

**BY-LAWS OF
THE BLOOMFIELD IRRIGATION DISTRICT**

**ARTICLE I
Name and Principal Office**

1.1 The name of this New Mexico Cooperative Association which shall be governed by these By-laws is the BLOOMFIELD IRRIGATION DISTRICT, (abbreviated hereinafter "BID", or "District") a special irrigation district duly organized under the laws of the state of New Mexico, §§ 73-9-1 through 62 NMSA 1978, located in the County of San Juan.

1.2 The registered office and principal office of the BID shall be:

1205 E. Broadway
Bloomfield, New Mexico, 87413

until such time as the office is moved by action of the Board of Directors, but at all times this office shall be located in San Juan County, New Mexico. These By-laws may be periodically amended to indicate such movement of the principal office.

**ARTICLE II
Purposes of the District**

2.1 The BID shall have as its purposes: (a) the establishment and maintenance of an irrigation ditch and water transportation system ("Ditch") with a point of diversion from the San Juan River beginning at mile post 17 on New Mexico State Highway 173 below the Navajo Dam Project, and extending the length and course of the existing Ditch, to a return to the San Juan River, at a point parallel with and approximately 1/2 mile south of mile marker 59 on New Mexico State Highway 64; (b) to transport non-potable water for irrigation and stock uses to members of the District with water rights within its boundaries and course of the Ditch in San Juan County, State of New Mexico, and to do so in a way which preserves water as a precious resource; and (c) to protect and defend the rights and interests of the BID and its members.

2.2 The BID expressly recognizes that the water in its Ditch is non-potable and is intended primarily for agricultural purposes, and the BID shall cooperate with state and federal regulatory agencies to assure that this non-potable water is not used for potable purposes; however, it is also recognized that the Ditch transports water to systems which treat the water and provide potable water for public uses, namely, but not solely, the City of Bloomfield, New Mexico. The BID shall have, as an additional purpose, the provision of raw water to these regulated systems for the public benefit and good.

2.3 The BID shall have all rights granted it under the laws of the state of New Mexico, including but not limited to the right and authority to construct, acquire, or purchase and utilize all canals, ditches, reservoirs, reservoir sites, water, water rights, rights-of-way, or other property as necessary to fulfill the above purposes and to provide water to the persons and lands within its boundaries. The

management and operation of the BID shall be in compliance with the laws of the State of New Mexico, these Bylaws and the rules, regulations and policies of the BID. The BID has legal standing and authority to represent its members as to matters of common interest.

ARTICLE III
Membership, Voting Rights and District Boundaries

3.1 Members of the BID shall be resident freeholders, meaning those persons who own land with water rights within the District boundaries pursuant to NMSA § 73-9-3, or the evidence of title to said land, or in the case of public water systems such as the City of Bloomfield, entities which have acquired the appurtenant water rights of lands within the District in compliance with the District's Bylaws and policies regarding changes in place or purpose of use or point of diversion, and shall include corporations, associations, or co-partnerships.

3.2 Each freeholder member of the District, who is a qualified elector under the New Mexico State Election Code and pertinent state laws including but not limited to NMSA §§ 73-2-25, shall have the right to cast one (1) vote, in each election or voting matter for the District, for each acre of land with water rights owned or held within the District, up to a maximum of one hundred (100) votes representing one hundred (100) acres. Only one (1) person may cast a vote as the owner for each acre of land within the boundaries of the District. Persons who own less than one (1) acre, but who otherwise qualify as members, shall be entitled to one (1) vote. The Voter must be up to date on all special levy assessments/property tax in order to vote in BID elections or other voting matters.

(a) While each Director shall be elected from a specific precinct as set forth in Article V, all qualified Freeholder members are entitled to vote in each election for each Director, regardless of the precinct in which the Freehold property is located.

3.3 The District shall establish and maintain boundaries which may be approximated as those parcels of land not necessarily abutting the Ditch course, but lying both north and south of the Ditch itself, which receive or have right to receive water transported in the Ditch and which are subject to assessment and taxation for debt service and District maintenance purposes in accordance with New Mexico law. The Board of Directors shall from time to time update the boundaries as needed, provided that the boundary description in the official order establishing the District on file with the county clerk is appropriately adjusted and all other provisions of state law for annexation or exclusion of property are complied with.

3.4 The District shall further be divided into three (3) separate, distinct and non-overlapping precincts for purposes of elections and directorships. Precinct boundaries may be amended from time to time to reflect electoral fairness and population changes.

ARTICLE IV
Elections, Secretary, Special Elections

4.1 Elections.

(a) The BID shall conduct an annual and regular election of the District which shall be held on the first Tuesday after the first Monday in December of each year, with a canvas of the vote to be conducted on or before the first Monday after the election or after all returns from each precinct have been received. Each election shall be for one (1) Director who will serve for a term of three (3) years. Directors' terms shall be staggered so that only one (1) Director shall be elected in any given year. The person receiving the highest number of votes is elected thereto. Within ten (10) days of the election, the new or continuing Director shall take and subscribe the official oath of office and file such in the office of the county clerk and thereupon immediately assume the duties of the office.

(b) Any resident freeholder who meets the requirements set forth in Article V for Directors may run for the position of Director. The candidate must express his/her intent in writing to the Board before November 1st of the year of election in which the candidate desires to participate by completing the form prescribed by the Board. The Board shall notify all candidates of their acceptance and inclusion on the ballot by November 15 of the election year, prior to the December election day.

4.2 The Board shall cause notice of election to be posted in each precinct fifteen (15) days prior to each election. The notices shall be at a minimum of three (3) public locations in each precinct and shall contain and specify the locations of the polling places of each precinct and shall clearly set forth the nature of the election and the name Bloomfield Irrigation District. The Board shall also post said notice of election in the office of the Board, or in its principal place of business.

4.3 Prior to the time for posting election notices, the Board shall appoint for each precinct, from the members of the District therein, three (3) judges, one (1) of whom shall act as a clerk, who shall constitute a board of election for such precinct. The precinct judges shall be resident freeholders and meet the requirements for Directors specified herein.

4.4 Special elections may be held from time to time as called by the Board or upon petition by the members. The special elections shall be held pursuant to the laws of the state of New Mexico, but at all times shall include at a minimum fifteen (15) days posted written notice, public publications and precinct boards of election.

ARTICLE V

Board of Directors, Quorums, Meetings, Special Meetings, Removal, Vacancies

5.1 The BID shall be governed and managed by a Board of three (3) Directors consisting of one (1) Director from each precinct. To run for the position of Director and to serve as Director for a specific precinct, the Director must be a resident freeholder of the precinct. The Board of Directors of the BID shall have powers and duties pursuant to NMSA § 73-9-14 (2021), and the BID Bylaws and pertinent laws.

5.2 A Director may be any person duly elected or appointed, who is a citizen of the United States and has paid all required property tax assessments, a resident freeholder member of the District, 21 years of age or older, of full and undiminished mental capacity, and who is a person of good moral character and judgment. Evidence of diminished mental capacity may be a chronic disease which affects

the mind or addiction to or use of a mind-altering substance or compound, except as allowed under the BID's Workplace Substance Abuse Testing Policy. Evidence of a lack of moral character and judgment may include, but not limited to criminal convictions, including serious misdemeanors and felonies.

5.3 The Board shall appoint, by majority vote or consent, one (1) of the Directors to serve as the Chairman of the Board, who shall not serve for more than two (2) consecutive years. In the absence of a general manager charged with such responsibility, the Chairman may function as the manager of the day-to-day general operations of the District, and shall have authority to carry out and put forward the policies and directives and intentions of the Board and the District. The Chairman may discuss, receive, and disseminate information on behalf of the Board, but does not have power to contractually bind the Board, absent a vote of the Board granting the Chairman authority to do so on a specific issue. All contractual relationships for, or dealing with the District, written or otherwise, shall require the official action of the Board. In the event that the Chairman becomes incapacitated or unavailable, the Board may appoint a temporary chairman to serve in the stead of the Chairman until his or her return.

5.4 Any two (2) members of the Board shall constitute a quorum of the Board. A quorum of the Board members shall have the authority to act as the Board in all matters; provided that proper notice of the meeting was made.

5.5 The Board may, at its option, employ a secretary to serve the Board who shall, among other duties, take the minutes of official meetings, and conduct and oversee the election process for the District. The secretary shall meet the requirements for District employees set forth in Paragraph 7.1.

5.6 The Board shall have four (4) quarterly meetings, to be held on the Second Tuesday of the months of January, April, July, October, and such other meetings as the Board or the Chairman may call. The quarterly meetings and all other meetings of the Board shall be subject to and in compliance with the Open Meetings Act, and other applicable legislation, of the State of New Mexico, including, but not limited to, a public publication of the meeting time and location in a periodical serving the majority of residents of San Juan County, New Mexico, at least 24 hours prior to the meeting, except in cases of emergency. The Board shall cause and confirm that official minutes are kept for each and every meeting held by the Board. All meetings of the Board shall be conducted pursuant to the general provisions of the modified versions of *Robert's Rules of Order*.

5.7 All meetings of the Board shall be held at a location within San Juan County, New Mexico. Notice to Board members of a non-quarterly special meeting shall be deemed proper and sufficient if the secretary of the Board or other member of the Board or its agents, communicates directly with the Board members by phone, or in writing, or in writing to a resident of the Board member's household who is at least 18 years of age, no less than 48 hours prior to the non-quarterly meeting. This communication shall include the specific time and place of the meeting.

5.8 A Board member may resign during his term of office, or may be removed during his term of office, pursuant to the following terms and conditions:

(a) Resignation: A Board member may resign at his or her sole discretion, with or without a statement of reason or fact, upon provision of written notice sent by certified mail to the

registered office of the District, more than twenty (20) days before the next regularly scheduled quarterly meeting, said resignation to be effective on the date of that quarterly meeting.

(b) Removal for incapacitation: If the Board member is found to be incapacitated and it appears that such incapacitation shall prevent him or her from the performance of his or her duties for more than thirty (30) days in any given calendar quarter, or more than sixty (60) days in any given calendar year, the other Board members may move to remove the incapacitated Board member. Upon a motion duly made and seconded, the Board will cause the Secretary to send to the incapacitated member notice of the Board's pending action; the affected member and/or to his agents may appear before the Board in a special or regular quarterly meeting to be held not less than ten (10) nor more than thirty (30) days from the date of the secretary's notice and present reasons why the incapacitated member should not be removed. If the incapacitation requirements have been demonstrated, and if the incapacitated member fails to adequately demonstrate why he or she should not be removed, the Board may at that time vote to remove the incapacitated member.

(c) Removal for cause other than incapacitation: Removal for cause other than incapacitation may be by special election only. A special election for such removal shall be held upon petition signed by not less than ten percent (10%) of the members of the District, or by a special election called by at least two (2) of the three (3) current Board members. The special election shall be held pursuant to the rules for special elections specified in Article IV herein. A simple majority of the eligible freeholders voting in the removal election shall be sufficient for removal.

A removed Board member may appeal any alleged procedural irregularities with the removal election by submitting the matter to the county commissioners who shall have binding authority to rule on the procedural issues.

5.9 When a vacancy occurs on the Board, because of death, removal or inability from any cause to properly discharge the duties of such Director, the remaining members of the Board shall appoint a successor to the Board to serve until the next regular election in the precinct for the successor's position. In the event only one (1) Board member remains, that member shall appoint a second Director. The two (2) Directors shall then appoint the third.

ARTICLE VI

Fiscal Year

The Board shall operate the District with a fiscal year of July 1 of each year to June 30 of the following year and shall complete public records and tax filings accordingly.

ARTICLE VII

Employees and Agents, Contracts

7.1 The Board may from time to time, as needed, hire and employ persons to assist in the completion of its purposes. District employees shall have the competence, training, experience or

expertise in the specific tasks or duties required by their position. Employees shall at all times conduct their responsibilities in a fashion which demonstrates safety, honesty, competency, efficiency and which promotes the public good, or the Board may act to have them removed or replaced. The BID shall always be an equal opportunity employer; extending to all persons the same opportunity for employment and promotion, regardless of race, gender, gender identity, national origin, religious preference, or age.

7.2 The Chairman of the Board, or the Board's appointee, shall oversee the day-to-day general activities of the employees. The Chairman, or appointee, may make work assignments, allow for the purchase of materials, fuels, and provisions of services, consistent with normal and usual and customary maintenance without the approval of the full Board. The Chairman may also act in situations of emergency, at his or her sole discretion, when the delay occasioned by calling a meeting of the Board might cause damage, or danger of damage to property or life, to stabilize, control, reduce or ameliorate, the emergency as he or she deems proper and necessary.

7.3 The Board may also enter into non-employee relationships with independent contractors as needed to fulfill the purposes of the District. The contractors shall be selected on the basis of their expertise, competency, credentials, reputation and cost competitiveness. The selection of independent contractors shall be conducted in accordance with New Mexico law and the BID Independent Contractor Agreement approved by the Board.

7.4 The Board may from time to time and as needed enter into contracts for the provision of services, products or otherwise to accomplish its purposes; however, the Board must consider and comply with contract requirements specified in NMSA section 73-9-14. Contracts involving consideration of more than ten thousand dollars (\$10,000.00) shall be reviewed by the Board to determine if such requires the authorization of a majority of members of the District pursuant to New Mexico State law and the BID's Procurement Policy.

7.5 The Board members, employees and/or agents or appointees of the District, shall at all times, owe a fiduciary duty of loyalty to the District. They shall avoid and disclose any and all conflicts of interest which may be actual, implied or possible so that the contract decisions and other decisions of the Board may be made in an open environment of honesty, fairness and integrity.

ARTICLE VIII

Ditch Crossings, Water Sales, Head Gates, Ditch Right-of-Way, Safety

8.1 Ditch Crossings.

(a) All bridges, pipelines, utility lines, structures or lines of any other type that cross the Ditch shall require a Permit ("Ditch Crossing Permit") issued by the BID authorizing the crossing. A petition for the crossing must be submitted to the Board describing the type of proposed crossing, location, construction, purpose, ownership and other relevant information required by the District. The Board shall review at an open meeting each petition for crossings over the Ditch for the purpose of evaluating the need for the crossing and the safety thereof and any effect the crossing will have on the operations of the Ditch. If there is a demonstrated need and a showing of safety and responsibility by the

petitioner, the Board may grant a Ditch Crossing Permit which shall include a clause binding the petitioner and all subsequent owners of the crossing structure to indemnify the District and hold it harmless from all damages and costs whatsoever which result from the crossing.

(b) Any Ditch Crossing Permit issued by BID pursuant to Bylaw 8.1(a) will include requirements necessary for the type of crossing. The Board may assess a Permit fee to compensate for monitoring, supervision and other requirements. The Board may adjust the Permit fee as deemed necessary to compensate for additional supervision and other requirements. Any party attempting to avoid the Ditch Crossing Permit process and fees shall be required to pay the assessed Permit fee plus an additional \$250 fee. Failure to comply may result in the removal of the Ditch Crossing facility at the discretion of the District.

8.2 Water Sales. The Board may from time to time, recognizing that not all water in the Ditch system is utilized, authorize some persons or entities to take excess water from the Ditch in exchange for compensation to the District. Every water sale agreement shall be approved by the Board adoption of a resolution. The Board may adopt a policy or procedure to govern applications for a water sale agreement, consideration by the Board, and any notice or follow-up requirements specified in New Mexico law or BID Bylaws.

8.3 Headgates.

(a) Resident freeholders along the Ditch shall typically have access to their shares or quantities of water in the Ditch by headgate located within the Ditch right-of-way. Access by “siphon pipe” or pumping from the Ditch will only be allowed under extraordinary circumstances. The Board has identified that there are sufficient headgates on the Ditch to supply all water rights. All members/owners must work together and share the headgates. If a headgate can be repaired, the BID will repair at its own expense without charging the expense to the members. To protect the integrity of the Ditch banks it is the Board’s policy not to allow new headgates. However, if the Board determines that a headgate is beyond repair or members want a new headgate they must fill out a Headgate Request Form and pay the fee depending on the size of headgate needed, and the Board may consider their application and may install the new headgate.

(b) Headgates that are oversized will be adjusted to member’s water entitlement at the State Engineer’s calculated rate of 1 CFS for every 70 acres of land with adjudicated or permitted water rights. BID calculates the delivery at one foot of head from the center of the headgate (waterman) per manufacturer’s calculations and use the square inch of openings for slide gates to ensure member’s water entitlement is delivered under low ditch head. Headgates are adjusted to account for water transfers to another delivery point approved by the District. Members should keep the District advised of their uses to enable the District to make correct calculations to ensure no impairments to other members.

(c) Unauthorized Ditch Dams/Obstruction: It is unlawful for anyone to construct dams or obstructions to change the water head in the Ditch. Only the BID may undertake any such adjustments that may be required.

8.4 Ditch Right-of-Way

(a) The Board shall act at all times to protect the Ditch right-of-way from incursion and obstruction, to preserve the structural integrity of the Ditch banks and to allow for free passage along the length of the Ditch for inspection, monitoring and maintenance. The District has the statutory right under New Mexico law to reasonable access to land adjacent to the Ditch, and to non-adjacent land that it is necessary to travel through in order to safely and reasonably access the Ditch, to repair and maintain the right of way and the Ditch, and to remove natural obstructions interfering with use of the Ditch. The access required may change from time to time depending on changes in the terrain, the types of equipment required, weather conditions, construction on adjacent properties and other factors. These Bylaws as amended provide the access that the Board has determined is reasonably required by the District. The Board will periodically evaluate changes in conditions that affect the District's right-of-way and adopt amendments to these Bylaws accordingly.

(b) Structures & Encroachments: No new homes, barns, or other structures or obstacles, with the limited exception of parallel fencing authorized under Article 8.4(c)(3), will be permitted within 50 feet from the center of the Ditch on either side and 60 feet from the center on steep slopes on the river side. Owners of any structure completed after January 1, 2008 within these easement boundaries will execute an encroachment right-of-way agreement with the BID providing for no future advancement of the encroachment into the Ditch right-of-way and will include an annual charge of \$50 per year for 20 years, or a single fee of \$1,000 for each structure or obstacle. The encroachment right-of-way agreement will be prepared by the BID and recorded with the San Juan County Clerk. The charges or fees may be adjusted in the future by the BID to discourage such encroachments.

(c) Fence Right-of-Way Crossings:

(1) All fences crossing over the Ditch bank or right-of-way will have a 12 foot operable gate (able to be opened by one person) installed by the land owner to permit adequate passage of maintenance equipment through the fence gate. Land owners who wish the gate to be kept locked will provide the BID with a key. If no key has been provided to BID, the lock or chain will be cut when necessary to inspect, monitor, or provide maintenance deemed necessary by the BID personnel.

(2) No fences will be permitted across the right-of-way of the BID except at property lines. The Board of Directors may allow exceptions to this provision subject to an exception being made by the Board of Directors upon proper proof submitted that, because of physical terrain, fencing at other than property lines should be permitted.

(3) All fencing parallel to the Ditch must be at least 20 feet from the edge of the Ditch (30 feet or more for steep slopes along the Ditch right-of-way) in order to facilitate maintenance activities including cleaning and disposal of tailings removed from the Ditch. The BID will not be responsible for damages to fences closer than the required 20 feet and 30 feet or more for steep slopes.

(4) The Ditch itself is not a fence and the BID is not liable for instances when the BID shuts the Ditch off for a repair and there is no water in the Ditch. The members and adjacent property

owners impacted by the BID's shutting the Ditch off must take all necessary and proper measures to protect their property and livestock.

(d) Ditch Bank Storage of Materials: Land Owners should avoid the storage of materials on the Ditch right-of-way which could obstruct maintenance of the Ditch.

8.5 Safety.

(a) The Board, its employees and agents, shall perform their duties and accomplish the purposes of the District with a direct focus upon the safety of persons and property located within and beyond the District boundaries. This shall include, but not be limited to, maintaining and monitoring the structural integrity of the Ditch, making adjustments in the flow in the Ditch to maintain safe head space and safe flow levels, with diversion of the Ditch flow as needed to assess damage and make repairs, and taking such other actions as needed to cooperate with state and federal agencies responsible for the public safety and welfare.

(b) The Ditch should not be used to dispose of any materials such as trees, produce, lumber or other construction materials, tires, hazardous materials, dead animals, animal feces, or other like items that might pose a detriment to clean water used for domestic, stock, commercial, municipal and industrial purposes.

(c) Users of lateral Ditches and pipelines must keep their facilities clean and in good repair so as to prevent leakage or flooding and waste of water at their expenses. In the event such leakage, flooding or waste occurs, the users of such laterals shall restrict or close headgates or pipeline valves to protect public and private property and public streets from damage at their expense.

ARTICLE IX Finances and Indebtedness

9.1 The Board shall cause the finances of the District to be suitably monitored and shall keep in effect and modify, as needed, procedures and safeguards to protect the District's funds and assets. On an annual basis, the Board shall employ a reputable Certified Public Accounting Firm to review its records and procedures to assure that there is a full and adequate accounting for its funds and assets. The Board shall review periodically state and federal regulations and maintain contact with state and federal agencies, and shall endeavor to ensure that the District is in compliance with State and federal laws, rules, policies and procedures and Generally Accepted Accounting Practices, so that the District funds and assets are safeguarded.

9.2 The Board shall seek to achieve the purposes of the District without incurring debt where possible, and may collect and maintain a financial reserve so as to avoid the need for debt and as a safeguard against future liabilities and unforeseen circumstances. When and if debt is necessary, it shall be procured pursuant to the laws and regulations governing such, including, but not limited to, the State of New Mexico laws and provisions for bond issues by special districts,. The Board will, when and if debt becomes necessary, engage the services of recognized, licensed experts in municipal and special

district finances to assist the District in the debt structure and debt servicing so that the District might exist and serve its purposes as long as needed by the persons, lands and municipalities within its boundaries without interruption or termination occasioned by bankruptcy or insolvency.

ARTICLE X
Filings with the County Commission, Water Rights Transfers, Land Owner
Disputes

10.1 The BID shall from time to time review its records and work with the County Commission to assure that assessments for water, which are included in the county tax assessments for water, are accurate and applicable. The Board shall regularly file with the Commission amendments and updates as required by New Mexico law.

10.2 Water Right Transfers.

(a) The BID has authority to make, authorize and effectuate transfers of water rights within its boundaries. The costs associated with researching proposed transfers shall be paid by the requesting party. In order to assist the Board in managing the Ditch, in making appropriate assessments, and tracking the location of water rights within the District, the Board will require that the change of place of use or point of delivery from the Ditch of all water rights within the District to follow the statutory approval process and Board policies and procedures.

(b) The BID declares that a transfer of a water right served by the District to other lands to be served by and included in the District, or a transfer of a water right into or out of the area served by the District, may be detrimental to the District and its Members. Transfer means a change in point of diversion, and/ or place of use and/or purpose of use of a water right. Therefore, any such proposed transfer by any person or entity must be formally approved by the BID Board of Directors in accordance with Appendix B of these Bylaws and the statutory requirements of §§ 72-5-24.1, 73-2-21.E and 73-3-4.1 NMSA 1978 (2003).

(c) An application to the Office of the State Engineer (“OSE”) for a proposed transfer of a water right into or out of the area served by the District must be submitted to the BID Board of Directors for approval prior to filing the application for the transfer with the OSE and will be considered by the Board in accordance with Appendix B of these Bylaws and the provisions of §§ 72-5-24.1, 73-2-21.E and 73-2-21(E) NMSA 1978 (2003). Without formal BID consent to such transfer, any attempt to obtain approval of the transfer from the State Engineer, or any other effort to implement such transfers, is unlawful and void.

10.3 Responsibilities of Water Rights Owners to Promptly Notify the BID of Any Material Changes in Water Rights Ownership.

(a) Owners of land with water rights or of water rights only, including any sellers and buyers of land and water rights within the District, must promptly notify the BID of changes in

ownership to assure that special levy assessments for water rights within the District are accurate for the BID to file with the County Commission and Assessor for annual tax assessments.

(b) Documents regarding grants, sales, leases and other ownership changes in land and water rights within the District that are recorded with the County Clerk with book and page information must also be filed with the BID, including the (1) deed, lease, real estate contract, notice of *lis pendens*, subdivision plats, or other document granting or affecting an ownership interest in the land or water rights, and (2) NM State Engineer Change of Water Rights Ownership form, in order to verify the special levy assessment for new owners.

(c) The property identification number assigned by the County Assessor is required to assign the Special Levy to the correct property and can be found on the annual tax notice or recorded subdivision plats.

10.4 Water Banking. The BID forms a water bank pursuant to § 73-2-55.1 NMSA 1978 (2003) for the purpose of temporarily reallocating water to augment the water supplies available for the places of use served by the Jacquez, Bloomfield-Porter (Citizens), and La Pumpa ditches that by the Echo Ditch Adjudication Decree No. 01690 are community ditches organized under New Mexico law. The BID Water Bank shall be managed in accordance with the Water Bank Policy and Procedures attached to these Bylaws as Appendix A. The BID may make such temporary transfers without formal proceedings for changes of purpose or place of use or point of diversion before the State Engineer, and water rights placed in the District Water Bank shall not be subject to loss for nonuse during the period the rights are placed in the Water Bank.

10.5 Landowner Disputes. The BID may, at the discretion of the Board, offer its assistance to resolve landowner disputes concerning water, water rights, and water-related issues within its boundaries. It is noted that, for the most part, these matters are beyond the jurisdiction of the Board and the District, which jurisdiction typically ends when water leaves the Ditch course right-of-way.

ARTICLE XI Amendments to By-laws

11.1 These By-laws may be amended from time to time as needed and approved by the Board, and shall be amended to comply with changes in State or Federal laws, rules, policies and regulations.

11.2 These Bylaws are adopted as of the date set forth below, and as such, supersede and replace *in toto* any other Bylaws previously adopted by the Board.

ARTICLE XII

12.1 Policies. As allowed by the law, the Board shall establish equitable policies for the purposes of carrying out these Bylaws and Statutes pertaining thereto.

12.2 Severability. In the event that any provision of these Bylaws is found to be unlawful or contrary to public policy, it may be severed here from, with the remaining provisions continuing in full force and effect.

12.3 Applicability of State Law. Where not otherwise covered by these Bylaws, the requirements of New Mexico state law shall be applicable. These bylaws are supplemental to any applicable provisions of New Mexico state law.

Compilation of Bylaws adopted April 11, 2023



Dale Archuleta



Leonard Trujillo

Larry was in
attendance
via zoom -
not present
to sign

Larry Maston

Appendix A

Bloomfield Irrigation District (BID) Water Bank Policy and Procedures

The Board of Directors of the BID have formed a water bank in accordance with § 73-2-55.1 NMSA 1978 (2003) to promote conservation and beneficial use of Water Rights. The BID has adopted the following procedures to administer and manage the operation of the Water Bank. The Directors will apply them in the best interest of the BID and its members.

Nothing in the formation of the Water Bank or its operation will affect the traditional and recognized lawful authority of the BID Directors. Issues of water use, periodic allocation, and all other matters normally managed by the BID Directors and its employees will continue without change. Use of the Water Bank will not affect existing vested water rights, priority dates, or any existing lawful use of water by participants. No action of the Water Bank will be considered an adjudication of any person's water rights.

Section 1: Purpose

The purpose of the Water Bank is to promote conservation and beneficial use of BID Ditch water through a locally managed system of temporarily reallocating water for beneficial use within the BID service area. The Water Bank will allow Member water rights owners who are not temporarily putting some or all of their water rights to beneficial use to protect those rights from loss for nonuse by allowing them to be beneficially used by others.

Section 2: Protection from Loss for Nonuse

A. As provided in Section 73-2-55.1 NMSA (2003), water rights deposited in the Water Bank are not subject to loss for nonuse during the time period they are placed in the Bank in accordance with this Policy.

B. The District deems those lands with an adjudicated, permitted or licensed irrigation water right that have buildings, houses, barns, pavements, well locations, pipeline right of ways, access roads, or which for similar reasons like long term fallow are not currently ready for irrigation, or lands which the BID Member does not intend to irrigate in the coming irrigation season for other reasons, are deemed to be eligible for the District Water Bank to preserve that water from loss for nonuse. The Member may sign up for the Water Bank at the BID Office using an appropriate survey map or County Assessor Ownership Site Map to mark the acres of nonuse and verify the irrigated acreage involved.

Section 3: Definitions

A. Water Bank: The system used by the BID by which Members' water rights are deposited in the Water Bank and the banked water made available for use by others and to augment water supplies to promote conservation and beneficial use of water rights.

B. Reallocation Fund: The amount of water rights Members have deposited in the Water Bank and made available for temporary reallocation to others for beneficial use of such water, as evidenced by the written records and maps available for review in the BID Office.

C. Water Bank Ledger and Files: The written records and files pertaining to Water Bank deposits, including maps, copies of deeds, leases or real estate contracts, with property descriptions and maps designating the location and amount of the banked water, water information overlays, hydrographic survey sheets, OSE licenses or permits, relevant pages of the Echo Ditch Decree, and such other information deemed appropriate and necessary by the BID.

Section 4: Water Banking Procedures

A. The Water Bank Ledger: Records and files in the Water Bank Ledger will be used to identify water rights acreage for water available in the Bank for reallocation to other Members or places of use.

B. Use of Reallocation Fund:

1. Bank deposits into the general Reallocation Fund: All water rights deposited in the Water Bank for general reallocation by BID shall be absorbed into the District's water distribution system so that the rights are put to use to augment shortfalls at the places of use served by the BID. The temporary reallocation shall not include any permanent change of purpose of use or point of diversion of the water rights requiring an application for transfer. A water right deposited in the Water Bank shall be presumed to be put to beneficial use beginning at the next water distribution by the BID, for the duration of the term authorized by the Bank deposit.

2. Bank deposits by a Member to a specific designated place of use served by the District: Water rights deposited in the Water Bank may also be temporarily transferred by a Member, pursuant to a contract, lease or other agreement to a specific designated place of use eligible to be served by the District, by action of the Directors in any lawful manner which, in the judgment of the Directors, will benefit the District, subject to all applicable procedures, rules and laws. The temporary transfer shall not include any permanent change of purpose of use or point of diversion of the water rights requiring an application for transfer. The temporary transfer of water rights deposited in the Water Bank, done in accordance with this Water Bank Policy, shall occur in the year in which the rights are deposited, initially or through renewal. Such water rights shall not accumulate or carry over to be reallocated in future years.

C. Water Bank Record Keeping: The Water Bank Ledger will contain current written records of all Water Bank deposits and all transactions between Members and temporary users for reallocation of Members' rights to specific places of use eligible to be served by the District. Members

are required to submit to the BID Directors for approval any proposed transactions of water deposited in the Bank for reallocation to specific places of use, to ensure other Members' rights will not be impaired by any reallocation agreements. Members requesting such changes in place of use must agree to indemnify and hold harmless the BID from any claims for alleged breach of contract or any errors, omissions, and other negligent acts in the delivery of water arising from such agreements.

D. Depositing Water Rights

1. Any person owning a water right within the BID may submit a water right deposit form to the BID Directors at the BID Office along with the designation of the number of acres of land, the number of acre feet of water, legal description of the irrigated acres to be placed in the Bank, copies of the 1938 Hydrographic Survey Sheets, most recent Hydrographic Survey and any existing surveys related to buildings, pavement, or well sites that overlay the land for deposit of appurtenant water rights. The BID will obtain the County Assessor Ownership maps, overlays, and such support materials needed. Copies of private agreements between the Water Bank depositor and another proposed beneficial user for a designated term of use and monetary compensation to the Member water rights owner are required when such water rights are recorded in the Water Bank Ledger.

2. Banking year periods run from November 1 to October 31. The deposit will be for the Current Year term with an automatic renewal clause for the succeeding year unless the Member notifies the BID in writing before the 1st of April that the water is to be removed from the Bank, for reversion to the original location of use or for reallocation to a new location within the BID Irrigation District, and specifying the date withdrawal from the Bank is requested to take effect. Absent receipt of written notification from the Member, the deposit will be automatically renewed for another twelve months for the succeeding water year November 1 to October 31. Water rights deposited in the Water Bank that are sold or otherwise conveyed to a new owner shall be deemed to remain in the Bank until the new owner withdraws the water right as provided above. Removal of banked water rights from the Water Bank results in the protection from nonuse being lost and beneficial water use must thereafter be maintained. Water Bank transactions proposed must be submitted to the Board for action at the next Quarterly meeting.

Section 5: Ditch Special Levies and Fees

Special Levy Fees will continue for the water rights deposited into the Water Bank. A fee of \$30 will be charged for each water deposit to cover the purchase of county maps, supplies, and equipment to support map preparation, with withdrawn water color coding/cross hatching by knowledgeable personnel/volunteers in order to verify acreage and location attributable to the withdrawn water right. The Water Bank depositor shall verify water map information correctness to complete the deposit upon notification and appointment for review of same by ½ Section or ¼ ¼ ¼ Section for small tracts/lots.

Section 6: Water Deposits

Water deposited in the Water Bank cannot be used on the land from which the water rights have been placed in the Bank and the farm delivery head gate will be adjusted accordingly.

Section 7: Policy and Procedures Amendment

These policy and procedures may be amended from time to time as needed and approved by the BID Board of Directors.

Adopted this 4th day of October, 2022



Leonard Trujillo, Chairman

CONCUR:



Dale Archuleta, Board Member,

Larry Maston, Board Member

Larry was
in attendance
via zoom -
not present
to sign

BLOOMFIELD IRRIGATION DISTRICT
WATER BANK DEPOSIT FORM

Ditch Name: _____

Water Right Owner: _____

Contact Person: _____

Mailing Address: _____

Phone Number: (____) _____

Head Gate Number: _____ Location: _____

Water being deposited: (Indicate Quarter Section **OR** Quarter Quarter Section)

<u>Land Description (San Juan County)</u>	<u>Acres of Land</u>	<u>Acre Feet of Water</u>	<u>Tract</u>
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Section, T ____ N, R ____ W

Section, T ____ N, R ____ W

Section, T ____ N, R ____ W

Section, T ____ N, R ____ W

NMSEO Hydrographic Survey Property Description

<u>Map Name</u>	<u>Map Number</u>	<u>Tract or Lot Number</u>

Land Description from Deed or REC

<u>Property Owner</u>	<u>Legal Description</u>	<u>Acreage</u>

Farm Delivery Head Gate:

Is head gate shared with others? Yes _____ No _____

If shared, please explain: _____

Date Water Deposited: _____

Length of deposit for the current water year to October 31st, and for each or succeeding water year:

**Bank Deposits For Temporary Changes In Place Of Use Pursuant To Contractual Agreements
or Leases Of Water Rights:**

Land Description of Move-to place of use: _____

**Land Description (San Juan County) Acres of Acre Feet Tract
Land of Water**

Section, T ____ N, R ____ W

Section, T ____ N, R ____ W

Section, T ____ N, R ____ W

Section, T ____ N, R ____ W

Member agrees to indemnify and hold harmless the BID and its officers, employees and representatives from any claims for alleged breach of contract or non-delivery of water or non-performance whatsoever, or for any alleged errors, omissions, or other negligent acts arising from such agreements or the banking of such water pursuant to this Water Bank Policy. _____ (*initials*)

_____ Date _____
Water Right Owner

Set-Up Fee Paid: _____ Check No. _____ Date: _____

Water Bank Administrator:

_____ Date _____
Signature

Bloomfield Irrigation District Payment Receipt – Water Bank

Received by: _____ Amount: _____ Check#: _____

Bloomfield Irrigation District

Date