

Minutes

Eastern New Mexico Water Utility Authority

Thursday, March 20, 2014 10:00 AM

Memorial Building

200 E. 7th Street, Portales, NM

1. Call to order

The meeting was called to order by Chairwoman Brumfield @ 10:05 a.m.

2. Roll call

Roll call was made and all members were present except for member Hunton. A quorum was established.

3. Approval of Agenda

A motion was made by Member Bryant and seconded by Member Shafer to approve the agenda which carried by acclamation.

4. Approval of Minutes

A motion was made by Member Garza and seconded by Member Chandler to approve the minutes of the ENMWUA meeting in Clovis on Thursday, February 20, 2014 with corrections on page 7, second paragraph that should read "*Member Garza stated,.... we **can't** discuss that.*", which carried by acclamation.

5. Business Items

A. Executive Session

It was determined by the board that no executive session was needed.

B. ENMWUA Administration – van Gulick

Mr. van Gulick reported as follows:

This month we really don't have any administrative items to discuss. Mr. Brown of Virtue Najjar & Brown is still working on the agreement with the Water Trust Board for our grant/loan. We should have some information next month.

C. State Activities – Thompson

Chairwoman Brumfield noted that Joe was not present and asked if Mr. van Gulick had anything to report for him.

Mr. van Gulick stated, *"Everyone should have in front of you the Senate Executive Message No. 118 relating to Senate Bill 112. I just meet with Joe yesterday, and this is one of the things he wanted to share with the board today. Senate Bill 112 should have been an entirely uncontroversial bill containing all the projects that had applied to the Water Trust Board that were approved in the first round. The bill simply authorizes the Water Trust Board to go ahead with their process and to make recommendations to NMFA to award money. The Governor's Executive Memo describes how the bill was changed during the session and the reasons why the Governor vetoed the bill. What had happened during the session was that 60 projects including ours got cut. We fought and got ours added back in. The effect of the veto is that any applicants this year that have been previously authorized for the Water Trust Board applications are automatically authorized in the absence of a bill this year. There were a lot of political issues going on during the session. Ultimately this hasn't affected us for this year but I think going forward we need to meet one on one with some key legislators to try and make sure that we can this kind of difficulty in future. One of the reasons why we were unfairly picked on this year was because there were issues generally with projects having money in the bank that they weren't spending. So while we were in Santa Fe, we delivered a one page fact sheet that showed our finances and how all of the WTB money from previous awards is obligated, and what our plan is for expending it. So we were trying to get the message across that we don't have a pile of money just sitting in the bank. That is a hot button issue, so we will be staying on top of it during the next year. Again, this Executive memo really explains what went on and what the governors reasons were and what the effect of her veto is.*

The other point the Joe wanted me to convey is that we will be making the rounds and trying to build bridges the best way we can during the next year. We do have a presentation to give in front of the Water Trust Board on April 23. We have three minutes and we have to make it count in light of what's happened. I will be talking about this a little bit more later on.

Chairwoman Brumfield stated, *"With our capital outlay we have \$100,000 that was untouched, is that correct?"*

Mr. van Gulick stated, *"That is correct."*

Chairwoman Brumfield stated, *"That's going to be for easements. I think Barbara will be talking about that a little bit later."*

Mr. van Gulick stated, "Yes, that is correct."

D. Federal Activities – Ryan

Mr. Ryan reported as follows:

Let's start with the budget. We have had a number of things occur since the last time I was here. The biggest thing is the fact that we have got the finalization of the additional money that we will be getting from the Bureau of Reclamation within the current fiscal year of 2014. According to a note that Senator Udall's office got from the Chief of the Congressional Liaison office at the Bureau Reclamation, it is supposed to be \$1.7 million in the addition to the \$600,000 that we had originally in the President's budget for the current fiscal year. That will total approximately \$2.3 million for this current fiscal year, which is above the 2013 budget. I think we got \$1.8 million in that year, and the year before was \$1 million. So we are on a continuing incline with the Bureau. We have to work really hard to get funding in the 2015 budget from the President within the Rural Water Account, which was given a \$33 million reduction in the overall Rural Water Account. It is kind of what they are doing every year. The administration starts the budget off really low and anticipates that Congress is going to increase it when the budget goes up to Capitol Hill. If that is the case again this year, we are at \$40,000 in 2015 budget compared to the 2013 Presidential Budget of \$600,000. What we have been doing has worked, which is to meet with and get the congressional delegation to increase the overall account for Rural Water Projects. We will anticipate that there won't be any different scenario this year than previous years where Congress will put it back. They do play games, I think you know this or I have told you before, when one body, either the house, the senate, or the administration really likes a program. The President, say, will under fund it when it's their turn. He's then requiring the Senate to go protect the account that they like, so it gets increased in the Senate Energy and Natural Resources Water sub-committee which Senate Udall sits on and 4-5 other members that have rural water projects.

We have our materials ready for our Washington trip next week. I think Paul got a call from the Regional office saying that maybe we don't want to announce that we are getting this \$1.7 million because they might be able to get a little more. We are hearing that this project is getting extra attention. I don't know where that comes from sometimes, but we are happy that we have the extra attention if it means extra money. The Bureau of Reclamation office in Albuquerque is really promoting our project within their magazine and their websites. They are taking pictures at the construction site to highlight the project just to get the attention of Bureau and those in the Department of Interior who look at those websites and magazines, so they can get familiar in what we are doing. The fact that the

intake in under construction is a little bit more exciting than some other projects that are just sitting on their money and not spending it.

That is about it regarding our budget, but we will be meeting with our congressional delegation, OMB, Interior, and also former Commissioner Conner who is now the Deputy Secretary of the Interior. The good news is that Estevan Lopez has been appointed by the President to be the next Bureau of Reclamation Commissioner provided that he can get through the confirmation process. I think it's great for us, and for New Mexico.

It's unpredictable in Washington these days with the budget agreements, so we are getting the appropriation bills moving thru the regular process. I haven't heard that the senate bill that we watch for our project has had any particular difficulty, which is good. Also, they have marked up their version and so its activity should be in April.

Chairwoman Brumfield stated, *"I just have a question on Senate bill 715, do you know where we are with that?"*

Ryan stated, *"No, I don't have any update on that, but we'll be meeting with the committee that has jurisdiction over that bill."*

Chairwoman Brumfield stated, *"Maybe we can find out a little bit of information about that next week."*

Member Chandler stated, *"Do you have any guess when Estevan Lopez confirmation will be held?"*

Ryan stated, *"No, maybe a couple of months or more."*

Dave Richards stated, *"Will it be appropriate for the Board to write a letter to congratulate Estevan Lopez."*

Chairwoman Brumfield stated, *"Yes, absolutely. That is a great idea."*

A motion was made by Vice Chairwoman King and seconded by Member Chandler to approve a letter to congratulate Estevan Lopez which carried by acclamation.

E. Report from the Chair – Brumfield

Chairwoman Brumfield reported as follows:

I have a couple of things to report on. A couple of weeks ago, Paul, Barbara, Caleb, and myself, drove to Oklahoma City to give a presentation before the Canadian River Compact Commissioners. Caleb is our Representative on that Commission, and he represents us very well. I was really impressed with the way it is set up and we did an excellent presentation. I

will tell you that the thing I got the most out of the meeting is that Texas is really paying attention to us and the questions that was asked by the Texas Engineer, I believe it was, "So where are you in the construction, what's going on with it". I think if they see any little fault, they will be all over it. That's what I really got from that. So we did the presentation and told them where we were and all the things that are going on at the intake, and that we will be under new construction on the pipeline within 18 months. Barbara will report on that in a little while. For our interim pipeline, they understand that we are not going to let this project go and that we are moving this forward but we have to be diligent in this and make sure that we continue to do everything we possibly can to move this project forward because there are other people out there that would like to have this water.

Member Chandler stated, "It is not unusual. Every year they do watch is because as you know Lake Meredith is practically dry, so that is the next stop if our water went to Texas. They would look at us very carefully. That is probably the most important thing for them in their point of view."

Chairwoman Brumfield stated, "Also, I thought it is interesting that we are definitely not the lone ranger with water issues. Every state that was represented there is having problems with the drought and we talked about that. We had dinner at a reservoir that they have called Lake Hefner and that is a water supply for the city. They have another reservoir up stream that they had drained to get water in Oklahoma City. So every state is having their issues and everybody is talking about the drought. Hopefully at some point we can get some relief. Just to let you know that New Mexico is well represented and with Caleb, we are really moving it forward."

The next item is that when we do travel to DC, one of the stories we'll tell while we are there is that we were able to get BOR to add national security as one of the criteria that they use to score projects when they consider the budget. So that, I think, will really help this project move forward as well as help Cannon Air Force Base. Cannon is an important part of this project as we all know and the City is doing some diligence on some other water issues to support Cannon. One of the letters that was sent from the Base commander was in support of all the different things we could do for water but the thing that they really hammer on was their full support of the project. We will be taking that with us next week when we go to DC to let our delegation know that this is a key to continuing in moving forward with our project and that the pipeline will be under construction or will start construction within the next 18 months. The first phase is going out by Cannon and I will let Barbara explain that a little bit more. That will be one thing that we will really stress when we go out to DC and we will continue to stress the national security. We were at a breakfast last week at the base, and they were briefing us on where they are now and where they are going now and it is going to be amazing. So the growth that is going to be happening out

there and the opportunity for Special Operations is huge. We need to make sure that they are being taken care of so if there are ever BRAC cuts in Congress we will not be affected. So I think that we are moving that in the right direction. So we will be doing that and will be telling that story next week, when we are back in DC.

Vice Chairwoman King stated, "Another thing that is going to be really great for us to go talk about is the City of Clovis efforts to buy those water rights that you are working on because we have talked to them about the water portfolio that we are trying to build with different aspects. This is an excellent time for us to go to DC and talk to them about what Clovis is hoping to do. Do you know yet when that will be finalized? I remember that the owner of the rights wanted that done by April 1st, is that going to be able to happen?"

Member Garza stated, "The City is doing the testing of the water."

Vice Chairwoman King stated, "So you really don't know at this point."

Member Bryant stated, "We are still doing diligence, just to make sure of everything."

Vice Chairwoman King stated, "I think that they will be every excited to hear that because it is one thing we have talked about for a couple of years now. Just to show them that we are taking the lead on that and going forward. I think our delegation will be happy with that."

Chairwoman Brumfield stated, "That was the letter I was referring to, when Cannon supports all of the efforts. They are really working on conservation as well. I think you will see in all of their new projects that they have going out there that they are going to be doing a lot of xeri-scaping and I think you're going to see a difference in philosophy of making sure we are saving our water every way we possibly can."

Vice Chairwoman King stated, "We now have approved a construction company last Tuesday night to begin our wastewater plant which will allow us to reuse water in all of our parks, schools, golf course, and everything. John DeSha and Susan Baysinger, who both work in our (Portales) Public Works Department, are really concentrating on that right now. So that's pretty exciting but with those two things, I really think it sends a good message to our congressional delegations as how hard we are trying to get several things into place."

Member Bryant stated, "Also, in the City we are also doing a water conservation month in the month of April. We are working with the schools, businesses, and different organizations throughout the community to educate our citizens how important it is to conserve water, how important it is to save it, and what it means to us. We are working really close with different organizations in the community to get the word out. We are

putting posters out in schools, the colleges, restaurants, and just trying to engage the whole city in conservation efforts."

Chairwoman Brumfield stated, "Well in your efforts, Chris that you guys did last year I believe was with the little tents that you guys had in the restaurants. I think that made a big difference because they don't automatically bring it to you and it is amazing how much water that does waste. I really thought that was a good program."

F. Reclamation Report – van Gulick

Mr. van Gulick reported for Mathew O'Grady as follows:

Mathew O'Grady and I met at the stakeholders meeting on Tuesday. He is generally there each month. He plans to return next week while the micro-tunneling and boring machine is down in the shaft. So he and George Scott, who is also from the Bureau, will be at the construction site going down the hole and taking pictures and videos while the machine is operating. I also think they will be coming back when the machine punches through in the second week of April. So it's going to be a busy month coming up. Just to follow up on what John said, Mathew and George are being very proactive about putting together a message to send upstairs at the Bureau and then on to DC to put this project front and center. Out of the 7 rural projects we are the youngest/newest, so we haven't been getting the attention that we would like to see. So it does all matter when they are deciding to distribute the money because each one of these 7 projects competes with each other. I have learned from Mathew that there will be extra money in the end of the year, so we need to be staying on top of that and doing what we can to make sure we are in line for some.

So, more administratively, we are working with Mathew on getting the 2.3 million from their account to ours. So during the next month that will be happening. Gary Madson, who was out here last year to do a review of our agreed upon procedures will be out here again doing his process and it will be a lot smoother this year. Afterwards I will be working with Mathew to get him some things that he needs that will have to do with our communication with the Environment Department - he has a little bit of his own review to do. Once all that is done, when all the pieces are in place, then it should be in probably in early May when we actually get the money in our account.

When Gary Madson is here we are going to start exploring what we need to do to have the next construction grant agreement in place, just as soon as we can. There is still a little bit more time on that, and I think all of the work we have done so far has paved the way for that. It should keep getting easier each year to work with him.

G. Financial Activities – Clifton

a. Financial Report

Mr. van Gulick reported for Don Clifton as follows:

Don sends his apologies for not being here today, but his numbers ought to be straight forward. Our expenditures during the month for February were about \$484,000, nearly a half a million. You will see a breakdown of where that came from. The bulk is ASI for \$400,000 for construction in February and the remainder is for professional and campaign services. During the next two months the construction dollars are going to ramp right up while ASI is completing the horizontal shaft.

H. Project Development Activities

a. NMED 604(b) Water Quality Planning Grant Update – Murphy

Dr. Murphy reported as follows:

As I reported last month we have the draft plan turned in to NMED, and Heidi Henderson and her staff are still going over it. They are backed up with a lot of stuff apparently but I did expect to receive it by now. So that is pretty much concluded as far as I know.

We are ready to move on to the next grant application. As you recall, the 604-B plan is for monitoring the reservoir. The next grant we are hoping to apply for is called the 319 Watershed Basin Plan grant, those are all numbers that are part of the clean water act. They are federally funded programs where the money is distributed to the States. The State gives them out as a series of grants to different entities, such as cities, counties, and etc. So the 319 grant will cover the watershed and will be the capitalizing project that includes Quay County, Tucumcari, and Quay Creek Water conservation with Jack Chatfield. This will be the thing that will allow the watershed to have projects in it. This is the hoop that you have to jump through to get the money flowing to the State. The folks in Harding County, including Jack and his group, are backing us because it will help fund them. They applied for this last year, and didn't get it because their proposal didn't address the water quality issues that we are actually involved in. So basically the State was saying that they needed more partners. So we are accomplishing something that the State asked them to do.

I am working with Mike Matush with NMED, I have been working with Mike for a many of years now, he is a solid guy, he is unique among regulators, he will actually tell you what you're supposed to do. Mike is very positive. As for the call for

proposals, I actually expected it by this week, it was supposed to come out in March but obviously that's going to take a little bit more time. Now we would like to write a proposal in response to that together with Jack Chatfield. So I'm here today to ask for approval. I wanted to make sure that we have your okay to move forward.

Chairwoman Brumfield stated, *"Does this have anything to do with Salt Cedar? Does this help set up and start that? Did we send a letter of support a couple of months ago, Paul?"*

van Gulick stated, *"Yes."*

Chairwoman Brumfield stated, *"I think that it is an excellent program, we really need to move on that."*

Member Chandler stated, *"Just to make sure we are covered, I would move to instruct Dr. Murphy to proceed on the 319."*

Vice Chairwoman King stated, *"Can we do that since it is not on the agenda because it's a different grant fund?"*

Dr. Murphy stated, *"We actually didn't put it in the agenda for that reason. We normally have gotten an official action item to go forward on the test of the water to see if anyone had any major questions."*

Vice Chairwoman King stated, *"I think since it's not listed, we cannot vote on it."*

van Gulick stated, *"What we have done in the past is [after submitting a proposal] once we get word back from the State and if there is anything further that needs to be done then we will get an approval. At this stage we're just responding to the RFP. So we are not obligated financially in any way."*

There was general agreement for Mr. Murphy to proceed with the proposal.

Dr. Murphy stated, *"Mike wants to take a field trip to the watershed. I will take him to the reservoir and point out all the different issues there and will show him the treatment plant."*

b. Phase I Construction Update – Crockett, Gates

Ms. Crockett reported as follows:

We had a stakeholder meeting on Tuesday and it went well. The Contractor as Paul mentioned is very busy getting the PBM, tunneling machine assembled and into the shaft. Their plan, if it all goes well, is to start drilling next Tuesday. They anticipate that it will take up to 2 weeks before they punch into the reservoir. By our next

meeting the major components of the project will have be completed. Now like Paul said, we are going in to bench and structure setup for the intake screens and do a lot of site work.

Chairwoman Brumfield stated, *"Is it still scheduled for late summer to be completed?"*

Crockett stated, *"Yes, completion is scheduled for late summer and the final punch list is scheduled in the early fall."*

They are now working on the future site and road work. The site is now really starting to take shape. The big critical path right now is called the "tremie" block and it is kind of interesting. When we punch into the reservoir, if they don't have something stabilizing in the water to receive the tunneling machine, they will fracture off a lot of rock. So what they do is to actually pour-in-place in the water a tremie block. It sits up and it's attached to the side of the reservoir wall, it's a big block of concrete. The tunneling machine will actually get to the edge of the reservoir, then it will tunnel through this tremie block. That is a critical path item right now because it has to be ready and in place to receive the tunneling machine. It is a good time to go to the check out the site.

It is interesting that the Logan High School Principal came out to the stakeholder meeting on Tuesday. He really wanted to bring a class and do a site tour but we cannot have anyone under 18 on the site. I think a couple of things can happen instead. We can offer for a small group to go to the top, where the parking lot is, to look down and do a little presentation. We also offer to go to the schools and do some presentations at their science classes. We always offer that to anyone, any of the communities here, if you like us to come in, we have presentations prepared.

So I think that's everything for the Phase 1 intake construction. For the interim ground water study, we have run several scenarios that we have talked about last month and so now we are pulling together the report. We will be doing internal reviews, other reviews with Occam, and others as appropriate but we should be wrapping that up in the next couple of months to present.

Elida pump station: we talked about the schedule last month is on track with design to advertise in August. One of the things to do is to meet with Dave again. It's been a few months and we need to get an operational agreement in place between the water authority and Portales.

c. Phase II Scope & Design Update – Crockett, Powers

Ms. Crockett reported as follows:

Phase II –Package 1 has 90% design drawings completed. Package 1 is again from Melrose turn-out that comes North along the side of Cannon then goes west of Cannon and Clovis. The plans have just been distributed in the last week or so to a pretty wide group including Epcor, Portales, NMED, City of Clovis, and Cannon. This is in the review process, we will take this to 95% complete, and this will be shovel ready. The reason why we are not taking them to 100% because we will have 12-18 months acquiring easements and that will dictate some specific things we have to do with in the drawings and specs to handle individual property owners. So as far as the easements go we have a draft scope in place to keep it going. The challenge that we are having that I want to bring up, which I have talked to Dave, I have chatted also of folks here in the Clovis-Portales area, we are looking for a land agent(s), to help on the ground that are familiar with working/negotiations easements. The person that comes to mind is Gary Kibbe, he works with Farmers Electric. I've gotten some other names but I have called lots of folks too, so if you know anyone or someone we can train, we do have a couple of people from Albuquerque they work all over the state, we can use them or they could train someone but it will be great if we could find someone local.

As for as responses received, the right of entry effort has been interesting for the first package this, which is the Cannon-Clovis package. It's pretty straight forward, and easy, and we are getting a pretty good read from the property owners. We have 29 easements to acquire. In the next package we have 60 easements to acquire and we have a few property owners that have a lot of questions and we may have to work with them a little bit longer.

We have started the process with Cannon and I don't think we are going to wait to get this easement in place. We are going to continue our dialog with Cannon and get that going right away because that might end up taking the longest time. It's definitely easy to work with Cannon but there is a process that we have to go through.

As far as Package 2 this is from Cannon down to Portales, the project controls have been set. We had a surveyor out here a few weeks ago for a couple of weeks doing all that. Now we can start setting up all the mapping, and the geo-tech, soil sampling has started. All these things have to happen, so we can go get into detail design. So that is on track and going well.

The final thing I wanted to bring up, I don't know if we want discussion but I think a few of us have chatted about it. We will like to think about a dedication for the intake facility or maybe you were going to bring that up. Maybe I will turn to you all, board members because there were thoughts about that dedication and who it might be dedicated to.

Chairwoman Brumfield stated, *"Barbara and I have talked the other day and I think some of us have been thinking about this too. We would like to have a dedication for Darrel Bostwick and name the facility after him or to something to that effect. As you know he has been the one who actually got this started back 1960. He has led the charge from the beginning, so we thought this would be a nice tribute and we should do that hopefully soon. I don't think we have talked to him about it but I don't think he will have a problem with that."*

Crockett stated, *"We could do some kind of metal plaque mounted to the building and when eventually the pump station goes up. I am visualizing the Darrel Bostwick Intake Facility or something like that but for now we can do a plaque."*

Chairwoman Brumfield stated, *"If you guys are okay with that, I think we should move forward and maybe get something scheduled. Barbara, if you could get that started."*

Crockett stated, *"Yes, I will start looking and decide where."*

Member Garza stated, *"I am going to be a little bit sarcastic about this. Do we really want to advertise it? Or do we want to keep it to ourselves?"*

Crockett stated, *"Mr. Garza that is something we have been talking about. We have to be realistic and I think there are ways we can do this and accomplish this."*

Member Garza stated, *"I just want this to be a good memory not a bad memory and I do agree that he deserves a lot of credit for it. I think if we keep it to ourselves or keep it to a minimum, I think it will be better."*

Chairwoman Brumfield stated, *"Barbara, let's start working on that and see what we can do in the next three months."*

Crockett stated, *"Yes, we will come up with some ideas and suggestions."*

Vice Chairwoman King stated, *"Christina, would you mind not putting that in the newspaper for now so we can sneak up on him. Thank you."*

van Gulick stated, *"I think certainly by early May, we can start looking at how the plaque should look. We can plan to present it at a regular meeting, or have a special meeting in Melrose, or something like that, and we can have a ceremony at one of these meetings."*

Chairwoman Brumfield asked Ms. Crockett, *"How far are you in the design for package 2?"*

Crockett stated, "We are doing the field work. That is always a 3-4 month process, soil sampling, surveying, the aerals, utility locate, potholing, and etc. We are right in the middle of it, and we started about 6 weeks ago."

d. Program Management – van Gulick

Mr. van Gulick reported as follows:

There are two items to go over: Water Trust Board Application- 2014 and Update on the March 12th WTB meeting. The meeting was all about a time extension and scope change on the Navaho Gallup project. We are the two largest projects in the state right now for regional water systems. The Gallup folks are off schedule with no draw down in sight and they got hammered for it. It is instructive because the WTB clearly distinguishes between us and Gallup – we are on schedule and are drawing down our grant/loans. We need to remember this when other folks try to put us in the same category. As a heads up – the next WTB meeting is Wednesday April 23rd in Santa Fe and I'll talk about that later in a little more detail.

I. Meetings Report – van Gulick

Mr. van Gulick reported as follows:

This Month – March 4th – Canadian River Compact Commission Meeting in Oklahoma City, March 12th – WTB meeting, and March 17th – and oral hearings in Denver with 15 minutes for each side. Attending the oral hearings were Dave Gehlert and Evelyn Yin of DOJ and Jeff Wechsler plus myself. The panel of judges asked a number of questions including one to Hnasko - "after all of the denials why are you still here?" They also asked him what was left to enjoin. We may not hear anything for another two months. Dave Richard's son Lance was there too for his own case. He comported himself well and his opponent was pathetic by comparison.

Upcoming Meetings – April 15th & 16th – Town Hall on Water Planning, Development & Use – Albuquerque, April 23rd – WTB Presentation in Santa Fe (3 min presentations), May 21st – WTB Meeting - Funding Determination, and June – NMFA Approval of funding structure and terms.

Chairwoman Brumfield stated, "Paul, I would like to start getting back on schedule for the different councils, and commissions to start doing some updates. Paul could you check on those schedules and I would like to meet with everyone (Portales, Roosevelt County, Curry County) and I would like to do another town hall meeting to get some more education and outreach going. I think the more we can get out there the better. I like the thought of working with the Salt Cedar and that needs to be out there. And where we are with our

pipeline going out by Cannon and then down to Portales. I would like to get out some marketing and to get some of these things out there. So if you could get schedules, then we can start. We have done it once but it has been awhile."

Vice Chairwoman King stated, *"We have also talked about doing a presentation out at Eastern. We need to get that done and soon because on the first of May, they are hit with Finals and they don't want to think about anything else."*

Dr. Murphy stated, *"There is abundant opportunity for these kind of projects with the universities and k-12 school and they can give out abundant money/scope for university folks if they have research ideas."*

Vice Chairwoman King stated, *"They are constantly looking for grants in the science department."*

Chairwoman Brumfield stated, *"I would really like to get us out there again. It is time, so Paul if you could check on those schedules. Then we will do another fun town hall in Clovis."*

J. ISC Report

Mr. Stall reported as follows:

The reservoir is 69% capacity and just over 140,000 acre feet currently. There is still a flat line on the water, even with the wind. The cooler temperatures have helped us a little bit. It hasn't been hot enough to evaporate quickly yet.

6. Future Agenda Items

The Water Authority elected to schedule the next meeting in Grady on Thursday, April 17, 2014 at 10:00am.

7. Public Input

Chairwoman Brumfield stated, *"I would like to call on Brian [Daly]. How is the storage and all the wells? Is everything tracking ok?"*

Brian Daly stated, *"We are doing well, we are about 50% right now as far as wells. We are actively pursuing the base program, we got 3 additional ones that we are about to sign contracts with. We are moving forward on drilling our wells, but unfortunately one of the wells that we drilled wasn't where we typically want but we go to plan B. We are doing preparations for a hot and dry summer."*

Chairwoman Brumfield stated, *"When you do your leases, do you strictly lease with the individual for the wet water?"*

Brian Daly stated, *"Yes, that is correct. We go out to do a full investigation on the wells, water quality, pump testing, making sure the wells is not damaged because what we do is extend the line up to that well from the transmission line. We definitely don't want to invest the money if there's going to be a catastrophe or if they can't meet the 5 year lease or whatever the lease is."*

Chairwoman Brumfield stated, *"Are you trying to get it close around to your infrastructure? Is that the plan?"*

Brian Daly stated, *"Absolutely. In some cases, we can deliver to a storage tank or out the transmission line. Others that are close to the facility we'll setup a coordination system right at the well site and will deliver to the distribution system. So we try to advance on either direction, either we dump on the storage or we take it and deliver it directly to town. Delivering to town is a little bit difficult because it becomes a point of entry, so you really have watch and monitor water quality at that time. We have to put everything in rotation, and plus we have to meet with the lessee or lessor. There is a lot of matrix built into this."*

Chairwoman Brumfield stated, *"I think this is a very good plan that you guys have come up with on leasing the wet water. It seems like it took a while but once you had some interests..."*

Brian Daly stated, *"Once the very first one signed the next one took off. Afterwards we had interest on a regular basis. Last week we saw about 8 individuals that were interested."*

Chairwoman Brumfield stated, *"What is your longest lease that you will go? Is it typically 5 years?"*

Brian Daly stated, *"It is typically 5 years, I think PRC wanted to see it about 5 years. I will have to defer to Dave on some of the clauses, you will have a renewal after 1 year or after a 5 year time period if you want to walk away, they can walk away or we can walk away if there are any sort of problems."*

Chairwoman Brumfield stated, *"So all of this has does have to go through PRC to be approved?"*

Brian Daly stated, *"Yes. We are looking good."*

Vice Chairwoman King stated, *"John, Do you want to give us an update of Portales wells?"*

John DeSha stated, "As you all know we have last year we have brought up 8 more wells in our Las Lomas section and we are continuing to monitor those. Right now we are doing very well, and I don't see any problems in the future as long as we don't have one of our wells breaking. We are doing some testing where we have already run the transmission line to it. So we are developing that and of course always looking for more water rights but right now we are in good shape. We are not running all of our wells all of the time like we were but this time of the year we are running 60% of our wells, and we not running the larger producers."

Chairwoman Brumfield stated, "I think the conservation and everything has really helped."

John DeSha stated, "It has decreased our consumption by 22%."

Vice Chairwoman King stated, "What is the estimated time line before the wastewater reuse will be in place?"

John DeSha stated, "We are looking at 24 months, 14 months for plant construction and giving a little factor in there for problems we might have with weather or things like that, and I would like a few months running the plant to make sure we can provide the water quality consistently before we start putting it out there."

Chairwoman Brumfield stated, "Is that going to be put out in all of your parks and things like that?"

John DeSha stated, "We are going to put it in our parks, cemetery, the ball complex, and things like that first and what we have after that we will be able to move on. That is our plan."

Member Shafer stated, "That Natural Resources Conservation Service with USDA branch office had an ag census that we did a few years ago with an irrigation report. You will be surprised, our bosses thought that farmers will be falling all over their selves to answer those questions, but they are not in New Mexico because they don't have flow meters and they don't want you to know how much water they are pumping. It's going to come to a day that they are going to have meters, because you don't know if they are pumping 3 acre foot or 10 acre foot. But they're pumping all they can on that corn and that alfalfa. Some irrigation wells at southeast of Clovis, one of the guys I talked to is trying to water 500 acres with 19 wells and they are pumping 30-40 gallons a minute."

Chairwoman Brumfield stated, "I think you are going see less and less corn being grown, I mean logistically and financially, you just can't do it like they used to."

Member Shafter stated, *"I talked to a farmer yesterday west of Clovis, he has the idea that the water isn't going to be used for farming but will go to the municipalities for human consumption. He is right."*

Chairwoman Brumfield stated, *"There is not enough there to keep it going."*

Member Shafter stated, *"They're going to hang on just as long as they can until somebody wakes up and puts flow meters on."*

Scott Christensen stated, *"You need to realize it's like the story you just said. The amount of acre feet that the farmer owned or is allowed to have is not there to pump."*

Member Shafter stated, *"That's true but some places they are, and they can pump more than 3 acre feet."*

Scott Christensen stated, *"Well there is some truth to that but there's a lot of stuff other than flow meters you know. We can always find ways to make more cost."*

If you're running electric or different pumps, there are other ways to do it. Texas has done it and you have to also realize a little bit how the system is set up. If you don't use it someone down stream is going to use it and there's a little bit of a design flaw."

Vice Chairwoman King stated, *"Scott is President of the Roosevelt County Water Co-op and he also owns Home Spot, and he also farms. So you know where he is coming from"*

Scott Christensen stated, *"Not some of the farming. As far as Water Co-op, we are running 80-90 miles of distribution. We are just a distribution system constantly pursuing water leaks."*

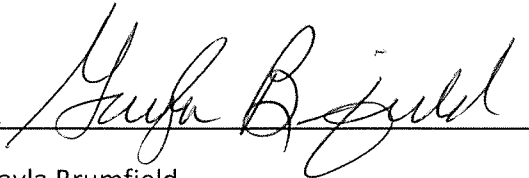
Chairwoman Brumfield stated, *"We are all just chasing the water. That is actually where we are with it. There are some areas in our communities that may have the right to 3 acres feet, but it is just not there to do that."*

8. For the good of the order

None

9. Adjournment

The meeting was adjourned @ 11:20 a.m.

X 

Gayla Brumfield
Chairperson

X 

Caleb Chandler
Secretary