

DRAFT
VALLES CALDERA TRUST
PUBLIC MEETING
March 12, 2004
Albuquerque, New Mexico

PRESENT:

William deBuys, Chairman
Tracy Hephner, Vice Chair
Palemon Martinez, Member
Thomas Swetnam, Member
Larry Icerman, Member
Barbara Johnson, Member
Gilbert Zepeda, Member
David Yepa, Member
Darlene Koontz, Member

AGENDA

- 1) WELCOME AND INTRODUCTIONS
- 2) REVIEW AND APPROVAL OF AGENDA
- 3) REVIEW AND APPROVAL OF MINUTES
- 4) REPORT ON EXECUTIVE SESSION
- 5) REPORT ON PROCESS AND TIMETABLE FOR EXECUTIVE DIRECTOR SEARCH
- 6) OLD BUSINESS
 - a. Financial Report
 - b. Outstanding Mineral Interests
 - c. Draft Comprehensive Management Framework
 - d. 2004 Grazing Program
 - e. Preserve Improvements
- 7) NEW BUSINESS
 - a. 2004 Summer Recreation Program
 - b. Other
- 8) Public Comment
- 9) Adjourn

WELCOME AND INTRODUCTIONS

Chairman deBuys called the meeting to order and welcomed everyone. He asked the Board members to introduce themselves and then introduced the Trust's attending staff as well as the Trust's outside legal counsel.

REVIEW AND APPROVAL OF AGENDA

The Chairman presented the meeting agenda and asked if Board members had any additions. There were none; Dr. Icerman moved to accept the agenda as presented. Mr. Martinez seconded the motion and it was unanimously approved.

REVIEW AND APPROVAL OF MINUTES

Chairman deBuys presented the minutes from the January 23, 2004 public Board of Trustees meeting and asked if there were any changes. Several minor corrections were suggested and recorded. Dr. Icerman moved to approve the minutes as amended. Ms. Hephner seconded the motion, which was unanimously approved.

REPORT ON EXECUTIVE SESSION

Chairman deBuys reported the results of the executive session held by the Board on February 17, 2004. The Board took up two items at the meeting. First, the Board voted unanimously to instruct the staff to request a hearing on the Oil Conservation Commission's decision concerning the application for drilling permits by Geo Products of New Mexico. The Trust objects to their findings on the matter of jurisdiction. The objections come under two headings. First, that the findings were incorrect; and secondly, that they were unnecessary. The Trust will request that those findings be deleted from the Commission's order. Second, the Board voted unanimously to create a permanent part-time position, Special Advisor to the Trust. Dr. Ziehe will fill this position.

REPORT ON PROCESS AND TIMETABLE FOR EXECUTIVE DIRECTOR SEARCH

Ms. Hephner reported that, in the interest of filling the Executive Director position quickly, a search firm will be hired to conduct an open, broad search for potential candidates.

OLD BUSINESS

A. Financial Report

Rich Engstrom, Business Manager, reported on the status of the implementation of the Trust's new financial system and the obstacles that still remain in effecting a complete transition from the Forest Service financial system. The new system is now functional, but accurate financials are still difficult to produce until the Forest Service provides a set of opening balances for the Trust. In addition, the Trust is working with the Forest Service to transfer the unpaid obligations from fiscal year 2002 into Trust accounts.

B. Outstanding Mineral Interests

Gary Ziehe, Special Assistant to the Trust, presented a history of the mineral interest and then provided an update. In December, the lessee of the outstanding mineral interests for the Preserve applied for a permit to reopen two existing exploratory wells on the Preserve. The Trust petitioned the Oil Conservation Commission to block the permit on the grounds the Commission has no

jurisdiction over issuing the permits. The Commission denied the jurisdictional challenge but also denied the permits because the lessee has not obtained use of the surface rights from the Forest Service and Trust. The Trust has filed a challenge to the jurisdictional decision and the lessee has filed a challenge to the Commission's order that gives the Forest Service veto power over their ability to drill. The matter is currently in the Commission's hands.

Greg Nibert with the Hinkle Law Firm, representing the outstanding mineral interests, added that the lessee is in the process of preparing a surface use plan for submission to the Forest Service.

C. Draft Comprehensive Management Framework

Julie Grey, Communications Manager, presented the draft framework and explained that a series of five public meetings will be held in late April to elicit public feedback on the framework document. Written comments on the document will be accepted through May 28, 2004. She stated that public comments would be considered and incorporated in the final document.

D. 2004 Grazing Program

Dennis Trujillo, Preserve Manager, presented the Board copies of documentation on the heifer replacement and conservation stewardship programs that was sent to a large list of potential applicants. In addition, he presented the Board with documentation that estimates an initial allowable use of 500 units for the 2004 grazing program based on standing biomass on the Preserve. Major changes in the replacement heifer program from last year include an increase of maximum units to 50 per applicant and expansion of the program from one year to two.

Based on the available biomass, the base participation for the conservation stewardship program was set at 200, which will be filled by one or more selected applicants who best meet the conservation goals of the Preserve.

A range readiness review for both programs will be held around May 15, weather permitting, which will allow potential revision to the base program numbers.

The Chairman opened the floor for public comment. There was discussion of elk utilization of forage on the Preserve, potential use of the Valles Toledo for grazing, the effect of the drought on available forage and the maintenance and cost of the Preserve's bulls.

E. Preserve Improvements

Mr. Trujillo asked Marie Rodriguez, Natural Resources Coordinator, to provide status on various Preserve improvement projects.

Ms. Rodriguez explained that the Preserve is incorporating the Forest Service "common stand exam" procedures in order to standardize collecting vegetative data.

She stated that the Preserve is working with the Nature Conservancy and their historic fire regime data to determine existing fire conditions.

The Walatowa Woodlands Initiative thinning project is progressing smoothly and the proposed Nature Conservancy project north of Highway 4 should start thinning by the fall. The Walatowa

Woodlands has applied for a grant to continue work in the southwest corner and a two-year grant for thinning on Cerro del Medio.

Mr. Trujillo detailed this year's plan for continuing the upgrade of the water system at the Preserve. Last year, the water collection system was completed and this year the Trust will fund the replacement of the water distribution system. This contract is estimated to cost about \$200,000. This effort will also include installation of conduit to accommodate future installation underground utility, phone and data lines.

Mr. Trujillo described the proposed effort to replace the culverts, correct the drainage and resurface Road B on the Preserve. The initial estimate for this effort is \$1.1 million; however, the Forest Service has offered to do the work for less than half of this amount. The archaeology is being conducted and the executive team is looking at how to fund the survey.

Mr. Trujillo provided a status on the noxious weed eradication program which is targeting noxious thistle populations in about 20 areas. The decision was signed last year, but frost came prior to implementation of the program. The Bureau of Land Management has certified people to conduct the effort and it is scheduled for this year.

NEW BUSINESS

2004 Summer Recreation Program

Mr. Trujillo outlined the proposed 2004 hiking program for the Preserve. The planning process, including archeological clearance, is progressing for four additional public hiking trails. The planned trails are from four to twelve miles in length and are of varying level of difficulty. All planned trails are on existing old logging roads.

An extensive question and answer period ensued, with members of the Board and public discussing future overnight camping possibilities, monitoring efforts for the hiking program, program, potential for a caldera rim trail, and Americans with Disabilities Act accessibility to trails.

Mr. Trujillo outlined the proposed equestrian program for 2004. He stated that a series of initial meetings with a public group has resulted in a conceptual plan to utilize existing roads in the southwest corner of the Preserve to develop a quality program. The initial concept is being analyzed to determine trail routes and lengths as well as to understand the impact this program might have on other programs and the Preserve.

Mr. Trujillo detailed the 2004 fishing program, including the logistical changes made to the program as a result of the lessons learned meeting from last year's program. The major improvement to the program has been to implement a lottery system as opposed to first-come-first-serve to more equitably distribute fishing opportunities on the Preserve.

Mr. Trujillo stated that several groups have approached the Trust about having special recreation events on the Preserve. These include the Fat Tire bicycle event, weddings, and an endurance horse event. These are lower priority efforts at the moment, but the Preserve may be able to accommodate some of these types of special events. The Trust will need to develop criteria for

decision making on special events on the Preserve. He asked the Board to provide some direction on whether they would like the staff to consider these uses.

An in-depth conversation followed specifically on the Fat Tire Festival proposal details and associated Preserve support that would be required for hosting this event in August 2004. After lengthy discussion which included topics such as how the Trust will monitor the event, what general criteria can be established to guide the Trust in accepting or rejecting special event proposals, and logistical details of this specific event, Dr. Icerman moved that the staff be encouraged to continue planning for this event as a test to see how these events could be structured. Mr. Zepeda seconded the motion, which was unanimously agreed to.

Chairman deBuys opened a Board discussion on the use of Preserve buildings for special events. Concerns included timing on the completion of the water distribution system and an over burden of staff time, to coordinate special events. Mr. Martinez moved to urge the staff to continue planning to explore possibilities of using Preserve facilities. The motion was seconded by Dr. Icerman and approved unanimously.

PUBLIC COMMENT

Brian Beaudoin from New Mexico Trout asked if the Trust has any long-term plans to reintroduce the Rio Grande Cutthroat Trout to the Preserve watersheds. Dr. deBuys said there are no particular plans at this time.

George Marr suggested the Trust market on-demand lithographs of pictures from the Preserve as a revenue source.

Ilse Bleck from the Sierra Club asked when the Stewardship Action Records System (StARS) process will be consistently applied to all Trust programs. Mr. Trujillo reviewed the process and said that all Preserve programs are available now for comment.

Carol Jacobsen asked what projects the \$8 million budget request for fiscal year 2005 will include. Mr. Engstrom stated that it will be used primarily for infrastructure projects.

Randy Rasmussen asked if there is a concrete date when true public involvement, through the StARS process, will be required for Trust projects. Dr. deBuys explained that the Trust process is coming on line and being applied to projects as it does.

Marty Peale from the Valles Caldera Coalition expressed that the excuse of not enough staff or money is "not going to fly" for much longer with her organization. She wants the Board to say that it is committed to implementing the full-fledged StARS process on a specific date. She offered to volunteer her group to go through the StARS process to test the entire process on an individual project.

ADJOURN

Dr. Swetnam motioned for adjournment. The motion was seconded by Mr. Martinez. The motion passed with no objection and the meeting was adjourned.