



City of Las Vegas

1700 N. Grand Avenue | Las Vegas, NM 87701 | T 505.454.1401 | lasvegasnm.gov

Mayor Louie A. Trujillo

**CITY OF LAS VEGAS
SPECIAL CITY COUNCIL MEETING
May 4, 2023– Thursday – 11:00 a.m.
City Chambers
1700 North Grand Avenue
Las Vegas, NM 87701**

AGENDA

*City Council Meetings are
Available via YouTube*

https://www.youtube.com/channel/UCNGDVGRRAL0qVevel5JYeRw?view_as=subscriber

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. PLEDGE OF ALLEGIANCE**
- IV. MOMENT OF SILENCE**
- V. APPROVAL OF AGENDA**
- VI. PUBLIC INPUT (comments limited to topics on current agenda; not to exceed 3 minutes per person and individuals must sign up at least fifteen (15) minutes prior to meeting.)**
- VII. BUSINESS ITEMS**

1. Discussion and Consideration of an emergency water lease contract for bulk purchase of water from Storrie Lake shareholder, Michael Quintana.

Mayor Trujillo, Agreement between the City of Las Vegas and Michael Quintana to lease bulk water from Storrie Lake.

David Ulibarri
Councilor Ward 1

Michael Montoya
Councilor Ward 2

Barbara Casey
Councilor Ward 3

David G. Romero
Councilor Ward 4

VIII. EXECUTIVE SESSION

In Accordance with the New Mexico Open Meetings Act, NMSA 1978, Section 10-15-1 (H)(8), Purchase, acquisition of water rights, discussion of a water lease agreement for the purchase of bulk water from Michael Quintana.

IX. ADJOURN

ATTENTION PERSONS WITH DISABILITIES: The meeting room and facilities are accessible to persons with mobility disabilities. If you plan to attend the meeting and will need an auxiliary aid or service, please contact the City Clerk's Office prior to the meeting so that arrangements may be made.

ATTENTION PERSONS ATTENDING COUNCIL MEETING: By entering the City Chambers you consent to photography, audio recording, video recording and its/their use for inclusion on the City of Las Vegas website and to be broadcast on YouTube.

NOTE: A final agenda will be posted 72 hours prior to the meeting. Copies of the Agenda may be obtained from City Hall, Office of the City Clerk, 1700 N. Grand Avenue, Las Vegas, NM 87701 or the City's website at www.lasvegasnm.gov



**CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM**

Meeting Date: 5/4/2023

Date Submitted: 5/1/2023

Department: Executive

Item/Topic: Discussion and Consideration of an emergency water Lease Contract for bulk purchase of water from Storrie Lake shareholder, Michael Quintana.

Fiscal Impact:

Attachments:

THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY CLERK'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.

Approved For Submittal By:

Reviewed By:

Department Director

Finance Director



City Manager

City Attorney (Approved as to Form)

**CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN**

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

EMERGENCY WATER LEASE CONTRACT FOR BULK PURCHASE OF WATER

WHEREAS, as the result of the catastrophic Hermit's Peak/Calf Canyon fire, admittedly caused by the United States Forest Service, and the resulting flood damages from burn scar runoff in the Gallinas River watershed and other watersheds in the surrounding area, Las Vegas is in jeopardy of exhausting its limited water supply stored in its two existing reservoirs;and

WHEREAS, Las Vegas currently owns 800 acre-feet of storage space in Storrie Lake and is a shareholder member of SPWUA by virtue of its purchase of the "Franken" water rights; and

WHEREAS, the State of New Mexico procured a temporary, emergency water pre-treatment system that will allow the water utility to directly use its water from Storrie Lake, as well as additional water from the reservoir if it becomes available, as possibly the only source of potable water for its resident water users; and

WHEREAS, it is possible that, under current conditions, water diverted into and available from Storrie Lake may be the only source of rawwater, able to be treated, for Las Vegas' municipal water supply for its citizens; and,

WHEREAS, Las Vegas, contingent on full payment for this lease of bulk water by the State of New Mexico, wishes to procure an additional emergency source of water while the Gallinas watershed continues to yield highly degraded water and debris that will likely require multiple actions to provide treatable water under emergency conditions as the watershed stabilizes; and

WHEREAS, Las Vegas seeks to procure a two-year emergency lease of the entire shareholder allotment of Michael Quintana, individually, and as Personal Representative of the Estate of Robert Quintana, deceased. This consists of 998.8 shares (such shares shall entitle shareholder to divert allotted water on no less than 998.8 acres),

:

AGREEMENT FOR BULK WATER SALE THROUGH TWO YEAR LEASE

Michael Quintana, individually, and as Personal Representative for the Estate of Robert Quintana, deceased (Lessor) and City of Las Vegas (Lessee), collectively "parties", agree as follows:

1. Lease Year 1. Lessee leases the allotment for Lessor's share of water from Storrie Project Water Users Association for the irrigation season of 2023 and such allotment may be used by Lessee at any time from execution of this Agreement through March 31, 2024.

2. Lease Year 2. Lessee leases the allotment for Lessor's share of water from Storrie Project Water Users Association for the irrigation season of 2024 and such allotment may be used by City at any time from April 2, 2024, through March 31, 2025.

3. Lessee will pay up to \$1 million/ per year for each lease year above subject to this paragraph 3. Lessee will make payment to Lessor within 45 days of Lessee taking delivery of

any portion of lessor's allotment from SPWUA. Payment will be calculated at \$2022 per acre foot assuming no less than 6 inches per year will be allotted so that 494.4-acre feet of bulk water will be available to Lessee in any lease year. If more than 6 inches/year is allotted, the Lessee will be entitled to receive delivery of all amounts allotted to Lessor with annual lease payments capped at \$1 million per year. For Lessee to make payment to Lessor, water must be delivered to Lessee in a manner satisfactory to Lessee and all Office of State Engineer(NMOSE) or other permitting requirements for use of the water in the Lessee's municipal system must be met.

4. No evaporative losses are deducted from the leased water prior to Las Vegas' taking it for use.

5. All of the above recitals are incorporated into this Agreement as fully set forth herein.

6. Use by Lessee of leased water will be tracked daily and reported on the monthly log provided to NMOSE.

7. Lessor makes no representations or guarantees as to the quality of water being provided to Lessee under this Agreement but agrees to work in good faith with Lessee.

8. The contents of this Agreement, including the recitals, constitutes the entire written agreement between the parties and no oral or supplemental agreements may be used to modify its contents without a written agreement signed by both parties.

9. Nothing in this Agreement is intended to waive Lessor's claims to compensation for the loss of any quantity of water not diverted due to keeping the canal heading gates closed or operated intermittently to capture higher quality water or all claims associated with damages arising from the watershed fire and resulting flooding that was caused or exacerbated by the United States.

10. Nothing in this Agreement is intended to waive Las Vegas' claims to compensation for the loss of any quantity of water not diverted because of the fire or all claims associated with damages arising from the Gallinas watershed fire and resulting flooding that was caused or exacerbated by the United States.

11. Nothing in this Agreement will in any way alter or affect the water rights of either party as determined in the Gallinas River decree.

12. Nothing in this Agreement is intended to create a precedent for future bulk water purchases and/or use of the Storrie Intake Canal by the City from SPWUA. This Emergency Water Lease is due to the conditions set forth in the recitals above and it is unknown if such conditions will apply in the future.

13. This Agreement is contingent upon the State of New Mexico making complete payment of all amounts to the City of Las Vegas prior to lease payment due dates. Lessee does not agree to be responsible for payment of any amounts due under this Agreement unless the State of New Mexico makes timely payment. In the event of a failure of the State of New

Mexico to make complete payment as set forth above, the parties must elect jointly to proceed on any provision that funding is made available for.

14. This Agreement is contingent upon confirmation by Lessor that no permits are necessary for Las Vegas to use the bulk water, or issuance of such permits prior to Lessee taking delivery of water.

15. This Agreement is contingent upon a resolution from SPWUA Board approving this Agreement.

Date: _____

THE CITY OF LAS VEGAS, NEW MEXICO

By: _____
(Name /title)

Michael Quintana individually, and as
Personal Representative for the Estate
of Robert Quintana, deceased

Michael Quintana

STORRIE PROJECT WATER USERS ' ASSOCIATION

By: _____
(Name /title)