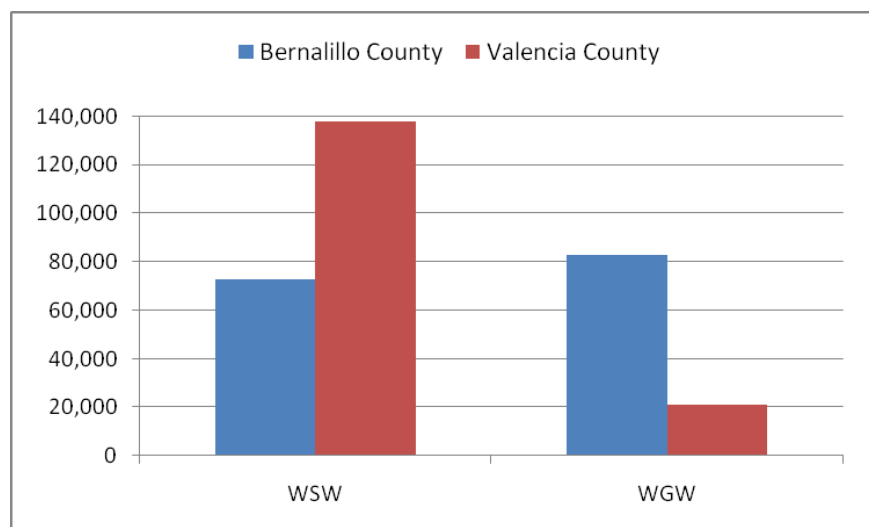
Key: WSW = withdrawal surface water; WGW = withdrawal groundwater

*Note: for Irrigated Ag: Removed San Augustin Plains (Socorro.); all but Above EBID (Sierra) and Santa Fe and Vicinity (SF), for a total of 13,583 af WSW and 27,333 af WGW.

I made some adjustments as noted above to mesh the County Use with Compact boundaries. [It would be helpful if the Report broke the data into the three Compact regions and then connected it with the Compact accounting!]. If my calculations are correct, the MRG consumed 478,798 af of surface water in 2020 -- more than allowed (405 kaf) under the best conditions.

The MRG added to the Compact debt by 57.6 kaf in 2020. New Mexico owed 121 kaf at the end of 2023.

While nearly similar in total amount withdrawn, the difference between Bernalillo County and Valencia County sources of water provides a useful illustration of the pressures within the MRG.



Much of the groundwater use in Bernalillo County is due to the ABCWUA. How much of that is due to pumping after 1907? Even though the basin was not closed until 1956, New Mexico law calls for conjunctive management. Currently those post 1907 but pre 1956 impacts do not have to be offset, in affect adding additional demands to the river which was fully, if not over, appropriated by 1907. Moreover, many of the wells are junior, meaning that the groundwater withdrawn and then used to offset its impacts is adding to the accounting imbalance even more.

Allowing additional depletions continues to add to the imbalance of uses and likely will make Compact compliance more difficult. Protection of irrigators and their water rights within the benefitted areas is one of the MRGCD's main functions.

Constraining surface water users is much easier than groundwater withdrawals. However, that does not deal with the depletions. One way to reduce the over-use is to bring uses into balance with river flows. The MRGCD could help to ensure such compliance.

Here are some ideas to focus on reducing depletions:

1. Any regional water model must include depletions and be spatially based, so that when transfers are proposed, the impacts to irrigators and the river system may be analyzed. The MRGCD should advocate for such a model in the upcoming Regional Water Planning effort as well as in the ongoing Rio Grande Basin Study. Funds for such modeling should be included in the annual budget, as well as seeking funds from the Water Resource Board of the Middle Rio Grande Council of Governments and the legislature.
2. When consumption exceeds Compact allotments, that should trigger regional plans for replacing the “borrowed” water gallon for gallon. (See, for example Albuquerque's Drought Management Strategy, February 2003, which called for such when pumping exceeded plans.)
3. The MRGCD should urge the MRG to balance water accounting by (a) pressing the SE to require an offset for vested rights in the MRG for depletions subsequent to 1907, and (b) urging the SE to recall or rescind a substantial portion of the unused outstanding paper water permits as they represent a collective liability for the Middle Rio Grande.

Más Information

Rio Grande Compact - 2020 recalculated

Article VII storage restrictions began on June 19, 2020 with no storage of native water thereafter.

RIO GRANDE COMPACT - DELIVERIES BY NEW MEXICO AT ELEPHANT BUTTE YEAR 2020 (RECONCILED IN 2023)

Quantities in thousands of acre feet to nearest hundred

SUMMARY OF DEBITS AND CREDITS				
ITEM		DEBIT	CREDIT	BALANCE
NM1	Balance at Beginning of Year	-----	-----	Dr. 40.5
NM2	Scheduled Delivery at Elephant Butte	241.3	-----	Dr. 281.8
NM3	Actual Elephant Butte Effective Supply	-----	182.9	Dr. 98.9
NM4	Reduction of Debits a/c Evaporation ^c	-----	0.8	Dr. 98.1
NM5	Reduction of Credits a/c Evaporation and Spill	0.0	-----	Dr. 98.1
NM6				
NM7				
NM8	Balance at End of Year	-----	-----	Dr. 98.1

December 2024:Southwest Climate Outlook

January 6, 2025

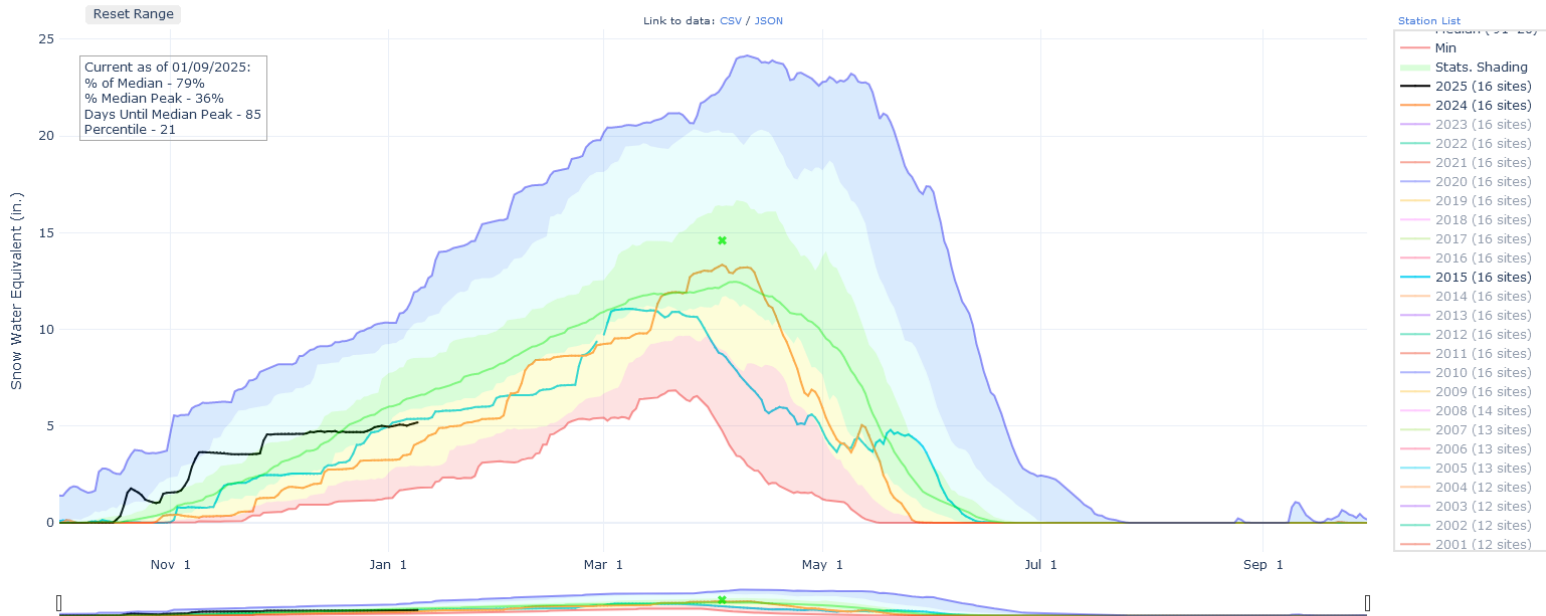
<https://climas.arizona.edu/periodical/december-2024-southwest-climate-outlook>

The Southwest Climate Outlook is published by the Climate Assessment for the Southwest (CLIMAS), with support from University of Arizona Cooperative Extension, and the New Mexico State Climate office.

Seasonal Forecasts

The January – March seasonal precipitation forecast leans toward below normal precipitation (greater than 33% chance) for an area that includes Arizona and New Mexico. Southeastern Arizona and southern New Mexico are included in an area where the forecast calls below normal precipitation *likely*—with a probability between 50% and 60%.

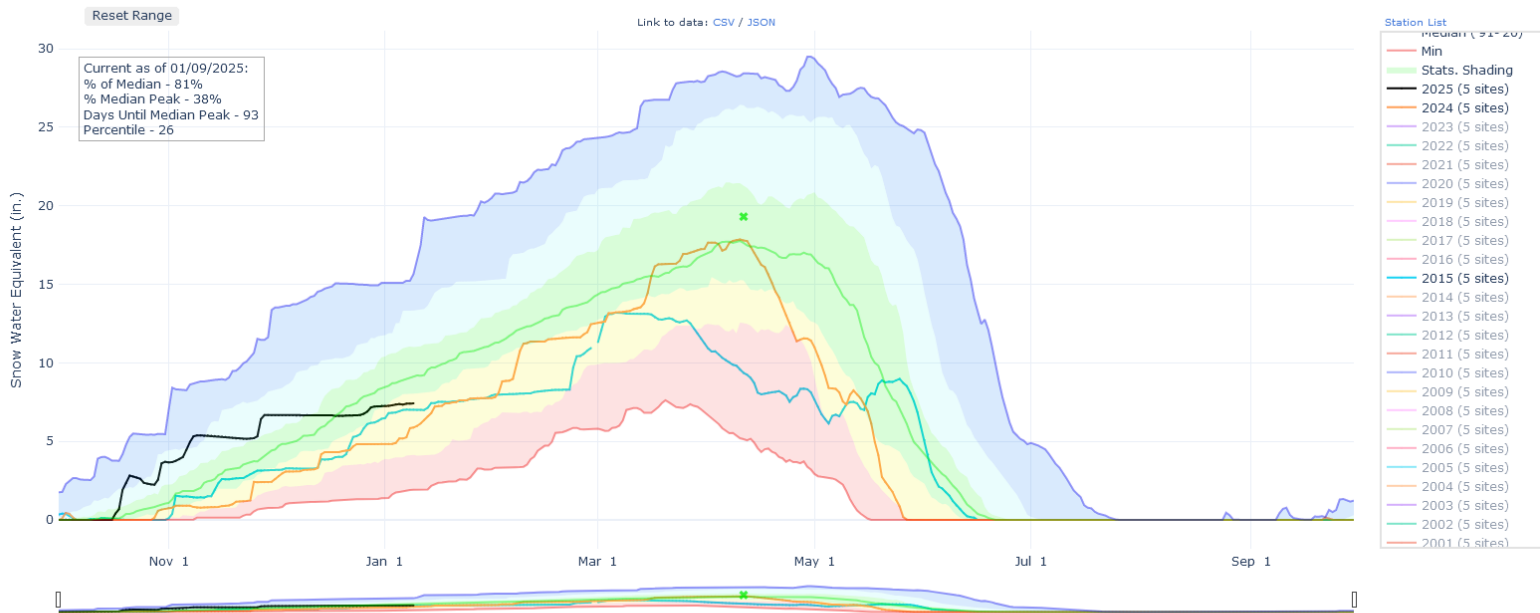
The January – March seasonal temperature forecast favors warmer-than-normal temperatures in Arizona and New Mexico. Both states are included in an area where the forecast either *leans* toward above normal temperatures (33% - 50% probability) or calls them *likely* (50% - 60% probability). The seasonal forecast generally follows the pattern of precipitation anomalies associated with La Niña; although by SST measures La Niña has been slow to emerge and apparently weak, the tropical atmosphere has been acting La Niña-like for several months, and it is the atmospheric response to ENSO that leads to seasonal climate anomalies in North America.

SNOTEL**Compared 2025 with 2024 and 2015 water years****SNOW WATER EQUIVALENT IN RIO GRANDE HEADWATERS**

Statistical shading percentiles are calculated from period of record (POR) data, excluding the current water year. Percentile categories range from: minimum to 10th percentile, 10th - 30th, 30th - 70th, 70th - 90th, and 90th - maximum.

For more information visit: [30-Year Hydroclimatic Normals](#)

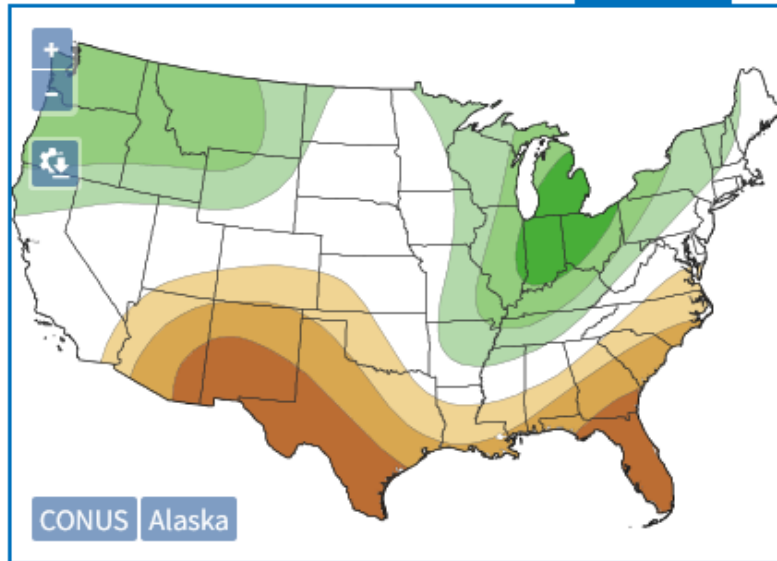
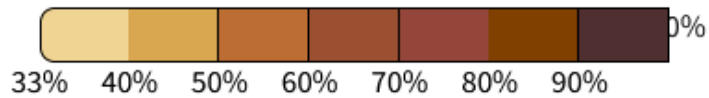
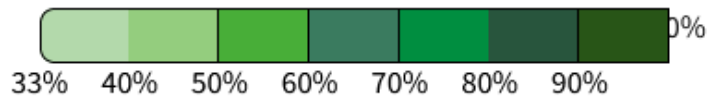
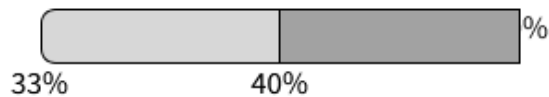
Updated: Thursday, Jan 09, 2025 11 AM CST

SNOW WATER EQUIVALENT IN HEADWATERS RIO GRANDE

Statistical shading percentiles are calculated from period of record (POR) data, excluding the current water year. Percentile categories range from: minimum to 10th percentile, 10th - 30th, 30th - 70th, 70th - 90th, and 90th - maximum.

For more information visit: [30-Year Hydroclimatic Normals](#)

Updated: Thursday, Jan 09, 2025 11 AM CST


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**Official NOAA Precipitation Outlooks****6-10 Day****8-14 Day****1-Month****3-Month****Legend****Probability of Below-Normal Precipitation****Probability of Above-Normal Precipitation****Probability of Near-Normal Precipitation**

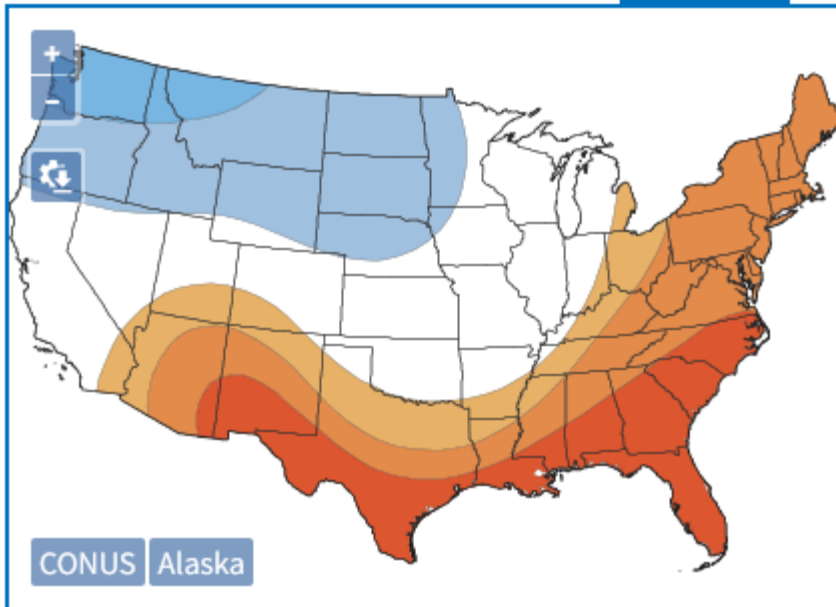
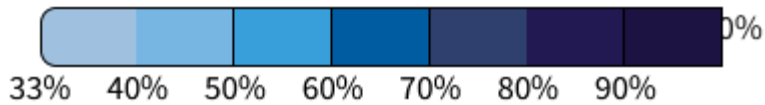
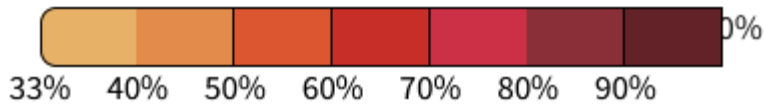
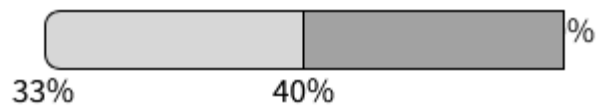


**Official NOAA Temperature Outlooks**

6-10 Day

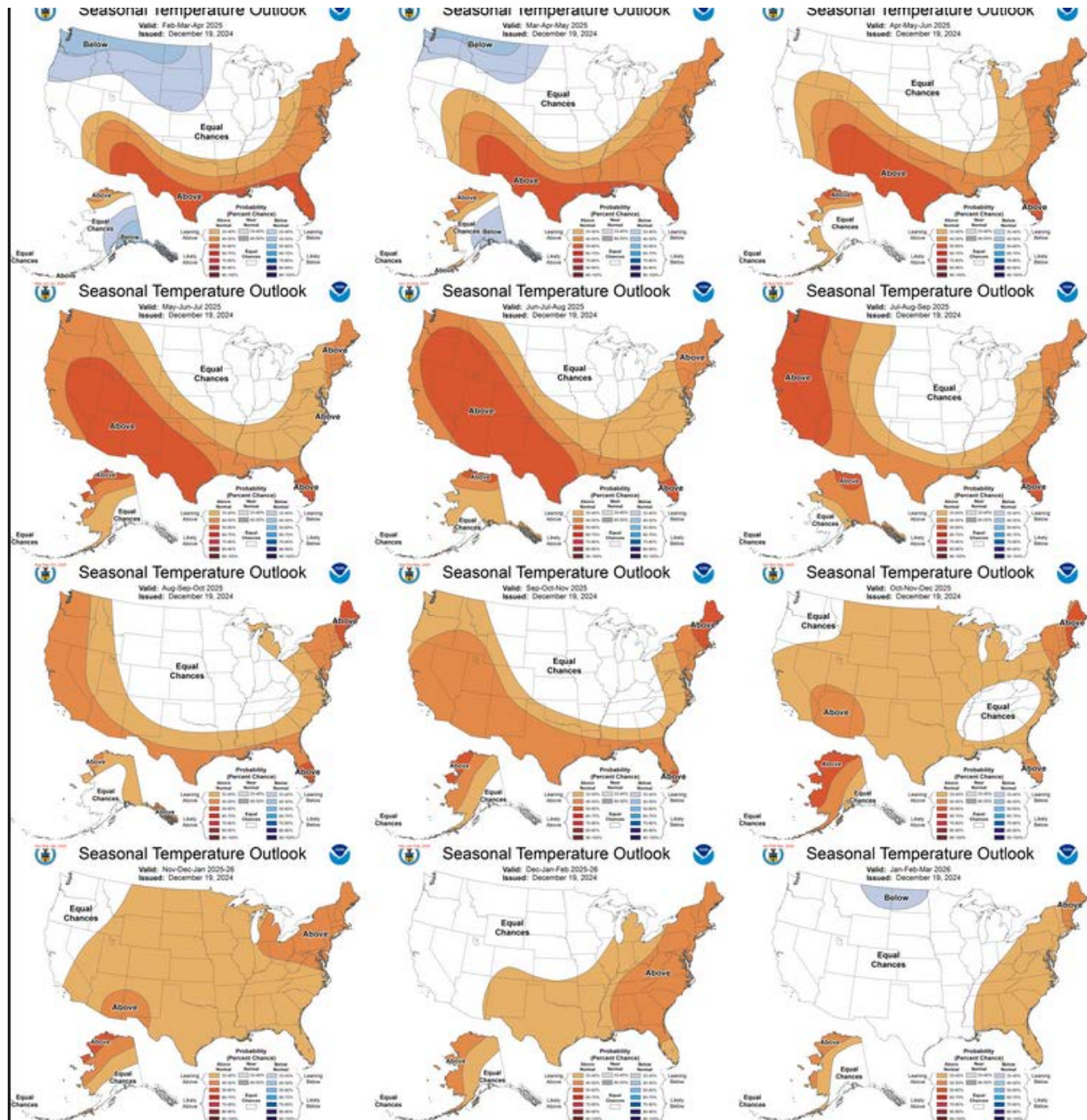
8-14 Day

1-Month

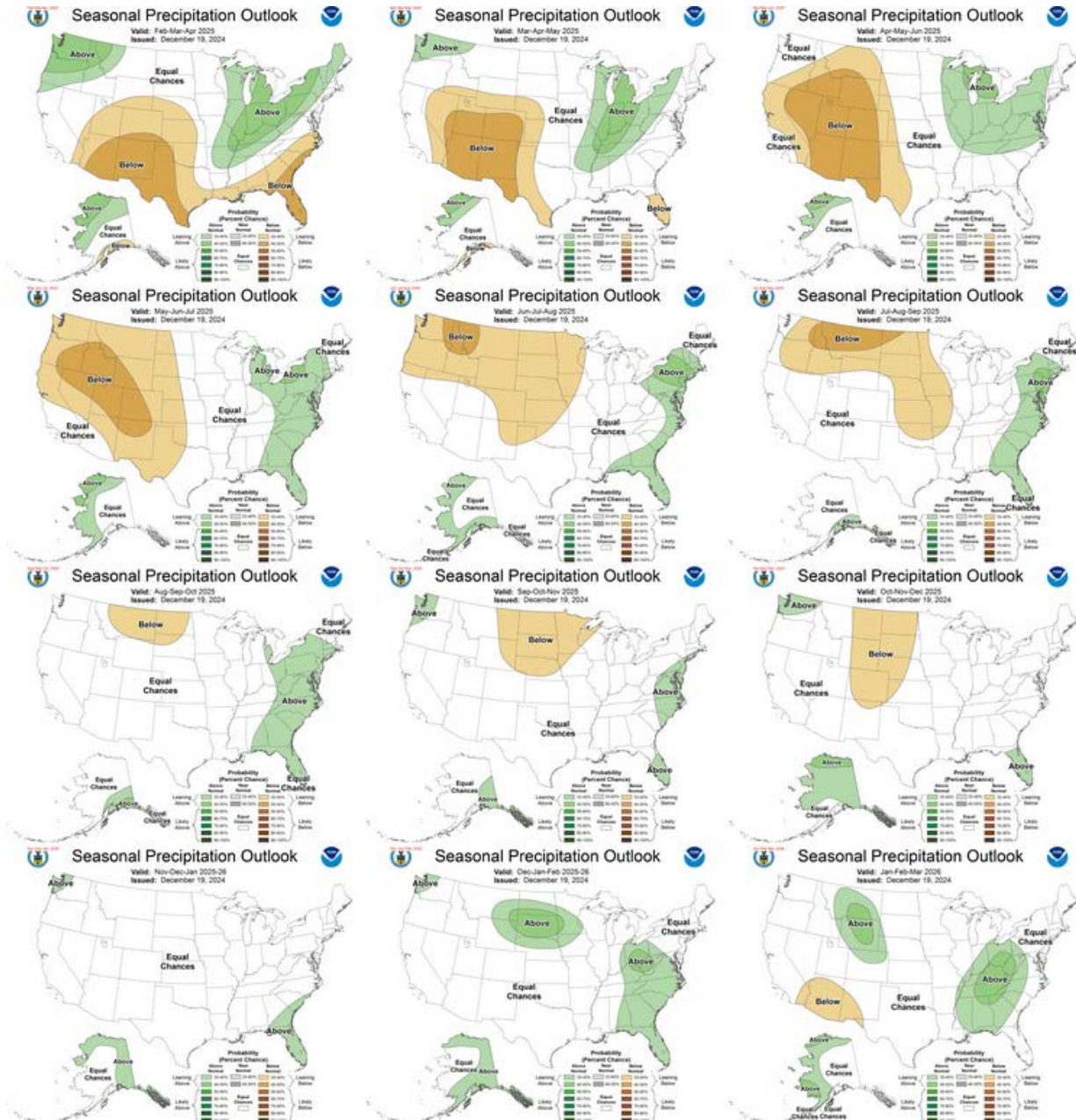
**3-Month****Legend****Probability of Below-Normal Temperatures****Probability of Above-Normal Temperatures****Probability of Near-Normal Temperatures**

<https://www.drought.gov/forecasts>







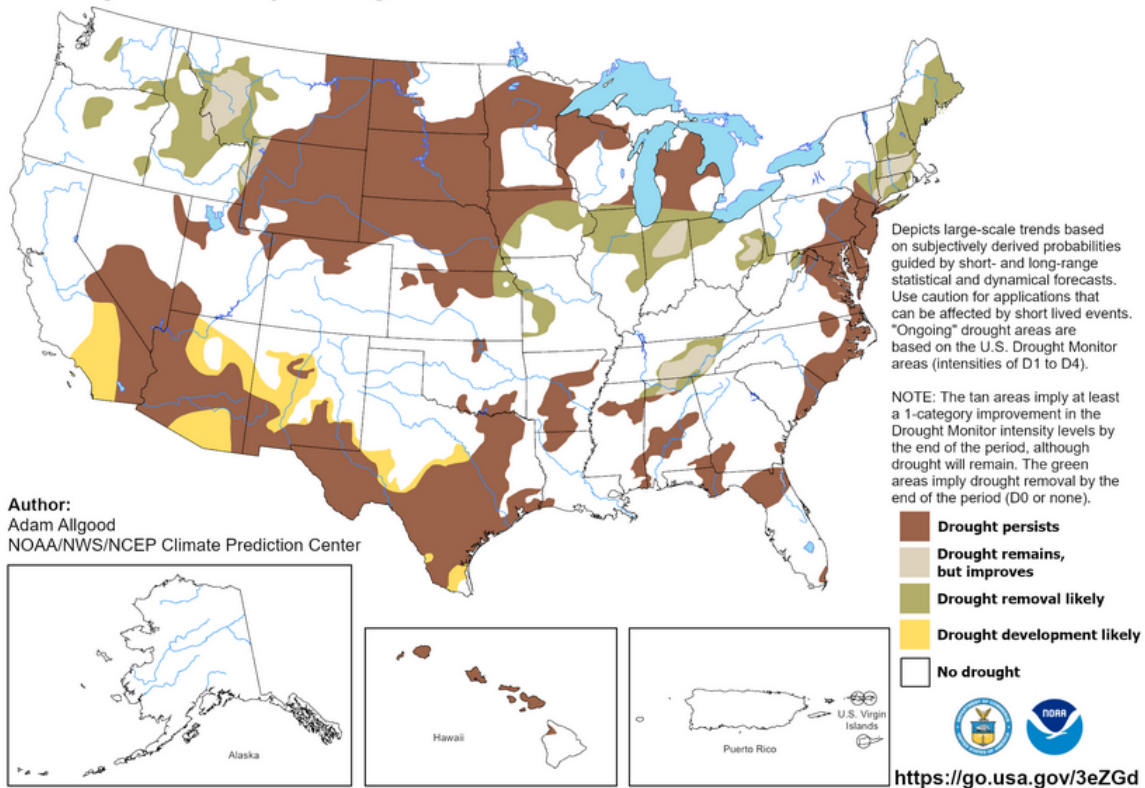




## U.S. Monthly Drought Outlook

### Drought Tendency During the Valid Period

Valid for January 2025  
Released December 31, 2024





**Report on the Six Middle Rio Grande Pueblo Coalition Meeting, December 10, 2024**

Secretary of State Maggie Toulouse Oliver presented about the Local Election Act updates, followed by presentation by the ISC, MRGCD, and BIA. MRGCD staff gave updates on water operations, off season projects, and startup date for 2025.

**Report on the Exit Interview for FY2024 Audit, December 11, 2024**

Presentation with finance team with an overview of the audit process. Full report to be given by finance team when available.

**Report on the Centennial Kick-Off Employee Appreciation Event, December 12, 2024**

This was a well-attended event by MRGCD staff and BOD as well as former BOD. Kudos to all the MRGCD employees who made this event possible.

**Report on the New Mexico Water Policy Summit, December 18, 2024**

This was a meeting with various groups, elected officials, Tribes, and members of the public. Topics included the Governor's 50 Year Water Action Plan with Rebecca Roose, Recap of the 2024 Water and Energy Discussion with Representative Tara Lujan, and a discussion with Representative Susan Herrera, Ralph Vigil, Peter Vigil, and Jeff Montoya on How Communities Can Lead on Water Resilience. Further there was a discussion titled Our Cultura, Our Future with Kristina Ortez (State rep.), Jeff Witte, Pat Woods (state rep.), Dan Roper discussing the need to protect vulnerable communities from potential fallout from treating brackish and produced water. Additionally, there was discussions on Water Education and Water Training with Roberto Gonzales (State Rep.), Sarita Nair, Ray Trujillo. The panel focused on how water education for K-12 is critical for preparing the next generation of students to handle a variety of issues in New Mexico. The final discussion was on Infrastructure for Urban and Rural Development with Rob Black, Courtney Eichorst, Joan Baker, John D'Antonio, William Wallace III.

**Report on the Monthly Conservation Advisory Committee Meeting, December 19, 2024**

This was the last CAC Meeting for the Original NFWF Cooperative Agreement. Accomplishments include over 18kaf of water leased over five years, 7 Strategic Outfalls Developed, 2 Irrigation Delivery Projects Constructed, 1 On-Farm Project complete with dozens in the planning/design phase, 3 short films produced. Improved relations between Ag/NGO and developed a model for successful water leasing and balanced water management. Peralta WW OCS Update – Site is being prepared for gate installation. Installation is expected on January 21st of 2025. Water Leasing Program - Online Portal is complete and open for enrollment. Personnel Update- New Water Resources Specialist – Amelia Barrow. NFWF 2.0- New Cooperative Agreement is still being drafted. MRGCD staff will be proposing a new role for the CAC in the event that the Agreement is finalized.

**Report on the Finance Committee Meeting, January 8, 2025**

Discussion on the outlook of the 5-year projections of the MRGCD budget. There will be a proposal from the Finance Committee to update the water service charge.

**Report on the Bernalillo County Farmers / Irrigators Informational Meeting, January 9, 2025**

Format of short presentations given by MRGCD staff and Board of Directors and then Q&A by constituents after each short presentation based on topic. 40+ in attendance including MRGCD Staff, BOD, and constituents. Discussions included water outlook, construction, conservation programs, irrigation season, El Vado, P&P water, Rio Grande Compact and more.



