

Valles Caldera Trust
Minutes of the Public Meeting – February 21, 2006
Courtyard by Marriott, Journal Center
Albuquerque, New Mexico

Board Members Present

Tracy Hephner, Chairperson
Barbara Johnson, Vice-Chairperson
Larry Icerman, Secretary
John Caid, Member
Jim Gosz, Member
Bill Keleher, Member
Darlene Koontz, Member

Staff Present

Rob Dixon, Information Technology Manager
Randy McKee, Ranch Foreman
Bob Parmenter, Preserve Scientist
Dennis Trujillo, Preserve Manager

I. Welcome

Chairperson Hephner opened the meeting at 6:05 pm and welcomed guests. Ms. Hephner also welcomed a new Trustee, Albuquerque attorney Bill Keleher. Mr. Keleher noted that he is a third-generation New Mexican who has always been interested in the Valles Caldera and knew the previous owners of the Baca Ranch. Mr. Keleher has practiced law in New Mexico for 47 years.

Chairperson Hephner reported that the Board had conducted second interviews of candidates for Executive Director and expected to offer the position to the selected candidate the following day.

II. Review and Approval of the Agenda

Larry Icerman moved that the agenda be approved with a deletion of the approval of the minutes of the December 16, 2006, meeting. Darlene Koontz seconded the motion, which passed unanimously, with Bill Keleher abstaining.

III. Administration of the Oath of Office

Vice-Chairperson Barbara Johnson administered the oath of office to Bill Keleher.

IV. Financial Report

Larry Icerman reported that the Board had approved a 2006 budget subject to the final appropriations being made by Congress. The Trust has three sources of funds (i.e., the normal

annual standard appropriation, a supplemental appropriation of \$1.5 million, and a contract authority through the U.S. Department of Transportation). The Trust will be subject to a 1% rescission in addition to the previously announced 0.476% recision. There is also a possibility that the Trust may not have access to the transportation contract authority, valued at up to \$1.475 million less the revisions. This authority was expected to be available for use for transportation-related projects. Although the Board and Trust staff have done a lot of work preparing various operating budgets, the Board is not in a position to formally approve a revised budget for Fiscal Year 2006 until the actual appropriation and contract authority levels are known. These values should be known by the date of the next public meeting.

Chairperson Hephner explained that the Board had received a message from the Congressional delegation that Fiscal Year 2006 funding is very tight because of the obligations to the war in Iraq and hurricane recovery efforts. All appropriations for all federal agencies are being scrutinized exceptionally closely.

V. Preserve Manager's Report

Dennis Trujillo, Preserve Manager, reported that Senate Bill 212, an amendment to the Valles Caldera Preservation Act, had two components. One component is acquisition of the minority mineral interests on the Preserve. If the federal government is unsuccessful in acquiring these mineral rights by negotiation with the current private owners within sixty (60) days after enactment, the Secretary of Agriculture shall acquire the rights by a legislative taking. The negotiation period expired on February 20, 2006, but Mr. Trujillo had not yet heard the results of negotiations.

The second component of the legislation included language to enhance the operations of Trust. Specifically, the legislation calls for the Secretary of Agriculture to develop a plan to carry out fire suppression, which relieves the Trust from having to reimburse the U.S. Forest Service for such services. That plan has been completed and is now being reviewed by the Santa Fe National Forest.

Mr. Trujillo reported that the Preserve has had zero days of winter recreation but has been reopened for wildlife tours, which has represented an opportunity for the public to get out and experience the Preserve. Mr. Trujillo predicted that the elk population on the Preserve would be high this year.

Mr. Trujillo reported plans for the Board to consider a proposed Stewardship Action for interim opportunities for overnight camping on the Preserve at the next public meeting. This program would increase the efficiency of people doing work on the Preserve, would enhance recreation opportunities, especially those associated with special events, and would support fire-management activities on the Preserve, like the prescribed Toledo burn.

Mr. Trujillo and Bob Parmenter, Preserve Scientist, met with the Pajarito Environmental Education Center (PEEC) to discuss hosting the Nature Odyssey program. This activity would involve taking youth groups onto the Preserve to learn about environmental conditions and to test water quality and quantity. Mr. Trujillo and Mr. Parmenter believe this is a program worthy of

support, but would like to see a more diverse audience participate, including youth groups from neighboring pueblos and communities.

Chairperson Hephner responded that the idea had just been presented to the Board, which had little opportunity to think about the request by PEEC. As such, the Board was not prepared to act on the request. Karen Kendall of PEEC pointed out that the organization held an event in January attended by about 70 people.

VI. Report on Forage Conditions

Bob Parmenter introduced four presentations related to the assessment of forage conditions on the Preserve. Mr. Parmenter said that a rigorous process had been used to acquire and analyze data that would support the determination to stocking rates for the 2006 grazing season.

Brett O'Haver, U.S. Bureau of Land Management, summarized existing information on the Valles Caldera range, which included vegetation surveys, water resource inventories, and a history of timber harvesting. About 40,000 of the Preserve's 60,000 acres of woodlands have been disturbed, and 46% of water sources are functional for grazing. Mr. O'Haver only studied the grassland portions of the Preserve, about 26,000 acres. Of the existing 131 water structures, only 60 are working, but there is a lot of overlap between dirt tanks and perennial waters in serving the grazing areas.

A member of the public asked how the health of the Preserve compares to similar properties. Climatic conditions have not been very good during the past four years, but the Preserve is in pretty good shape. The Preserve compares favorably with the Valle Vidal and Ted Turner's ranches in New Mexico, according to Mr. O'Haver.

A member of the Sierra Club asked for an explanation of overlaps in the water features. Mr. O'Haver responded that there are some service-area overlaps. She asked what percentage of the water used by livestock came from tanks and what percentage from streams. Mr. O'Haver could not state the breakdown precisely, but the tanks provide a lot of water because they are situated in swale areas, which are advantageous for water collection, and some tanks are below small seeps.

Jim Gosz reminded Mr. Parmenter that he had two months remaining to advise the Board on what the livestock management program should be for the summer. Scientific information has to be the guide for Board actions. Mr. Parmenter responded that his recommendations would be based on O'Haver's robust analysis and precipitation during the rest of February. Mr. O'Haver added that with little snow this winter, there is a lot of dead standing fiber that could be used for grazing if supplemented with protein and energy blocks.

A member of the public said that in areas on the upper East Fork of the Jemez River, which is fenced to allow access to elk but not cattle, the visible difference in vegetation was significant. Unless the Preserve manages cattle differently, elk will do damage that will not be apparent in this kind of forage analysis. In addition, if there is grazing in woodlands and forested areas, changes in the under story could create a fire hazard. Chairperson Hephner responded that this

was one portion of a complicated picture. Mr. O'Haver said that in the woodland areas, 40,000 acres have already disturbed by previous use.

Mr. Parmenter next described the elk study, conducted by Susan Rupp, to determine how much overlap there is between elk and livestock. Using global positioning system (GPS) collars, data were collected on 54 adult elk in 90,000 individual locations. Studies in 2002 and 2003 showed that the elk herd on the Preserve spent about one-half of their time in grasslands and the balance in the woodlands. During the summer, the elk graze the meadows largely at night; by day, the elk stay out of sight in the trees. In the winter, forage usage is more even. Whether livestock are present or not, the elk grazing patterns do not change.

Doug Moore, University of New Mexico, provided an update on weather conditions near the Preserve. Mr. Moore relied on the Preserve's five meteorological stations plus two others located on Los Alamos National Laboratory and U.S. Forest Service property for weather data. Precipitation in 2005 was not typical for New Mexico. January and February were wet, followed by no rain until the monsoons during the summer, which were late. There was some precipitation in October. The 2005 conditions followed severe drought in 2002 and 2003 and the wettest April on record in 2004. By December 2005, conditions were still normal because plants responded to the moisture received during October. But the months from November 2005 through January 2006 were the second warmest in the past 111 years and the second driest.

Two indices show the northern New Mexico mountains to still be within the normal precipitation range. Winter precipitation is highly influenced by the El Niño Southern Oscillation in the equatorial Pacific. When the sea surface temperature is above normal, weather is more normal; but when the sea temperature is below normal, a La Niña condition occurs. This year looks like a La Niña, while 2005 was a weak El Niño. For the short term, Mr. Moore predicted below-normal precipitation combined with above-average temperatures. From May to July 2006, there are equal chances of wetter, drier, or normal weather. Later in the year, there is less chance of a La Niña returning. The Preserve is unlikely to see improved moisture before the summer monsoons, but a La Niña seems to trigger an early start to the monsoons.

Next, Mr. Parmenter discussed the nutritional condition of the forage on the Preserve. Kentucky bluegrass is marginal, as is Arizona fescue, but dandelions are the best forage species on the Preserve. Without precipitation to cause a green-up, the quality of the forage will be low, and livestock might need supplements.

Chairperson Hephner commented that the information presented may seem like a lot of bad news, but it is a reality that must be dealt with on a working ranch. The Board will use the forage information to inform future decisions related to livestock grazing.

VII. Update on the Environmental Impact Study Related to Forage Management

Chairperson Hephner reported progress the Board had made on developing an approach to managing the forage resources on the Preserve. Vice-chairperson Barbara Johnson said the Board had signed a work order with the U.S. Forest Service TEAMS Planning Enterprise to begin work on an Environmental Impact Statement (EIS) for forage management, based largely

on data collected previously and assembled by the Trust staff. Ms. Hephner said that the Trust would post the dates for scoping sessions on the Trust's Web site as soon as the dates have been selected. A very aggressive schedule for preparation of the EIS within 12 months has been developed.

Marty Peale, Valles Caldera Coalition Coordinator, noted that in reading the amendment to the existing Environmental Assessment (EA), she came across a statement of purpose. She wondered if the amendment might actually alter the purpose of the EA. Mr. Trujillo responded that the amendment is based on a decision to move forward. There are ways other than grazing livestock to provide assistance to local ranchers. The Trust met the intent of the EA in providing drought relief to local ranchers.

VIII. Public Comments

Jim Lout from Creede, Colorado, brought up the General Accountability Office (GAO) report released in November 2005 and asked if there had been a response by the Trust, what that response will be, and whether the response will be posted on the Web site. One of the issues raised by the GAO report was the limited public access to the Preserve to date. He said that the efforts to optimize livestock grazing are good, but he wondered if there is a comparable effort to maximize public access.

Chairperson Hephner responded that the Board was finalizing responses to the GAO report. The Trust has made significant progress on a number of issues raised in report, including an effort to review all of the Trust's strategic planning efforts. Larry Icerman added that a formal written response signed by the Chairperson was included as an appendix to the report. Ms. Hephner said the Trust received a supplemental appropriation for Fiscal Year 2006, much of which will be used to support a variety of planning efforts, including infrastructure and recreation. One constraint on the recreational programs to date has been the difficulty experienced by the Trust in obtaining liability insurance to cover visitors to the Preserve. The Board is taking a stepwise approach to planning. There will be opportunities for appropriate public input.

A member of the public asked what prevents the Trust from having liability coverage similar to that held by national forests and national parks. Ms. Hephner responded that most federal agencies are part of a government insurance pool, and the government is self-insured. The Trust, as a wholly owned government corporation, is not included in the government insurance pool. In fact, Congress specifically excluded the Trust from the federal insurance pool in the enabling legislation. Because the Trust is presently self-insured, any claim would have to be paid out of the Trust's financial resources. Acquiring liability insurance has been difficult because insurance companies do not have experience with insuring government corporations. As such, the rates quoted have been prohibitively expensive.

Chairperson Hephner said she had been doing a lot of research and was hopeful the Trust could purchase insurance that will provide liability coverage at affordable rates. Larry Icerman explained that the federal government insurance pool was designed for federal agencies. Because the Trust is neither a federal agency nor a standard nonprofit corporation, underwriters do know

how to assign the Trust into a standard risk category. The Trust hopes to have resolved this issue by the next public meeting.

Clinton Dill asked if the Trust has plans for a timber harvesting program. Mr. Dill is a small-time logger and is interested in any timber that might be harvested. Mr. Parmenter responded that studies have delineated 263 distinct forest stands on the Preserve. Some of these stands are being analyzed for the quantity and quality of the timber resource. There is a lot of second growth and a lot of small-diameter wood, the removal of which would be beneficial to the Preserve. Mr. Dill said he knows of red fir stands that have died, which he could make use of as well, but will only be of value for so long.

George Marr said that there was a pretty good equestrian program set up on the Preserve, which was initially available for registration on the Web site. But now registration on the Web site is not possible and he would like that situation to be addressed. Mr. Marr also noted that he had previously advocated setting up a 501(c)(3) friends group and sees great potential for such a group. Vice-Chairperson Johnson pointed out that the Trust is in the process of founding a 501(c)(3) corporation and that the Board was currently working on articles of incorporation and bylaws.

Chairperson Hephner said there had been problems with the Web site, and that the Board was equally frustrated. Rob Dixon, Information Technology Manager, said that the summer recreation programs should be available for registration on the Web site sometime in March. Problems last year resulted from the previous Web site design, which did not accommodate new programs very well. Darlene Koontz asked if people could use credit cards to pay registration fees on the Web site. Mr. Dixon indicated that could be done now.

IX. Adjournment

Larry Icerman moved to adjourn the meeting, and Jim Gosz seconded the motion.

The meeting was adjourned at 7:20 pm.

Approved on April 20, 2006.

Respectively submitted by Larry Icerman, Secretary.