

**Minutes of Special Meeting  
Board of Directors  
El Paso County Water Improvement District No. 1  
(EPCWID)  
August 26, 2025**

<b>DIRECTORS PRESENT</b>	<b>EMPLOYEES PRESENT</b>
<b>Art Ivey, President</b>	<b>Jay Ornelas, PE General Manager (via zoom)</b>
<b>Larry Ceballos, Vice-President</b>	<b>Lisa Aguilar, Chief Administrative Officer</b>
<b>George Brooks, Secretary</b>	<b>Claudia Ruiz, Administrative Assistant</b>
<b>Jarett Rogers, Director</b>	
<b>Miguel Teran, Director (via zoom)</b>	
<b>LEGAL COUNSEL</b>	<b>GUESTS</b>
<b>Renea Hicks, Attorney At Law (via zoom)</b>	<b>Juan Fernandez, USBR</b>
<b>Maria O' Brien, Attorney At Law (via zoom)</b>	<b>Johnny Stubbs, Water User</b>
<b>DISTRICT ENGINEER</b>	
<b>Dr. Al Blair, PE District Engineer (via zoom)</b>	

1. Call to order and establishment of a quorum.

**There being a quorum of Directors present, the meeting was called to order by President Art Ivey at 9:00 a.m., and the Directors then proceeded to consider the following.**

2. Welcome of guests. No action was taken on this item.

3. Proposed settlement among the United States of America (by and through the U.S. Department of the Interior, Bureau of Reclamation), the State of New Mexico, the Elephant Butte Irrigation District, and EPCWID *in New Mexico v. United States, et al.*, No. 11-cv-00691 (D. N.M.), and *United States v. Elephant Butte Irrigation District, et al.*, No. 97-cv-00803 (D. N.M.).

After a motion by Larry Ceballos, seconded by Jarett Rogers, duly considered and carried by unanimous vote of the Board the following resolution was adopted:

**RESOLVED: (as shown in full on the attached exhibit).**

4. Any or all of the items shown on the attached Closed Meeting Agenda.

**The Board then entered into a closed session at 9:02 a.m. regarding the items to be considered in closed session as shown on the Notice of Public Meeting. The Board subsequently returned to the open session at 11:03 a.m. with no action having been taken in the closed session.**

5. **Adjournment.** On motion duly made, seconded and carried, the Board Meeting adjourned at 11:08 a.m.

  
George Brooks, Secretary

**EL PASO COUNTY WATER IMPROVEMENT DISTRICT NO. 1**  
**August 26, 2025**  
**Special Called Board Meeting, Agenda Item 3**

**RESOLUTION**

The Board of Directors ("Board") of El Paso County Water Improvement District No. 1 ("EPCWID"), having met in public session with a quorum present on August 26, 2025, hereby RESOLVES that:

**Whereas**, the Rio Grande Project ("Project") is a federal Reclamation project operated by the United States, through the United States Bureau of Reclamation ("Bureau of Reclamation") pursuant to federal Reclamation law in coordination and cooperation with the two Project beneficiaries, the Elephant Butte Irrigation District ("EBID") in New Mexico and EPCWID in Texas;

**Whereas**, the delivery of Rio Grande water by the Bureau of Reclamation to EBID and EPCWID is made pursuant to a series of agreements, generally referred to as the "Downstream Contracts," which have been periodically renegotiated and revised over the years since the Project's inception;

**Whereas**, the Bureau of Reclamation's operation of the Project and its obligations to EBID and EPCWID under the Downstream Contracts are the means by which, as approved by the United States Congress, the States of Colorado, New Mexico, and Texas (the "Compacting States") chose under the Rio Grande Compact ("Compact") to effectuate the apportionment of water in the Compact;

**Whereas**, the Bureau of Reclamation currently operates the Project under an Operating Agreement executed by the United States, EBID, and EPCWID, on March 10, 2008 ("Operating Agreement"), and an Operations Manual that implements the Operating Agreement ("Operations Manual");

**Whereas**, in 2011, New Mexico brought a lawsuit against the United States, EBID, and EPCWID, challenging the Operating Agreement under various federal statutes, including the Compact, in a case styled *New Mexico v. United States, et al.*, No. 11-cv-00691 (D. N.M.) ("Operating Agreement Case");

**Whereas**, the Operating Agreement Case is still pending but has been stayed since 2012;

**Whereas**, in 2013, Texas filed suit against New Mexico and Colorado in a case in the Supreme Court of the United States' original jurisdiction styled *Texas v. New Mexico*, No. 141, Orig. ("Original Action");

**Whereas**, the United States intervened in the Original Action and filed a complaint asserting essentially the same claims as Texas, alleging that groundwater pumping in New Mexico below Elephant Butte Reservoir intercepts and interferes with Project deliveries to EBID and EPCWID (as well as the Republic of Mexico), thus violating the Compact by reducing the amount of water stored in the Project that is available for delivery in the future;

**Whereas**, the United States sought declaratory and injunctive relief in the Original Action to compel New Mexico to prevent such interception and interference;

**Whereas**, in 2018, the Supreme Court of the United States held in the Original Action that the United States could pursue the Compact claims it had pleaded;

**Whereas**, in 2024, the Supreme Court of the United States in the Original Action denied a motion by the Compacting States to enter a proposed consent decree on the ground that it would have disposed of the United States' claims without its consent;

**Whereas**, after the 2024 Supreme Court ruling, the Compacting States, the United States, EBID, and EPCWID ("Negotiating Parties") engaged in negotiations to resolve all claims in the Original Action, as well as certain related disputes;

**Whereas**, these "certain related disputes" are the Operating Agreement Case, a pending case styled *United States v. Elephant Butte Irrigation District, et al.*, No. 97-cv-00803 (D. N.M.) (generally referred to as the "Quiet Title Case"), and certain issues associated with the rights of the United States in the Project and water rights of EBID members in the Lower Rio Grande Adjudication ("LRG Adjudication"), a general stream adjudication pending in New Mexico state court in the Third Judicial District;

**Whereas**, through a collection of proposed agreements involving different combinations of settling parties, the Negotiating Parties have agreed to resolve all claims in the Original Action, as well as certain related disputes;

**Whereas**, the United States, New Mexico, EBID, and EPCWID have agreed to enter into an agreement concerning operations of the Project (referred to as the "Operations Settlement Agreement" and sometimes in this Resolution simply as "Agreement"), which includes agreements concerning (as among the United States, New Mexico, and EBID) the LRG Adjudication and, as between the United States and New Mexico, a Groundwater Settlement Agreement;

**Whereas**, in Part I and Exhibit A of the Operations Settlement Agreement, certain operations of the Project are addressed in detail, including an agreement that the

term of the Operating Agreement shall be extended so that it shall be perpetual and run concurrently with the operational changes in the Agreement;

**Whereas**, in Part III of the Operations Settlement Agreement, it is agreed that the Operating Agreement Case, including New Mexico's claims against the United States, EBID, and EPCWID, will be dismissed with prejudice and that the United States' claims and EPCWID's cross-claim against the United States, as well as any other cross-claims and complaints in the Quiet Title Case, will be dismissed with prejudice;

**Whereas**, the Compacting States have agreed to enter into an agreement to propose a consent decree (termed the "EEPI Decree," with "EEPI" referring to the "Effective El Paso Index") to the Supreme Court of the United States to conclude their Compact dispute;

**Whereas**, the United States, New Mexico, and EBID also agreed to enter into two contracts under Reclamation law pursuant to the Miscellaneous Purposes Act, 43 U.S.C. § 521: one, a contract between the United States and EBID called the "Conversion Contract," which concerns an authorization for EBID to convert an agreed-upon amount of irrigation-only Project water to water that may be used for other purposes; and another, a contract between New Mexico and EBID, approved by the United States, which concerns terms and conditions upon which New Mexico may purchase from EBID water converted to other purposes under the Conversion Contract and use the converted water to assist New Mexico in meeting its delivery obligations under the EEPI Decree;

**Whereas**, the only one of these agreements to which EPCWID is a party is the Operations Settlement Agreement, specifically Parts I, III, V, and VI;

**Whereas**, the United States and New Mexico have agreed in Part V.A of the Operations Settlement Agreement to jointly file a motion for entry of a Decree of Dismissal of the United States' claims and any New Mexico counterclaims, with the preconditions for filing such a joint motion being that the Operations Settlement Agreement, the Groundwater Settlement Agreement, the Conversion Contract, and the Third-Party Implementing Contract be fully executed before August 29, 2025, and that the Compacting States have fully executed the EEPI Decree and filed a joint motion for entry of it by August 29, 2025; and

**Whereas**, the Negotiating Parties have agreed in Part V.B of the Operations Settlement Agreement that the Operations Settlement Agreement will be effective upon entry by the Supreme Court of the United States of the EEPI Decree and the Decree of Dismissal;

**Now, Therefore, Be It Resolved That:**

The Board, having been informed of the details of all of the aforementioned agreements, most particularly the Operations Settlement Agreement, and their relation to one another, and the Board having considered same, approves of the Operations Settlement Agreement and authorizes the Board President to sign such agreement on behalf of the Board and the EPCWID.

The EPCWID Board of Directors:

By:



Arthur H. Ivey, Jr., President of the Board

Attest:



George Brooks, Secretary of the Board

Dated: August 26, 2025