

MINUTES

Eastern New Mexico Water Utility Authority

Melrose City Hall
105 E. Avenue B, Melrose, NM
Tuesday, December 13th, 2011 @ 10:00 AM

AGENDA ITEM NO. 1 – CALL TO ORDER

Chairwoman Brumfield

The meeting was called to order by Chairwoman Brumfield @ 10:10 AM and established the presence of a quorum.

AGENDA ITEM NO. 2 – ROLL CALL

Chairwoman Brumfield

Roll call was made with the following in attendance: Clovis; Member Brumfield, Member Garza, Member Bryant, Curry County; Member Chandler, Portales; Member King, Member Howell, Melrose; Member Bostwick.

AGENDA ITEM NO. 3 – APPROVAL OF AGENDA

Chairwoman Brumfield

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

AGENDA ITEM NO. 4 – APPROVAL OF MINUTES

Chairwoman Brumfield

A motion was made by Member Bryant and seconded by Member Garza to approve the minutes of the ENMWUA meeting in Portales, November 17, 2011 which carried by acclamation.

AGENDA ITEM NO. 5 – BUSINESS ITEMS

A. State Activities – Thompson

Mr. Thompson said it had been an interesting month; we have been working on trying to get ready for a life with out Scott. We had a meeting last week to go over our plans and look at the other activities we have going and the best way for us not to lose momentum. From the prospective of the session coming up we still intend on trying to make a very small capital outlay request. We are then focused on getting Paul introduced to all the folks in Santa Fe and do a lot of our ground work on the WTB and some of the other agencies. Our goal is to minimize the disruption. One thing that came up in our meeting was what we would be asking you all to do. At the last meeting it was discussed about having the next meeting in January in Santa Fe which would be a good idea.

I visited with a guy that works for the Americans for Tax Reform and one of the things that they have done that has been very effective is they went around and got state legislatures to do these resolutions and instructions to Congress, I'm not sure we would want to do that but those are the types of things that they've suggested can be done to unify the message and organize everybody. Perhaps that is something I could discuss with some of you off line, if it is something you thought would be a good idea for us to go down that road.

Chairwoman Brumfield asked what the resolution would be.

Mr. Thompson stated the way it was recommended to me was there would be a resolution by you all that could ask the governor to work with legislature, Congress, the President, etc. to try and find a way to get the project funding moved up. There are organizational benefits to doing it. I guess there is a down side that it could be construed as sort of why is this body trying to tell that body what to do. This is why I think we would need to kick it around some.

We were told that it is going to be very difficult for an individual member to give us the money for the power to the intake structure and what they suggested was that we find that money through a reauthorization.

Mr. Chandler asked if John Ryan had any thoughts on this.

Mr. Ryan stated that bringing awareness is always a good thing, but if it appears that you are trying to do something that the other water projects around the state are likely to want to do also it might kick off a little bit of competition of why this project and not some of the others; that's just something to think about.

Mr. Thompson stated I will leave you with this, what they said was having something like that would be an expression from the state and then you might even consider a similar resolution or something like that from you all. You could even go back further to your individual communities and have them do something. You would then have a packet of all these expressions that go together and would be a very powerful statement. I could go ahead and get a resolution prepared, what I would probably do is ask Representative Crook, Senator Ingle or Senator Harden to allow us to get a draft so you could review it.

After much discussion a motion was made by Member Chandler and seconded by Member King to have Mr. Thompson prepare a resolution to be reviewed by the members which carried by acclamation.

B. Federal Activities Update – Ryan

Mr. Ryan reported on the trip to DC and said they had met with our delegation, OMB, DOI and BOR. The purpose in large part was to talk about the transition and to show that there is someone in place to replace Scott and introduced Paul. We are still advocating for money. The mood there with regard to anything budget related is very tough. It is hard to tell if we are making progress, I think at each step we tell them something that they don't necessarily know and so it keeps everybody informed where we are and especially being under construction at this point.

Congress and the administration are trying to come up with criteria as to which projects get funded. They are putting criteria together with regards to how many people are served, how urgent are these projects, what's your state and local match, what's the population served and trying to come up with criteria that rank's the project. It's a process that we encouraged our delegation to be aware of and possibly submit some comments about particular weighing so we don't get a disadvantage in the process. They also gave us the opportunity to comment and participate in that process. One of the big things we talked about with regard to the federal government developing criteria is that we would also like something mentioned that would consider State criteria. In our state we have criteria as to how we rank projects. All these projects that we fund within the state are funded at certain levels and the federal government funds theirs in a certain manner. If the federal government is funding projects and the state is funding different projects they are not going to match up. Each project requires a match so it seems like a process that is not going to work very well, so we encouraged the federal government to work closer with the state to help the priority line up with federal and state.

Another thing that came up was the Construction Grant Agreement that had not been approved and had been sitting in the BOR's regional office. Tonya Trujillo who is council for Water & Science made some calls to help get this moving along. We have to get that Construction Grant Agreement in place if we are to receive any 2012 dollars. We think they have us in the 2013 budget but they can not tell us to what extent or how much. I am optimistic the water project will receive money in the 2013 budget. The key is to be ready to protect the project's interest.

C. Reclamation Report – Alderete, Verhines

Mr. Verhines stated that one of the important details is the ongoing coordination with Reclamation. The guy that is assigned to the project in the interim is Joe Alderete. We need to keep them in the mix along the way or they will find other things to do. After visiting with some of the folks with BOR this project continue to be one at the top of their list.

D. Financial Activities

a. Financial Report – Clifton

Mr. Clifton stated that in November we spent \$80,000, YTD have taken in \$1,238,000 and spent \$1,651,000. We have already received two member contributions for this coming year.

E. Project Development Activities

a. URWC Meeting – Bostwick, Murphy

Mr. Murphy stated there has not been a meeting of the URWC since the last meeting and don't know when the next one will be. I know that we are going to ask for a meeting of the DMP steering committee soon and whether or not that follows a URWC is up to Chairman Bostwick.

Mr. Bostwick stated they are just waiting on information on the DMP to call a meeting.

b. Update on Drought Management Plan – Murphy

Mr. Murphy stated we have pretty much finished our research on the literature search of other plans. We've pretty much beat the bushes talking to reservoir operators across the west, BOR folks, Corps of Engineer folks and various states and river authorities in Texas. We had a meeting last week to sort of bring some of this together and discuss some of the options. We have the two outlaying options of 3765 or fight and keep the status quo. Obviously the status quo would be taking water as we decide within our legal right. Most reservoirs' use some sort of curve rule. It's like hitting 3765 except its different stages of activity and looking at other options too where we might have some sort of off line storage. This would allow us to even out the demand on the reservoir. We will explore all of this as we develop the plan. The first step would be to present all of this material to the steering committee. We would like to have a steering meeting sometime after the first of the year and that will be the kick off of the plan. We would like to have everyone there to participate.

c. Design Activities – B. Crockett, Gates

Mr. Gates reported we are essential on hold waiting for the next steps on the land acquisition. Once those are in place we'll be able to advertise and move forward with the construction component of it. Like wise we are in place to begin work on the next phase of design waiting on your direction on both of those items. On the intake structure there has been no change or update on design and we have not received any materials from the Quay County interest that had suggested there maybe some forthcoming materials.

d. Update on Intake Structure(s) – Verhines, Gates

Mr. Verhines reported that at the October meeting of the ISC the ISC directed the parties to take 60 days and try to come up with an agreement that everyone would feel comfortable with on the two intake structures. We have had two meetings, one was a teleconference the other was a face to face meeting. We did not resolve it but the meetings were generally positive. The 60 days would have been an ISC meeting here in December, the chairman and director of the ISC elected not to have a December meeting because that was the only agenda item they had. They are going to have a January meeting in Santa Fe either the 11th or 12th and I would recommend that the authority be there to listen and see what the direction of the ISC is. We don't know what that action will be but in the absence of

an agreement the ISC will have a decision to make whether to leave the prior decision in place or to make any changes to it. The prior decision in regards to the CARMA intake structure (not ours but the other) was to approve the encroachment permit to allow them to do that subject to them tying into and utilizing ours once it is in place.

Mr. Gates stated that a lot of the content of those meetings did revolve around the DMP.

Mr. Murphy stated that the DMP was brought and I want to emphasize there is no technical reason to link approval or disapproval of the intake structure easement based on the DMP. We won't affect their intake structure with any of the plan alternatives presented to date.

e. Update on Environmental Activities – Verhines

Mr. Verhines stated that we did get good news; we got our NEPA 401 Certification that is the last of our big permits that we were waiting on so there are really no barriers to start construction. There are things that have to be done during construction; they are not out of reason to what we expected that would have to happen, they are pretty typical to a project like this.

F. Program Management Transition – Verhines

a. Contract Amendment – Verhines, van Gulick

Mr. Verhines stated this meeting for my self is bitter sweet. This will be my last meeting as project manager for this project. What I am proud of is the continuity that Paul brings to the effort, he and I started this effort together about a dozen year ago. Paul has great background in the project, he did all the early research on it and we have continued to stay in touch through the years. He is going to be a great asset. What we are asking you to consider is, in Occams contract with the water authority there is a line item that basically says Occam has to designate an individual for communications on your behalf and that's been me. What we would ask you to consider is a contract amendment that would designate Paul as the lead engineer/individual going forward.

A motion was made by Member Chandler and seconded by Member Bryant to approve the Professional Services Agreement Amendment which carried by acclamation.

G. ISC Report – Kent Terry

Mr. Terry was not present no report was given.

H. Executive Session*

A motion to move into executive session was made by Member Garza and seconded by Member King pursuant to Section 10-15-1.H.8 of the New Mexico Open Meetings Act which deals with the discussion of the purchase, acquisition or disposal of real property which carried by acclamation.

Roll Call; Member Brumfield, Member Bryant, Member Garza, Member Chandler, Member King, Member Howell, Member Bostwick.

A motion to move back into open session was made by Member Garza and seconded by Member Bryant noting that nothing was discussed other than the acquisition of real property which carried by acclamation.

Roll Call; Member Brumfield, Member Bryant, Member Garza, Member Chandler, Member King, Member Howell, Member Bostwick.

I. Action/Discussion pertaining to Executive Session

No action taken

AGENDA ITEM NO. 6 – FUTURE AGENDA ITEMS

Chairwoman Brumfield

Next Meeting, Date, Time and Location: **Santa Fe (Monday) January 23, 2012 Time: 11:00 AM @ The Rio Chama Restaurant**

AGENDA ITEM NO. 7 – PUBLIC INPUT

Audience

N/A

AGENDA ITEM NO. 8 – FOR THE GOOD OF THE ORDER

Chairwoman Brumfield

N/A

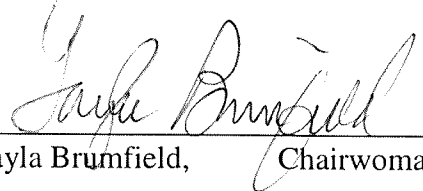
AGENDA ITEM NO. 9 – ADJOURNMENT

Chairwoman Brumfield

There being no further business to discuss the meeting was adjourned @ 11:15.

*Motion: to move into executive session pursuant to Section 10-15-1.H.8 of the New Mexico Open Meetings Act which deals with discussions of the purchase acquisition or disposal of real property.

*Motion: to move back into open session, noting that nothing was discussed other than the acquisition of real property.


Gayla Brumfield, Chairwoman

Clerk

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