

**ELEPHANT BUTTE IRRIGATION DISTRICT
BOARD OF DIRECTORS MEETING
December 8, 2010**

The monthly meeting of the Board of Directors of the Elephant Butte Irrigation District was held on Wednesday, December 8, 2010. The meeting was called to order by President James Salopek on a motion by Jerry Franzoy, seconded by Robert Faubion. Motion carried. All members were present.

Roll Call

EBID personnel present were Henry Magallanez, Engineering Supervisor, Linda Armijo, Land Records Specialist; Gail Norvell, Controller; James Narvaez, Hydrology Director; Valerie Beversdorf, CR/GIS Director; Leo Barrett, Maintenance Project Director; Dustin Leonard, GIS specialist; Naomi Ontiveros, Water Records; Zach Libbin, Engineering.

Also present were Steve Hernandez and Samantha Barncastle, Law Office of Steven L. Hernandez; Lee Peters, Peters Law Firm; Eric Fuchs, JR Hennessey and Sherryl Smith, OSE; Hillary Brinegar, NM Dept. of Ag.; Jesse Maldonado and Danielle M Dupont residents of Ranch Road; Francisco Rubio representing Victor Diaz, a resident of Ranch Road; Mariano G. Martinez and Karl Tonander, Dona Ana MDWCA; Fernie Ortiz, City of Las Cruces; John Colquit, Ft. Filmore; Beth Bardwell Audubon Society; and Jorge Lopez, The Bulletin

Scott Adams motioned and Robert Sloan seconded to accept the minutes of the November 17, 2010 meeting as presented. Motion carried.

Minutes Approval

The calendar was discussed. Items on the calendar include: December 9th the LANL meeting in Hatch; and NWRA Leadership conference in Phoenix AZ, for Gary Esslinger & Steve Hernandez to attend. The District will be closed beginning December 23 at noon and will reopen on January 3, 2011 for the winter shut down.

Calendar of Events

A Resolution of Condolence for Calvin Chavez of the OSE was read and motion to approve by Robert Faubion second by Tom Simpson. Motion carried. Good words were spoken of Mr. Chavez by Erek Fuchs also of the OSE who also requested a copy of the resolution. James Salopek asked for a moment of silence.

Resolution of Condolence for Calvin Chavez

Henry Magallanez informed the board that there were permits for the month of November.

Special Use Permits

**License List for Special-Use-Permits for December 8, 2010 Board Meeting
Non-Moratorium**

Licensee	Assessment	Fees Requested to be Waived
2010-L-067 Qwest Corporation		
To construct, operate, and maintain a buried powerline crossing the Garfield Canal at approx. STA # 321+80	\$3,416.67	
2010-L-068 El Paso Electric		
To operate and maintain an existing 3 phase powerline crossing the Lower Chamberino Lateral at STA # 63+90	\$2,916.67	
2010-L-069 El Paso Electric		
To operate and maintain an existing single phase powerline crossing the Lower Chamberino Lateral at APPROX. STA # 119+00	\$2,916.67	
2010-L-070 Luis Biad		
To operate and maintain an existing vehicle crossing on	\$3,416.67	Waive fees

the Del Rio Drain at approx. STA # 1085+00		\$3,416.67
		Farm use
Subtotal	\$12,666.68	\$3,416.67

Total Assessments **\$9,250.01**

Motion to approve by Jerry Franzoy second by Tom Simpson and motion carried.

The Ranch Road Project was discussed and a copy of a letter sent to Mr. Kevin Davis of SW Abstract/Title Company was presented to the board. The letter showing the districts cost would be \$79,556.20. In exchange for a flow easement EBID benefit would be maintenance expenses, as the maintenance will be the responsibility of the owners. Henry advised the board that this is a project that could be beneficial for the families along the road as it has been an on ongoing problem for some time. Danielle Dupont a resident on Ranch Road spoke and advised the board that she doesn't feel that Mr. Victor Diaz, the owner of the property, is a good person to be in charge of maintenance of the road. Henry presented the board a map with descriptions. James Salopek asked Henry if the pipe installed will get the resident with the county to take over the road. Henry's response was he would hope the residents would get with the county to have it taken over. Francisco Rubio a representative for Mr. Diaz explained he is not pushing the people and that it is a time line situation knowing that we have only a certain amount of time left in the EBID maintenance season that we can do this in. Motion to approve by Tom Simpson, second by Scott Adams. Motion carried.

Ranch Road Project

Beth Bardwell of the Audubon Society and Mariano Martinez of the Dona Ana Mutual Water District came before the board to discuss annexation that would extend the district boundaries. Mariano Martinez requested to expand district boundaries to include the Ft. Seldon Water company, along the Leasburg canal just south of the Leasburg Diversion Dam. DACMWD is planning to build a surface water treatment plant at the site of the Ft. Seldon Water Company. Beth Bardwell discussed expansion of the boundaries into Seldon Canyon to create three restoration sites that would attract the Willow Fly Catchers, Mallards, Cranes and other wildlife species. Beth assured the board that by including this land within the district boundaries it would help insure that there would be an alternative to replacing the nesting sites in Elephant Butte reservoir and there would be another market for farmers to sell their water rights. Motion to proceed with petition documents and publication by Robert Faubion, second by Ramon Alvarez. Motion carried.

Boundary Expansion

Leo Barrett updated the board on maintenance. Fifty percent of major construction jobs are complete and crews are a couple of weeks ahead of schedule. One major job is still being done in the North valley. Crews will begin spraying mustard weed with chemicals in the next week. General maintenance including bank building, trimming trees and painting continues.

Maintenance Department Update

James Narvaez updated the board on the "lack" of snow. At this point in the winter season, not much has changed since the November board meeting; but there is 70 percent of normal snow levels at Wolf Creek Pass. He presented the board with a graph showing Rio Grande Project storage at Elephant Butte and Caballo Reservoirs. The total RGP combined storage is 412,970 acft. EBID's allocation is 16,050 acft at this time. The Canutillo well field issue will be discussed at a meeting in January and James is expected to get more specific numbers at that time on additional water added to our allocation. NM has 100,000 acft credit water that could be relinquished in the Spring.

Water season update

Valerie Beversdorf CR-GIS Director gave her department's report.

CR-GIS Report

Valerie discussed the progress with Fusion the new software that will replace Hylax. Water orders are being tested now, and Dave Nelson is resolving problems currently in order to have things ready for the 2011 irrigation season. There was a meeting on Tuesday the 7th which Dave attended via phone regarding concerns and suggestions on Fusion to include pumping from irrigation wells into the canal system. The district anticipates more well pumping due to the drought. The Vision 2040 committee meeting for December was cancelled. NM SCSWC meeting was cancelled until January as there were too many changes on the draft legislation to introduce

a bill. The group will revisit the MOU and look for another method of funding and scheduling priorities.

Gail Norvell had no financial report for October at this time to present to the board. Financial Fact Sheet for November 2010 shows cash in bank \$912,010, assessments receivable \$6,726,094, and investments of \$2,684,881, for a total of \$10,322,985. This is an increase of \$999,855 over 2009. Special use fees collected were \$37,618.

Controller
Report
Financial Fact
Sheet

Gail presented an extension of the National Audubon Society Grant Agreement to December 2011. Motion to grant by Tom Simpson second by Scott Adams. Motion carried.

Gail presented the contract renewal for IT Consultant Services. This contract is held by Dave Nelson and Gail advised the board that he has increased his fees from \$35 to \$40 an hour. Tom Simpson asked if Gail anticipates spending more money in 2011 on consultants in the IT department. Gail responded that she can't determine that but the Fusion project is about 2/3 finished. Motion to approve renewal of IT Consultant Services by Robert Sloan second by Tom Simpson. Motion carried.

Contract
Renewals

Gail presented the contract renewal for the heating and cooling services with Climate Masters Inc. Gail advised the board that there are no changes in the hourly rate. Motion to approve by Tom Simpson second by Robert Sloan motion carried.

Gail advised the board that the FY 2010/2011 audit should start in January.

Gail updated the board on the EAC activities. EAC organized the general meeting in November and are currently working on the water trailer which has been in process by NMSU. There is a meeting scheduled to decide future development uses of the trailer.

EAC
Committee

Gary Esslinger introduced Jorge Lopez from the Bulletin. Mr. Lopez discussed the Legislative Guide that the Bulletin prepares each year. Mr. Lopez asked if EBID would once again be included with an ad in the 2011 Legislative Guide which will be distributed prior to the first legislative session in January 2011. A one-half page ad costs \$995. Motion to approve by Ramon Alvarez, second by Robert Sloan. Motion carried.

Manager's
Update

Gary Esslinger presented the board with an invitation for Karl Woods's retirement from the WRRRI. A reception will be held on December 14, 2010.

WRRRI
Retirement

Gary Esslinger reported that Stan Blusterbaum, a former ISC Commissioner, is seeking EBID support for his bid to be appointed to the Blue Ribbon Task Force. Gary encouraged interested board members to apply for the position through the governor elect website.

ISC
Appointment

Gary Esslinger asked the board to approve that he and Steve Hernandez attend the NWRA Conference in Phoenix, AZ in January 2011. Motion to approve by Robert Sloan second by Robert Faubion. Motion carried.

NWRA
Conference

The matter of the SWEC La Mancha Wet Land Project was discussed as the district has serious reservations regarding the implications of this project and has asked SWEC to respond to the Board's letter dated November 22, 2010. Erek Fuchs the OSE said that enforcement issues need to be addressed and he will be meeting with Mr. Bixby of SWEC. The manager will also be meeting with the IBWC Commissioner about the matter of cutting the levee and installing a RCP 36" pipe.

SWEC La
Mancha Wet
Land Project

Steve Hernandez reported on legal matters.

- LRR 302 - City of El Paso/Montoya Drain - Remains open, S. Hubert
- LRR 303 - Hatch Easements - Samantha Barncastle is working with Hatch to figure out who owns the parcels. Remains open, S. Barncastle
- LRR 323 - Policies, Relinquish of Easement and Excess of Real Property. Open
- LRR 342- Protest to DAC and Verde Reality Water Rights Apps, Reopen
- LRR 345 - Lack/EBID Land Exchange and Flow Easement. Open

Legal Update

LRR Report

- LRR 351 - Request to realign ROW boundaries, Stahmann. Open
- LRR 355 - Rhodes Arroyo Dam. Open
- LRR 359 - LRG MD Surface Water Treatment Facility Proposed Plan. Open
- LRR 364 - Levee Construction Water Acquisition. Open.
- LRR 365 - Assessment Roll Reconciliation. Open
- LRR 366 - Rincon Arroyo Weather Station MOA. Open
- LRR 367 - Sierra County Communication Tower on Caballo Mountain MOA. Remains open

Robert Faubion motioned and Scott Adams seconded to break for lunch. Motion carried. Following lunch, Jerry Franzoy motioned and Joe Nelson seconded to reconvene the meeting. Motion carried.

Lunch Break

Jerry Franzoy motioned and Joe Nelson seconded to go into closed session to discuss legal matters. Motion carried. Pursuant to Section 10-15-1-h, NMSA of the New Mexico Open Meetings Act, the following topics shall be discussed in closed session:

Open/Closed Session

- State ex. rel. D'Antonio vs. EBID CV 96-888 (Stream Adj.)
- Verde Realty Operating Partnership Potential Litigation
- CLC Well Applications-LRG 430-S-36
- Soriano Tort Claims
- Calderon
- Managers Evaluation

Following closed session, Tom Simpson motioned and Jerry Franzoy seconded to return to open session.

Following closed session the following motions were made:

Motion to ratify two protests filed by EBID against Dona Ana County's application under files LRG-3150 and LRG-9356. Motion made by Willie Koenig second by Scott Adams. Motion carried.

Motion to authorize filling of a protest by EBID against Verde Realty's application under file LRG-9356. Motion was made by Willie Koenig, second by Scott Adams. Motion carried.

Following closed session, Joe Nelson motioned and Scott Adams seconded to approve the Treasurer-Manager's annual evaluation.

Treasure-
Managers
Evaluation

There being no further business, Jerry Franzoy motioned and Willie Koenig seconded to adjourn the meeting. Motion carried.

Adjourn

The next meeting of the Board of Directors will be held on Wednesday, January 12, 2011.

JAMES SALOPEK, President

WILLIE KOENIG, Secretary