

## **ENMWUA Regular Board Meeting**

DATE: Thursday, November 12, 2015, 10:00 AM

LOCATION: Memorial Building, Council Chambers  
200 E. 7<sup>th</sup> Street  
Portales, NM

### **1. Call to Order**

The meeting was called to order by Chairperson Brumfield @ 10:12 AM.

### **2. Roll Call**

Roll was called. The following ENMWUA Board Members were in attendance:

- Chair Gayla Brumfield
- Vice Chair Sharon King
- Member Chris Bryant
- Member David Lansford
- Member Ron Moore

### **3. Approval of Agenda**

Agenda of ENMWUA regular meeting in Portales on November 12, 2015.

A motion to approve the agenda was made by Member Bryant and seconded by Member Lansford. The motion carried by a vote of 5-0.

### **4. Approval of Minutes**

Minutes of ENMWUA regular meeting in Melrose on September 24, 2015.

A motion to approve the minutes from the regular meeting in Melrose was made by Member King and seconded by Member Lansford. The motion carried by a vote of 5-0.

### **5. Public Input**

No Input

## 6. Consent Agenda

A motion to place the indicated items on consent agenda was made by Member Bryant and seconded by Member Moore. Motion carried 5-0.

A motion to approve or acknowledge all items on the consent agenda was made by Member Lansford and seconded by Member Moore. Motion carried 5-0.

- A. Joe Thompson – Contract for continuation of services
- B. John Ryan – Contract for continuation of services
- C. Resolution 2016-04 DFA Budget Changes
- D. Resolution 2016-05 Non-DFA Budget Changes

## 7. Resolutions

- A. Resolution 2016-02 Approval to Submit Application for funding to the New Mexico Water Trust Board in FY 2016

Howalt – This resolution is for authorization to submit the 2016 Water Trust Board funding application. The application this year will be for construction funding to go towards the interim groundwater project. The resolution does meet the requirement for the pre-application process.

A motion to approve Resolution 2016-02 was made by Member King and seconded by Member Bryant. Motion carried 5-0.

- B. Resolution 2016-03 Approval of Capital Appropriation Project 15-5022-STB

Howalt – This resolution is for approval of the capital appropriation from the last legislative session (2015). The resolution authorizes the Authority to enter into the grant agreement and the official representatives' signatory authority (Member Brumfield, Member King and Howalt as the alternate).

A motion to approve Resolution 2016-03 was made by Member Moore and seconded by Member Lansford. Motion carried 5-0.

## 8. New Business Items

None

## 9. Unfinished Business

None

## 10. Reports from Board Members and Staff

- A. ISC Report – Howalt

Rex Stall was unable to attend. Reservoir current storage is 194,730 acre-ft as of November 9<sup>th</sup>, which is 96 percent of authorized capacity. Year to date precipitation – 29 inches.

Member Lansford asked if the reservoir reaches 100% capacity and starts to go over, can we take the water out of the reservoir and store it in the pipeline? In other words, is the storage capacity in the pipeline included in the storage capacity of the reservoir? Crockett replied that the storage in the pipeline is not considered as part of the capacity of the reservoir once it is withdrawn. In addition, the storage in the pipeline is very small compared to the storage in the reservoir.

#### B. State Activities – Thompson

Joe Thompson introduced Stephan Stathopolous who works for Thompson and is assisting on the ENMRWS project. Thompson and Howalt have been meeting with the Governor's staff, cabinet secretaries and some of the Water Trust Board (WTB) members. New WTB funding requirements include having an "urgent" designation from a cabinet secretary. The State Engineer has agreed to provide a letter in support of the project. The ENMWUA needs to continue to communicate and meet with members of the legislature. Thompson handed out a document that contains the names of the members on the WTB. He asked the Authority members to look at the list and if they know anyone on the board to let him know.

Howalt – Howalt continues to meet and coordinate with the New Mexico Finance Authority staff. He will make a presentation at the upcoming December 2<sup>nd</sup>/3<sup>rd</sup> meeting. Howalt said that we were successful in getting the scope changed on the most recent WTB award from design to construction. Howalt advised that the WTB has adopted the policy changes, which include designation of "urgent status" and the ability to carry funds over more than one year.

#### C. Federal Activities – Ryan

The Federal Government is working under a continuing resolution (CR) through December 11 to fund the government in anticipation of bills that congress has been working on that would fund government through the end of the fiscal year. An agreement has been reached between the administration and congress to increase discretionary spending by \$80B over the next two years. FY16 - \$50B increase (split \$25B to defense and \$25B to discretionary funding). FY 2017 - \$30B increase. The budget deal was agreed to based on a deficit reduction in mandatory spending programs such as Social Security, healthcare, etc. We don't know how the funding will be allocated to the various agencies. It is unknown if there will be any increase in funding to the Rural Water Project program (including our project). We have already seen some increases with regards to some of the bills. The defense MILCON bill is an example in which they got \$2B above what was originally allocated. This could be a good sign for the USBR budget. The USBR at the local level anticipates there will be more money that can be spent on projects. In anticipation of this increase in spending, we have been in discussion with the USBR local office. We have engaged our congressional delegations to encourage them to advocate for increased funding to the USBR and our project. We are meeting with the USBR Upper Colorado Regional Director (New Mexico falls under this region) in Salt Lake City tomorrow.

Member Brumfield asked if we have any indication what the USBR might get. Ryan answered that we don't know yet. Congress has not redistributed the \$25B to the subcommittees. In the case of the Energy and Water Subcommittee, which we watch, there are several programs (including the Rural Water Projects Act) that should get some funding. We anticipate the USBR will get an increase.

Member Bryant asked if there was anything the Authority board members could do to help. Ryan answered that from now until the CR is completed, we need to continue to talk to our delegation.

Howalt asked Ryan to provide an update on Senator Feinstein and Danes' bills related to the drought in California. Ryan responded that we understand there will be some attempt in the senate to address the California drought. He said that when we were in WDC a few weeks ago, we discussed the possibility of adding the Rural Water Completion Act to the California drought legislation. The challenge is that it would be very expensive to add Rural Water Completion Act to the drought bill because there is no source of funding. However, with the additional discretionary funding, there might be some money to add to the California legislation to fund the Rural Water Completion Act.

D. Report from the Chair – Brumfield

Member Brumfield talked to Representative Ben Ray Lujan this past week in Clovis and encouraged him to continue to support the project. Lujan said he would call the Department of Interior Deputy Secretary Conner. Ron Wilmont, staff person for Lujan said that Terry Brunner, USDA is coming in to the area and the Authority should try and meet with him because the USDA has funding for infrastructure projects. Ryan said he has talked to Terry over the years, but funding typically is in small amounts (\$250K to \$500K) and very competitive. Our project does not necessarily meet the criteria. It was agreed that the Authority should meet with Brunner when he is in New Mexico.

Member Brumfield also called Senators Udall and Heinrich and they continue to support the project and will make an extra push to help us get the \$7M that was requested from the USBR.

Member Brumfield noted a recent article in the Albuquerque journal regarding the defense bill. Cannon AFB received the most money compared to the other New Mexico bases. This demonstrates the dedication and support the DOE and USAF continue to show towards CAFB.

Members Lansford, Brumfield, Bryant and Howalt met with EPCOR to discuss different funding situations including private/public partnerships.

Member Lansford commented it was encouraging that there is a private company serious about investing in this project.

Member Bryant commented that the City of Clovis has a great partnership with EPCOR.

E. Report from the Executive Director – Howalt

Howalt and Member King made a presentation to Leadership Portales.

Howalt has met with Mathew O'Grady, USBR, who provided advice on how to improve the justification for funding. Howalt, Brumfield and Ryan are meeting with the USBR regional director in Salt Lake on Friday, November 13th. The USBR audit is scheduled for December 15<sup>th</sup>. Howalt has been working with O'Grady in anticipation of what he will need to have prepared for the audit.

Integrity has begun the state audit for 2015/16 fiscal year, which will be submitted before the end of the year.

Member King asked when the audit was due? Howalt did not know the specific date, but the auditor said they will not have any problem meeting the deadline.

The NMFA Finance plan is due on November 15<sup>th</sup>. NMFA provided comments on the draft plan, which have been addressed and are included in the revised draft that will be submitted this coming Friday. The next step is that Howalt will work with each of the member communities to prepare and approve a resolution to pledge contributions to the Authority for the WTB loan component of the funding.

Howalt said that Portales is working out the details on the Elida pump station lease/easement conflict with Excel.

F. Financial Activities/Report – Howalt

Member contributions – all have come in except Portales; Expenditures YTD \$1.8M; Monthly expenditures \$269K – primarily for professional services.

Member Lansford asked if under the expenditures line item Transportation/Education why nothing has been expended. Howalt answered that expense reports just need to be signed and this will be reflected in next months report.

Member Brumfield asked if the insurance was for the intake facility. Howalt answered that it was an adjustment for the office space addition and the insurance includes the intake facility.

G. Project Development Activities – CH2M

FW 2 Clovis to Cannon – Design is 100% complete and has been submitted for review to Howalt and the New Mexico Environment Department. Easements continue to be acquired.

FW 3 Cannon to Portales – The design is 90% complete and has been submitted for review to Howalt and the New Mexico Environment Department. We are progressing with property legal descriptions for the easements.

FW 1 CAFB to 15 miles north of Highway 60/84 – We have begun the 60 percent design. The last several months we have been completing the field work such as surveying and the geotechnical investigation. Field activities have been completed.

Easements – Currently we are working on about 75 easement acquisitions.

Cannon AFB to Clovis (17 easements) – Appraisals have been completed; offer letters have been sent to property owners (two have been signed); we are calling and meeting with property owners to answer their questions; and Dave Richards is supporting us on some of the interaction with some of the property owners.

Cannon AFB to Portales (about 60 easements) – The notification letters from the ENMWUA have been mailed; legal descriptions have been completed; and the appraisal notification letters have been sent out. Appraisals are getting underway.

## 11.Future Agenda Items

- A. Next Regular Meeting, Location, Date, and Time: Melrose, December 17, 2015 at 10:00 AM.

## 12.Public Input

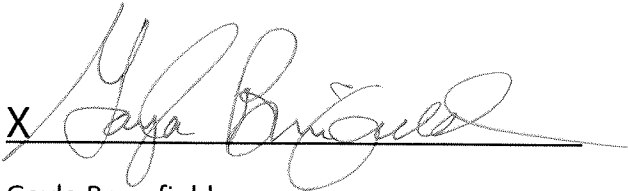
Member Lansford said over the last couple of years, the City of Clovis has embarked on conservation measures to save water. He said the new focus of the City is to look at investment in infrastructure and reserving groundwater. As we build the interim groundwater system, we need to look at a focus on water reservation and delivery contracts with property owners. New Mexico Tech will be doing water mapping (seismic mapping) of the water reserves in the aquifer.

## 13.For the Good of the Order

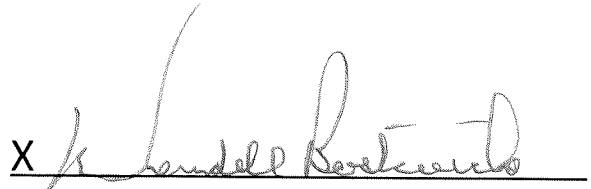
None.

## 14. Adjournment

Meeting adjourned @ 11:20 AM

X 

Gayla Brumfield  
Chairperson

X 

Wendell Bostwick  
Secretary