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Meeting Date: March 22, 2017

Staff Contact: Katherine Yuhas, Water Resources Division Manager

**TITLE: R-17-4 – Authorizing a Memorandum of Agreement with The Nature Conservancy**

**ACTION: Recommend Approval**

**SUMMARY:**

This resolution will allow the Water Authority to enter into a Memorandum of Agreement with The Nature Conservancy, which manages the Rio Grande Water Fund, to fund watershed management in the headwaters of the Rio Grande. Watershed management is a key part of Policy J. “Protect Valued Environmental and Cultural Resources” of the Water Resources Management Strategy update, “Water 2120” which was adopted by the Board on September 21, 2016. The MOA would provide \$200,000 per year for up to five years to fund watershed management activities.

**FISCAL IMPACT:**

\$200,000 is budgeted in the Water Resources Operating budget.

# ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-17-4

1 **RESOLUTION**

2 **AUTHORIZING A MEMORANDUM OF AGREEMENT FOR WATERSHED**  
3 **MANAGEMENT WITH THE NATURE CONSERVANCY**

4 WHEREAS, the mission of The Nature Conservancy is to conserve the land and  
5 water on which all life depends; and

6 WHEREAS, the mission of the Water Authority is to provide a resilient,  
7 sustainable water supply to the customers in its service area; and

8 WHEREAS, the Water Authority Board adopted the update to the Water  
9 Resources Management Strategy: Water 2120 on September 21, 2016; and

10 WHEREAS, watershed management is one of the key policies of Water 2120;  
11 and

12 WHEREAS, The Nature Conservancy manages the Rio Grande Water Fund for  
13 the purpose of funding watershed management projects; and

14 WHEREAS, the Rio Grande and its tributaries within New Mexico (the "Rio  
15 Grande Watershed") is a major source of water for more than half of the state's  
16 population, including those living in metropolitan and rural communities and on Native  
17 American pueblos and tribal lands; and

18 WHEREAS, severe wildfires and the resulting post-fire effects, as seen after the  
19 2011 Las Conchas fire may impact surface water sources and supplies by introducing  
20 large quantities of sediment into reservoirs and the conveyance infrastructure that  
21 serves communities, acequias and irrigation districts; and

22 WHEREAS, the parties are signatories to the Rio Grande Wildfire and Water  
23 Source Protection Collaborative Charter (Charter), which was formed to fund restoration  
24 projects in the Rio Grande Watershed (Water Fund); and

25 WHEREAS, the Water Authority desires to grant funds to the Rio Grande Water  
26 Fund pursuant to the Charter and this Memorandum of Agreement.

27 BE IT RESOLVED BY THE WATER AUTHORITY:

1           Section 1. Beginning July 1, 2017, the Water Authority and The Nature  
2 Conservancy will enter into a Memorandum of Agreement whereby the Water Authority  
3 will provide funds to the Rio Grande Water Fund of \$200,000 per year for up to five  
4 years.  
5

## Memorandum of Agreement

This Memorandum of Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_, 201\_\_ by **The Nature Conservancy**, a District of Columbia nonprofit corporation and U.S. tax-exempt public charity (“Grantee”) with the address of 4245 North Fairfax Drive, Arlington, VA 22203, to induce **The Albuquerque Bernalillo County Water Utility Authority** (“Grantor”) with its principal place of business at P.O. Box 568, Albuquerque, New Mexico 87103, to make a grant of U.S. \$200,000 each year for up to five years upon execution of the Agreement to Grantee for operational support to implement the Water Fund as described below (the “Purpose”).

WHEREAS, the mission of the Grantee is to conserve the land and water on which all life depends;

WHEREAS, the mission of the Grantor is to provide a resilient, sustainable water supply to its service area; and

WHEREAS Grantee is subject to certain requirements and restrictions imposed by the Internal Revenue Code (the “Code”) on charitable organizations;

WHEREAS, the Rio Grande and its tributaries within New Mexico (the “Rio Grande Watershed”) is a major source of water for more than half of the state’s population, including those living in metropolitan and rural communities and on Native American pueblos and tribal lands; and,

WHEREAS, severe wildfires and the resulting post-fire effects, as was seen after the 2011 Las Conchas fire, may impact surface water sources and supplies by introducing large quantities of sediments into reservoirs and the conveyance infrastructure that serve communities, acequias and irrigation districts; and,

WHEREAS the parties are signatories to the Rio Grande Wildfire and Water Source Protection Collaborative Charter (Charter), which was formed to fund restoration projects in the Rio Grande Watershed (Water Fund).

WHEREAS, the Grantor desires to grant funds to the Grantee pursuant to the Charter and this Memorandum of Agreement.

NOW THEREFORE, Grantee and Grantor (collectively the “Parties”) agree to the following:

1. Grant implementation. Grantee will use the Grant received from Grantor only for the Purpose. Exhibit A is provided as a further description of work intended to be conducted for the Purpose. The Parties acknowledge that Grantee will have full control and responsibility over the planning, content, terms and implementation to achieve the Purpose and that any line items of the budget may be adjusted among categories to meet the Purpose. The Grantee will retain its organizational authority to select contractors and grantees according to its own policies and procedures, including those related to due diligence procedures and the Conflict of Interest Policy, while assuring such parties’ qualifications and performance are appropriate to achieve the Purpose and to meet the legal requirements for a U.S. public charity and the jurisdiction where the work is performed. As such, if any party identified in a proposal is not selected or retained, another party or Conservancy employees with appropriate qualifications may be selected by the Conservancy to complete the work to achieve the Purpose.
2. Term. The period of time during which Grantee shall use the Grant begins on July 1, 2017, and continues through June 1, 2022 (the “Term”).

3. Warranties and Representations of The Nature Conservancy. The Grant shall not be used for anything other than the Purpose. The Grantee is a tax-exempt U.S. public charity. In the event that there is any change in the Grantee organization's tax exempt status, Grantee will immediately notify Grantor of such change.
4. Final Report. Within sixty (60) days following the expiration of the Grant Term, Grantee shall submit a final report. The report will include a description of the work funded under the Grant.
5. Amendments. The Memorandum of Agreement may be amended from time to time upon the written agreement of the parties.
6. Books and Records. The Grantee shall maintain records in accordance General Accounting Practices and as required to support records for Code purposes. The reports submitted to Grantor shall be kept for at least six (6) years after completion of the use of all Grant funds. Grantee will permit the Grantor, or its duly authorized representative to inspect records reflecting all work done, labor performed and material furnished in connection with the activities funded under this Agreement.
7. Intellectual property. Rights to any intellectual property created in part or wholly with funds under this Memorandum of Agreement vests solely with the Grantee. The Grantor may receive up to 10 copies of any final publications produced under this Agreement at no cost.
8. Publicity. Any publicity related to the work funded by this Memorandum of Agreement shall be approved by both Parties, prior to disseminating.
9. Remedies. Grantee agrees that Grantor may withhold Grant funds or terminate any commitment under this Memorandum of Agreement if Grantee fails to comply with the Memorandum of Agreement. Grantee may terminate this Agreement in the event it determines that the work or this Agreement will violate its policies or standard operating procedures or result in adverse publicity to the Grantee.
10. Choice of Law. The law of the State of New Mexico exclusively shall govern and apply to any and all legal proceedings pertaining to this Agreement. This agreement shall be deemed to be entered into and formed in New Mexico and shall become effective when the Grantor executes this instrument, bearing its Executive Director's signature. By execution of this Agreement, the Grantee submits to the personal jurisdiction and venue of the courts of New Mexico.
11. Indemnity. Grantee shall defend, save, hold harmless and indemnify the Grantee and its officers, employees and agents from and against any and all claims, suits, actions, losses, damages, liabilities, cost and expenses of any nature resulting from or arising out of, or relating to the gross negligence or misconduct of Grantee or its officers, employees or agents under this Agreement.
12. Termination for Lack of Appropriations. Funding for this Agreement has been appropriated by the Grantor's governing board for Grantor's. Notwithstanding any other provisions in the Contract, its continuation beyond the end of the fiscal year is contingent on the Grantor's governing board making the appropriations necessary to fund the Agreement. If sufficient appropriations are not made this Agreement may be terminated at the end of the Grantor's then current fiscal year upon written notice given by the Grantor to the Grantee. Such termination shall not constitute a default. All payment obligations of the Grantor and all of its interest in the Agreement will cease upon date of termination. The Grantor's decision as to whether sufficient appropriations are available shall be accepted by the Grantee and shall be final.

13. Termination for Convenience: Either party may terminate this Agreement at any time by giving at least thirty (30) consecutive calendar days' notice in writing of such termination to the other party. In the event this Agreement is terminated for any reason other than a material default by TNC, Grantor will pay Grantee for any work performed or expenses incurred, as of the termination date, and Grantee will reimburse Grantor any remaining unspent grant funds.
14. Entire Agreement. This Agreement sets forth the entire understanding of the parties concerning the Grant and supersedes all prior or contemporaneous communications and negotiations, both oral and written relating to the Agreement. Neither party can assign, transfer or sublicense its rights under this Agreement nor any right granted herein.

IN WITNESS WHEREON, Grantee has caused this Memorandum of Agreement to be made as of the day and year first written above.

**[Grantor Information]**

By: \_\_\_\_\_

Name and Title: \_\_\_\_\_

**The Nature Conservancy**

By: \_\_\_\_\_

Name and Title: \_\_\_\_\_

**Exhibit A**  
**Grant Request Proposal**

The Grantee's work in the Rio Grande and San Juan-Chama Watershed, funded by this MOU, may include various combinations of the following tasks, as reasonably determined by Grantee:

1. Conduct treatments on high risk forest lands identified by the Charter signatories
2. Conduct pre- and post-treatment monitoring using the measures identified in the Rio Grande Water Fund Monitoring and Adaptive Management Framework
3. Plan, organize and conduct meetings of the Executive Committee, Charter signatories and Working Groups
4. Write, produce and print the Rio Grande Water Fund annual report. Consistent with Grantee's corporate policies and procedures, acknowledge the funding and contribution of the Grantor
5. Provide communications to the Charter signatories of activities described above, including email distributions and website updates
6. Market the Rio Grande Water Fund and communicate about the activities described above using electronic media of communications

The Grantee may use the funds received within the Rio Grande Water Fund project area as determined by Grantee in its reasonable discretion.





RIO GRANDE  
**WATER FUND**  
A Wildfire and Water Source  
Protection Project

# Watershed Management and the Rio Grande Water Fund

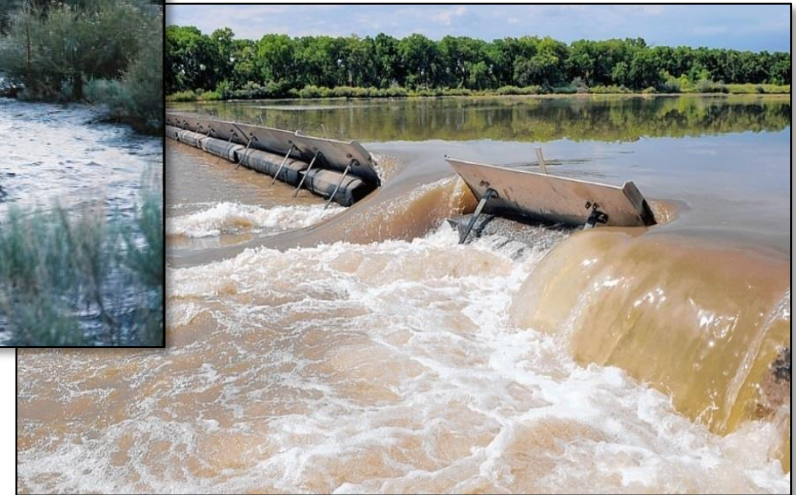




# Watershed Management



Watershed management is an insurance policy for the surface-water source of supply



**Policy J.** Protect Valued Environmental and Cultural Resources, **Sub-policy 4.** The Authority shall work collaboratively and provide funding to protect and restore watersheds of the San Juan–Chama and Rio Grande.

# 2011 Las Conchas Fire Example



06/26/2011 19:40

Las Conchas Fire, Day 1



**60,000 acres high-severity burn**





# Post-fire flooding and debris flow



**New sediment: 70' deep**



# Cochiti Lake one day after rain





**New debris movement even after 3 years**





# Rio Grande Water Fund

helps New Mexico's communities thrive by protecting their water sources in the forests that surround them for generations to come.



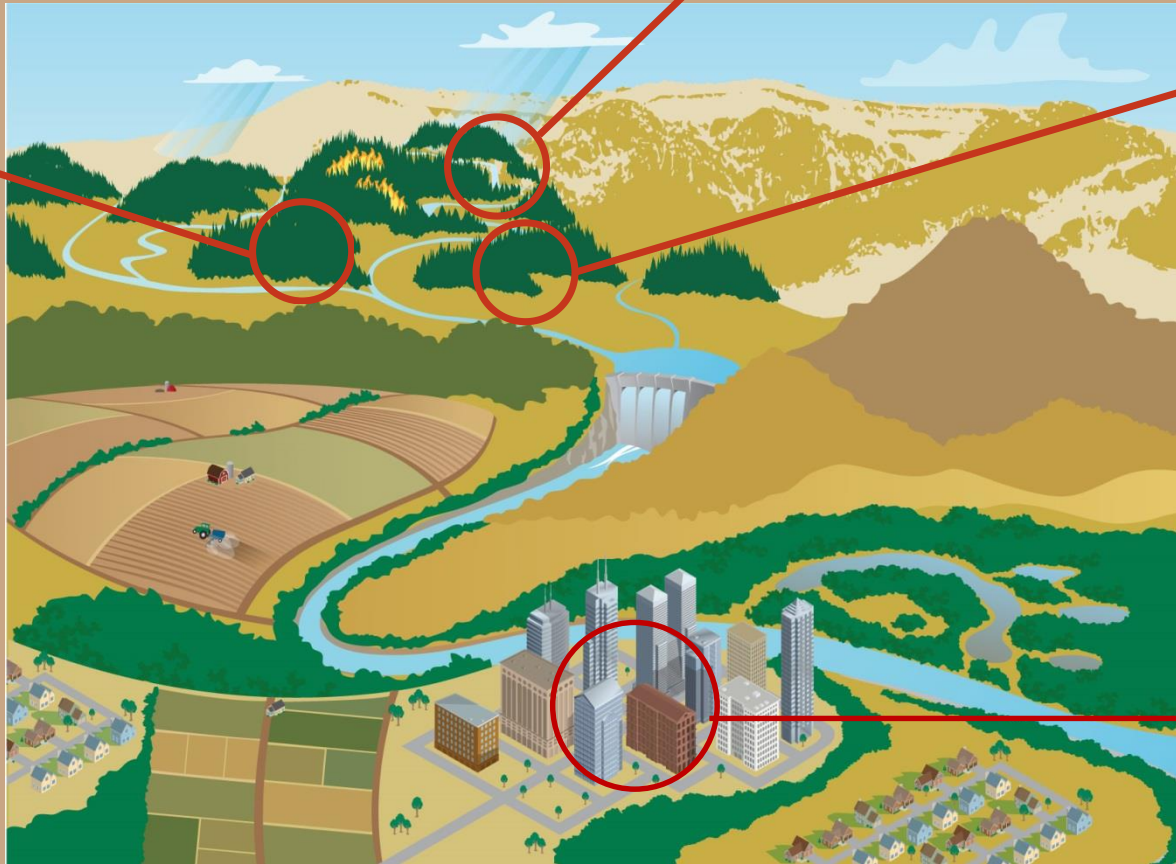
Wildfire



Snowpack



Tree  
Thinning



Water



Goal: Restore 600,000 acres of headwater forests over 20 years

# Charter Signatories



City of Santa Fe Water Division

STATE LAND OFFICE



Albuquerque Bernalillo County Water Utility Authority



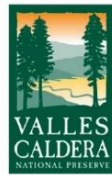
Business Water Task Force



LOS ALAMOS



New Mexico Coalition



US Army Corps of Engineers.  
Albuquerque District



Bohannon & Huston

SWCA  
ENVIRONMENTAL CONSULTANTS

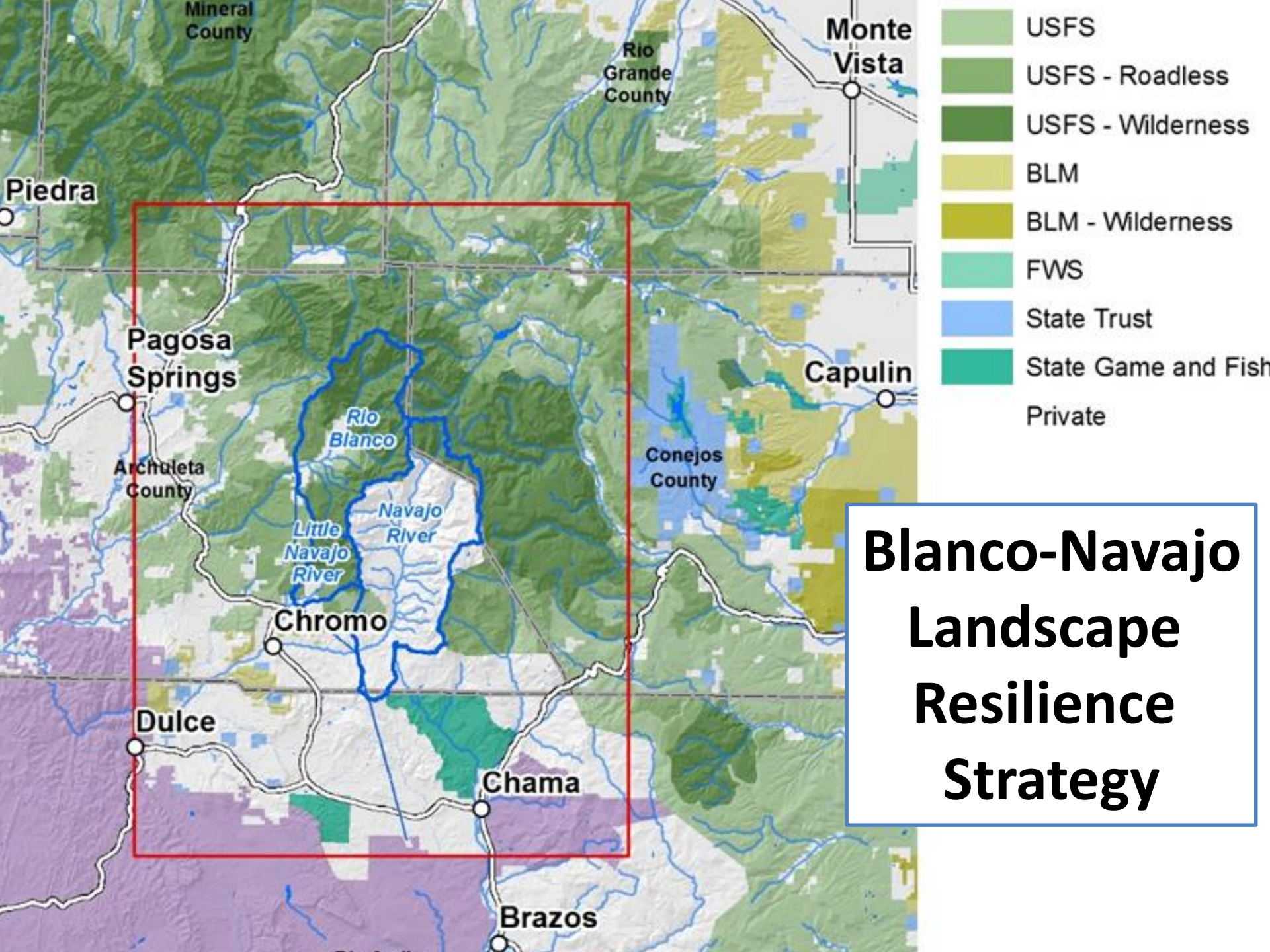


PRESBYTERIAN

forest GUILD





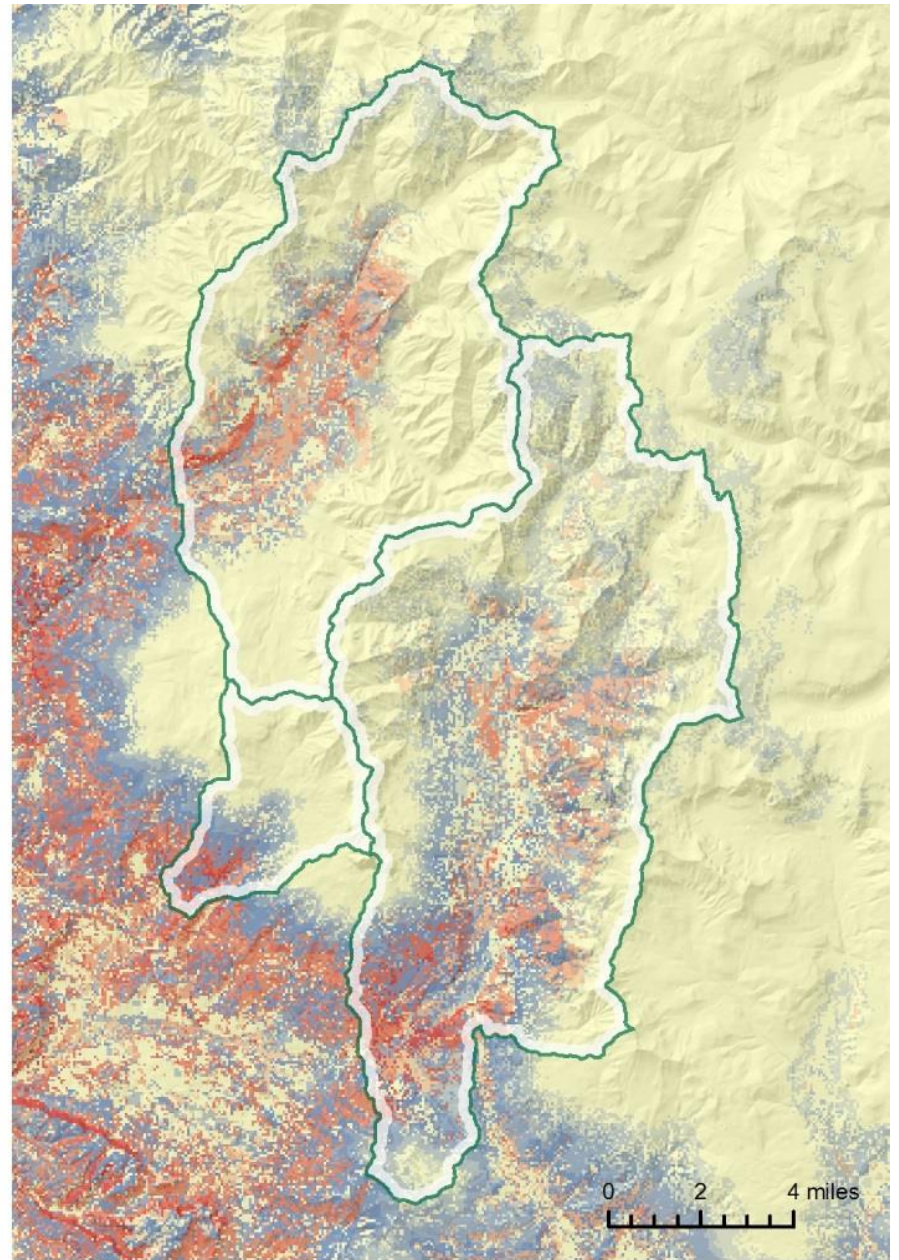


# Blanco-Navajo Landscape Resilience Strategy





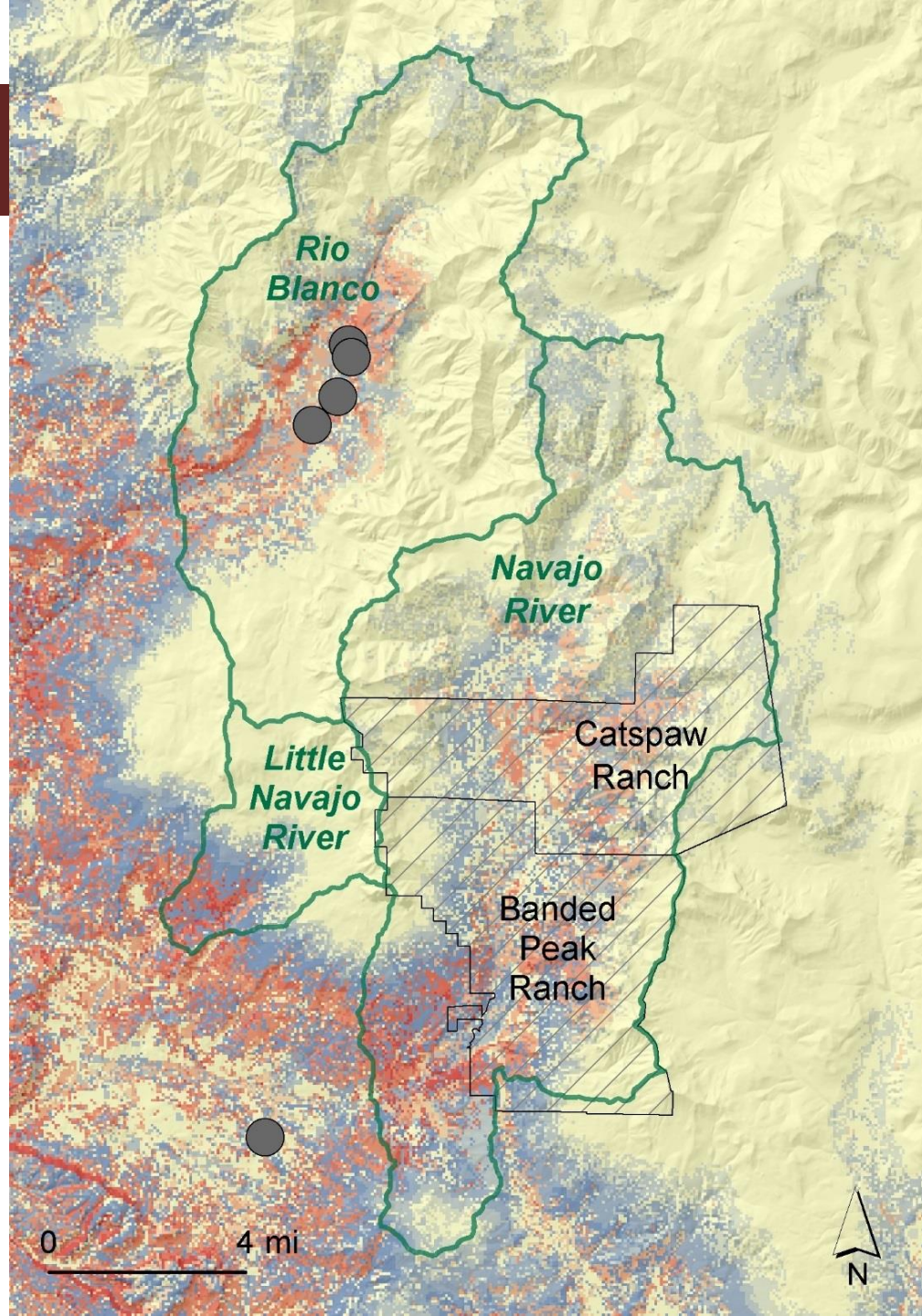
**Susceptibility to fire**



**Relative fire risk**



# FY 2018 Blanco- Navajo Watershed Investment Projects





## FY 2018 BLANCO AND NAVAJO TREATMENTS

Ranch	Location	Thinning Acres	Rx Fire Acres	FY18 Request	FY18 Match	Leveraged Investment
Rio Blanco Ranch	Blanco Basin	90	100	\$95,000	\$20,000	\$290,000
Lucky Dog Ranch	Blanco Basin	30	0	\$30,000	\$15,000	\$30,000
Logjam Ranch	Blanco Basin	10	0	\$10,000	\$5,000	\$25,000
BP and Catspaw Ranches	Navajo Basin	100	200	\$150,000	\$25,000	\$400,000
Shahan Ranch	Navajo Basin	30	0	\$30,000	\$5,000	\$5,000
Cook's Cabin	Blanco Basin	7	0	\$10,000	\$5,000	\$25,000
TOTAL		267	300	\$325,000	\$75,000	\$775,000
Project Management	10%			\$32,500	\$32,500	\$100,000
Monitoring	10%			\$32,500	\$16,250	\$100,000
TOTAL				\$390,000	\$123,750	\$975,000



RIO GRANDE  
**WATER FUND**  
A Wildfire and Water Source  
Protection Project

# Protect and Restore Watersheds



## Water 2120, Subpolicy 4 of Policy J: “The Authority shall work collaboratively and provide funding to protect and restore watersheds of the San Juan- Chama and Rio Grande.”

- The Water Authority will enter into a Memorandum of Agreement with The Nature Conservancy to provide \$200,000 of funding each year to the Rio Grande Water Fund for up to five years
- The Water Authority will participate in Rio Grande Water Fund stakeholder activities and as a member of the Executive Board

