

MINUTES OF THE JOINT SPECIAL MEETING OF THE CITY COUNCIL
OF THE CITY OF RUIDOSO DOWNS, LINCOLN COUNTY COMMISSIONERS,
VILLAGE OF RUIDOSO, VILLAGE OF CAPITAN, ALTO LAKES WATER AND
OUTLYING AREAS
JULY 25, 2006

The Council of the City of Ruidoso Downs met in Special Session held at 6:00 p.m. on July 25, 2006, at the Ruidoso Convention Center, Ruidoso, New Mexico.

The meeting was called to order at 6:00 p.m.

Recorded as present:

Bob A. Miller, Mayor
Susan J. Garrett, Councilor
Dean Holman, Councilor
Tommy Hood, Councilor
Judy Miller, Councilor
Carol Virden, City Clerk
Dan Bryant, Attorney
Tom Stewart, Public Works Director

Other Governing Body's Present were: Lincoln County Commissioners, Village of Ruidoso, Village of Capitan, Alto Lakes Water and Sanitation District, and members of the Mescalero Apache Tribe.

Lincoln County Manager Tom Stewart led in the Pledge of Allegiance -.

Mr. Stewart welcomed those in attendance and provided a brief synopsis of the agenda for the meeting.

Mr. Stewart stated he was going to be the moderator for the water summit. Mr. Stewart stated he volunteered to pull the session together because there is, reportedly, limited water in our basin and limited dollars available to ensure that citizens have the water needed to live in our beautiful mountain surroundings. Mr. Stewart stated we needed to be coordinated in our respective efforts and talk through the problems and solutions.

Mr. Stewart welcomed everyone to the joint meeting of the governing boards of Lincoln County, Ruidoso, Ruidoso Downs, and Capitan, in addition there were members of the Alto Lakes Water and Sanitation District and the Mescalero Apache Tribe.

Mr. Stewart specifically recognized Representative Dub Williams of House District 56.

Mr. Stewart stated the purpose of the meeting is for information and discussion only and

is not for making any decisions. Mr. Stewart stated members of the public have been invited to listen to the presentations and the discussions among the trustees, members of the councils, and commissioners. Mr. Stewart stated any decisions required from the meeting should take place at the regular meetings of the governing bodies. Mr. Stewart stated the county clerk, Tammie Maddox, will be recording the event and creating very brief minutes.

Lincoln County Manager, Tom Stewart welcomed and introduced panel as follows; Sara Rhoton, from the State Engineers Office; Stu Hanson Sub Hondo Basin Water Master for the State Engineer's Office; Tom Springer Chair, Pecos Valley Water Users, Development of the Lower Pecos Regional Water Plan; RL Posey, of Mayhill, Dan Knorr from Alto Lakes Water District; Jackie Powell from Hondo Valley; Paul Blanchard from USGS and Dr. Tom Lowry of Sandia National Lab. Mr. Stewart stated because there was a lot of ground to cover, the presenters were asked to keep their remarks to 5 -8 minutes each. Mr. Stewart requested that the governing bodies hold their questions of the panel members until the second half of the meeting.

The Situation from the State/Regional Perspective:

Sara Rhoton, works with the Interstate Stream Commission- Pecos Bureau Project Manager for the Development of the Lower Pecos River Water Master District active Water Research Management. Ms. Rhoton provided information on the development of rules and regulations for Active Water Resource Management and the purpose of the project. Ms. Rhoton discussed the ongoing drought and the Supreme Court decision regarding the Pecos Water Compact and the delivery of water to Texas. Ms. Rhoton discussed the development of water districts all over the state. Ms. Rhoton stated Active Water Management included the following:

- < Limit of Diversion to those amounts that are authorized.
- < Monitor and measurement of diversions in use.
- < Establish a framework for priority administration, if needed.

Ms. Rhoton stated there were statewide regulations imposed in 2004, with specific regulations being developed and implemented for each district. Ms. Rhoton provided information on the decrease of diversions after metering was instituted in 1967. Ms. Rhoton stated the metering devices, as approved by the State Engineer, do not have to be fancy nor expensive to measure and record the diversions.

Stu Hanson, Sub Hondo Basin Water Master for the State Engineer's Office. Mr. Hanson basically provided information on the duties of a Water Master. Mr. Hanson observed that the Sub Hondo Basin was used primarily for agriculture with low population, but over the years it had advanced to higher uses because of population density due to recreation and tourism. Mr. Hanson stated the basin was affected by

severe multi-year drought. Mr. Hanson pointed out that planning for future demands would require cooperation by local and state agencies. Mr. Hanson announced that basin-wide measurement of the Hondo drainage was tentatively scheduled to begin in one to three years.

Tom Springer, Chair, Pecos Valley Water Users, Development of the Lower Pecos Regional Water Plan. Mr. Springer stated a Joint Powers Agreement organized the Pecos Valley Water Users in 1993 with Lincoln, Eddy, Chaves, and DeBaca Counties, Roswell, Artesia, and Cloudcroft. Mr. Springer stated the principal purpose was to prepare a regional water plan. Mr. Springer discussed updating that plan with a water resource analysis that included water demand, budget, recharge, and sustainability. Mr. Springer stated more water was used in the Upper Hondo than was available. Mr. Springer stated specific projects needed to be identified with the large users such as Ruidoso and Ruidoso Downs. Mr. Springer stated the group sent a letter to the State Engineer to facilitate a meeting of all the folks affected by the water. Mr. Springer observed there were many hydrological studies done on too small an area. Mr. Springer pointed out that every user affected the water. Mr. Springer stated that perhaps a temporary moratorium on development should be imposed until the needs of the area were understood and the sustainability of the water was determined.

A Case Study of Action

RL Posey, of Mayhill, representing the Southern Sacramento Effort. Mr. Posey stated the objective of the project was to collect scientific data on aquifers, size, location, direction of flow, interactions, and all the other properties that could be determined. Mr. Posey stated he had lived his entire life in Otero County, but had never seen the lack of snow, as was the past winter. Mr. Posey stated the New Mexico Bureau of Geology conducted the scientific analysis and Mineral Resources Department from New Mexico Tech. Mr. Posey stated the fiscal agent for the funding was the Soil and Water Conservation District. Mr. Posey stated the analysis to date included: literature research, well logs, well water levels, chemical analysis, how old the water was, and radio active isotopes analysis. Mr. Posey explained the process for collecting the data from the water wells and how it was stored. Mr. Posey stated he was unsure how the data could be accessed at that time. Mr. Posey stated there were periodic reports to the Soil and Water Conservation District. Mr. Posey stated the New Mexico Legislature provided \$1,150,000 and \$706,350 was supplied by the SWCD. Mr. Posey stated there was a need for scientific personnel to complete the project. Mr. Posey stated his hopes to continue with the hydro-geologic mapping project that extended down through the South Basin, Pecos River, and the Hondo Basin.

Overview of Current Situation

L. Ray Nunley, Mayor Village of Ruidoso. Mayor Nunley discussed the efforts of the Village of Ruidoso to conserve the water resources and serve the citizens and guests in

Ruidoso. Mayor Nunley stated the Village of Ruidoso had been unable to take water from the Rio Ruidoso for the past three and one-half months. Mayor Nunley stated the river was low because of the drought and the lack of snow over the past winter. Mayor Nunley stated the majority of the Village's water came from the winter snow pack and supplemented by rains. Mayor Nunley stated the Village has pumped from wells on the Rio Ruidoso because they had not been able to use the wells at Eagle Creek. Mayor Nunley stated the Forest Service would not allow the Village to even clean out the wells at Eagle Creek and as a result of that the Village only had two of the four wells that were operational, and they were not pumping to capacity. Mayor Nunley discussed issues concerning the Village's water system and availability. Mayor Nunley stated the challenges the Village was facing included maintenance of the water supply, and ample storage for fire fighting. Mayor Nunley stated the Village was meeting these challenges with improving the way the Village managed their water with strict conservation policies, instituting accounting audits, leak detection programs, and waterline replacement programs. Mayor Nunley stated the Village was in the process of replacing one of their wells. Mayor Nunley discussed the preservation and the Office of the State Engineer governed protection of the community regarding water. Mayor Nunley stated the Village was developing ordinances regarding the conservation of water and water harvesting. Mayor Nunley stated the Village would continue to work this and stated they were very cognizant of the growth and needs of the community.

Tom Stewart, Director of Public Works for the City of Ruidoso Downs. Mr. Stewart stated that over the past two years the City of Ruidoso Downs was working on improving the infrastructure and storage capacity for water. Mr. Stewart provided detailed information on these projects. Mr. Stewart stated the City of Ruidoso Downs had enacted a water conservation ordinance, which had reduced the water demand for the city. Mr. Stewart stated the city had also adopted a comprehensive phosphorus ordinance to reduce those amounts in the wastewater. Mr. Stewart stated the challenge for the city was to meet the high quality of water demands for the citizens. Mr. Stewart stated the design and completion of the regional wastewater plant that would reduce the impact on the water users downstream. Mr. Stewart stated communication, cooperation, and effective leadership would help meet those challenges. Mr. Stewart stated the city had developed a water system master plan in 2003 and a 40-year plan in 2002. Mr. Stewart stated the planning and zoning ordinances were rewritten to manage growth. Mr. Stewart stated the protection of the citizens was the most important without penalizing them with overuse of resources.

Sam Hammons, Mayor Village of Capitan. Mayor Hammons discussed the Village of Capitan was very small, with small resources, a small system, and a small budget. Mayor Hammons stated he had taken on the duties of managing the water system in Capitan along with the three-person department. Mayor Hammons discussed the aging infrastructure in the Village and with some repairs had reduced the water loss to 7%. Mayor Hammons stated he would like to see the state, county, and villages to work together and develop the reuse of water, gray waters. Mayor Hammons stated the

Village of Capitan's wells were from the San Andreas region, but observed that any water use affected the aquifers. Mayor Hammons stated a 40-year water plan was instituted. Mayor Hammons stated everyone had to work together.

Dan Knorr, Alto Lakes Water and Sanitation District. Mr. Knorr discussed the challenges of the District and the efforts that were established to meet those challenges. Mr. Knorr discussed the conservation efforts by escalating the rate structure for use, a water oriented zoning for the golf course irrigation, a demineralizing treatment and reuse system and the intent to participate in a regional water study. Mr. Knorr stated these measures had shown a decline in usage with conservation and increased rates. Mr. Knorr stated the pumping for the District affected the users in the Eagle Creek area, but their pumping affected them as well. Mr. Knorr recommended the implementation of regional water planning to quantify the resources available and the long-term water supply. Mr. Knorr stated the system should be brought into sustainable balance.

Jackie Powell, Hondo and outlying areas, Lincoln County Water Research and Conservation Committee. Ms. Powell provided pictures of the current situation of the dry riverbeds. Ms. Powell stated the streams in the area were described as perennial streams, but in truth they were torrential streams. Ms. Powell discussed the ditches in the Valley has not had enough water to irrigate with since January 2006. Ms. Powell provided historical accounts of droughts in the area. Ms. Powell stated in the 1880's and 1890's the streams were subjected to drought, along with the 1950's and early 1970's. Ms. Powell pointed out that the 1980's and early 1990's were the wettest in has been in probably one thousand years. Ms. Powell stated the Valley could not grow any more. Ms. Powell discussed the appropriations in the Basin and stated they were all taken, there were no more, so any appropriations taken were from someone else. Ms. Powell discussed management and conservation of water. Ms. Powell stated blue grass should be banned from Lincoln County. Ms. Powell suggested more stringent conservation measures instituted. Ms. Powell stated there was no recharge information and the area entities should invest in that study. Ms. Powell stated she was working on an association for banking water. Ms. Powell stated that instead of transferring water out of a Basin that something else could be worked out among the users. Ms. Powell urged education of the issues.

Mr. Stewart recessed the meeting at 7:07 PM and reconvened at 7:15 PM.

Potential/Ongoing Studies

Dr. Thomas Lowry, Sandia Labs, developing Upper Rio Hondo Basin Model. Dr. Lowry stated the Sandia Labs were working on a water initiative that would increase the safety and security of the Nation's water supplies and availability. Dr. Lowry stated a Water Resource Management model was being developed to help understand the management challenges. Dr. Lowry stated that the model development process would utilize information from stakeholders and community engagement. Dr. Lowry stated the model was developed through a process called system dynamics. Dr. Lowry discussed

the use of the models once developed for education, community development, policies, and interaction with the professional community. Dr. Lowry provided an example of the water model that mimicked historical data from 1950 to 2000 and then projections into the future from 2000 to 2050. Dr. Lowry discussed the uses of the model for changes in the policy approaches regarding conservation measures, reduction in consumption, and costs. Dr. Lowry explained the funding for the Hondo project was working through the small business initiative, which provided a small tax credit to the business that supported the project and that could actually fund some of the work.

Paul Blanchard, USGS Study. Mr. Blanchard discussed Phase 2 of the project, and ultimately Phases 3, 4, and 5, to obtain water budget. Mr. Blanchard discussed the technical difficulties that were encountered in collecting some of the data. Mr. Blanchard stated the problems were questions regarding water quantity, quality, hydrologic system requirements, sustainable supply throughout the basins, adequate flow and water quality in the Rio Ruidoso. Mr. Blanchard discussed the comprehensive study to characterize precipitation, stream flow, groundwater systems, surface and ground water quality. Mr. Blanchard discussed long term monitoring to establish additional precipitation and snow pack measured sites. Mr. Blanchard stated the establishment of sites for monitoring ground water levels and monitor levels adjacent to withdrawal sites. Mr. Blanchard discussed continuing to collect stream flow data for temperature, nutrient concentrations, determine ground water ages and tritium activities. Mr. Blanchard discussed the benefit of the information would provide an improved understanding of the system that would result in improved management.

Dan Knorr, Upper Hondo collaborative Working Group. Mr. Knorr explained the group was formed at Alto Lakes in late 2004 of the water suppliers in the area. Mr. Knorr stated the purpose was to develop a regional plan for water. Mr. Knorr stated the group met for six months and worked on a planning goal. Mr. Knorr stated there was a letter of agreement among the participants. Mr. Knorr stated a scope of work defined the management committee and fiscal agent selection. Mr. Knorr stated it further set out to inventory water resource, facilities, forecast future populations and water demands, development for alternatives, and matching resources with future demands. Mr. Knorr stated the group basically was seeking funding to continue with the plan.

Way Ahead - Discussion

Mr. Stewart summarized the potential and ongoing studies. Greg Cory, Village of Ruidoso Councilor, stated he was intrigued by the work that was going on at that time. Councilor Cory discussed the avoidance of the duplication of efforts and to work through one body. Mr. Stewart discussed the cooperative efforts of the Wildland Interface Group that was compiled of many entities in the area. Mr. Stewart suggested an expansion of that group's scope of work to include the water issues. Mr. Stewart pointed out the Upper Hondo Collaborative Working Group was basically that type of group, but needed funding. Mr. Stewart discussed a Joint Water Use Board composed of all entities.

There was a general consensus to avoid the duplication of efforts and share information that had been previously gathered. Representative Dub Williams discussed the Governor had declared that year as the Year of Water. Representative Williams stated the legislature had funds to supply for projects concerning water.

Mr. Stewart summarized and stated the next step was to confer with all municipalities and develop a strategy to pursue funding from legislatures.

Mr. Stewart adjourned the meeting at 8:01: PM.

/s/ Bob A. Miller, Mayor

ATTEST:

Carol Virden, City Clerk