

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
MEETING NOTICE & AGENDA (Time Rescheduled from 6:30 p.m.)
BOARD OF DIRECTORS MEETING
10:00 a.m. Wednesday, September 1, 2010 at Vado MDWCA Office

- I. Sign in, establish quorum, call to order, welcome new director from La Mesa
- II. Approval of agenda
- III. Approval of Minutes of 8/18/10
- IV. Fiscal Agent Items - Additional bank accounts and signors, Insurance quotes, transfers of assets, Income & Expense Report
- V. Guest Presentations –
- VI. Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:
- VII. Unfinished Business:
 - A. Water Rights issues – combine & comingle application
 - B. LRGMDDWA items/updates – meeting(s) w/county staff, project deadlines, other
 - C. Governance Documents Committee:
 - 1. Recognition of Committee volunteers
 - 2. Review election time-table from county
 - 3. Review of proposed Governance Document
 - 4. Amend Member Definition to correct statute citation
 - D. Voting District Boundaries – for approval IF READY
 - E. RFPs for engineering services & accounting services - updates
 - F. Funding applications update – WTB, NMFA, RD
 - G. Staffing issues
 - H. Logo redesign
- VIII. New Business:
 - A. Projected Budget – for approval
 - B. Proposed Rate Schedule – for approval
 - C. Purchased of laptop computer – for approval
 - D. Authorization to RFP for additional projects
 - E. Request SCCOG assistance to apply for CDBG Planning Grant
- IX. Other discussion and agenda items for next meeting – Next meeting 9/15/10 at 10:00 a.m.
- X. Adjourn

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aide or service to attend or participate in the hearing or meeting, please contact the Desert Sands MDWCA office at 505-882-0313, P.O. Box 1864, Anthony, NM 88021, or in person at 59 Links Road, Berino, NM at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Desert Sands MDWCA office if a summary or other type of accessible format is needed.

Si es un individuo con una incapacidad esta en necesidad de un lector, amplificador, lenguaje por senas, o cualquier otra forma de asistencia o servicio para atender o participar en las juntas, por favor lame ha la oficina Desert Sands MDWCA 505-882-0313, P.O. Box 1864, Anthony, NM 88021, o en persona 59 Links Road, Berino, NM una semana antes de la junta o en cuanto posible. Documentos públicos, incluyendo la agenda y minutos, están disponibles en varios formatos. Por favor opóngase en contacto con la oficina Desert Sands MDWCA si un resumen o otro tipo de forma accesible es necesario

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
MINUTES
BOARD OF DIRECTORS MEETING
10:00 a.m. Wednesday, August 18, 2010 at Vado MDWCA Office

- I. Sign-in sheet and agenda are attached. Present were President Robert “Marty” Nieto (Mesquite), new Director John Holguin (Vado, replacing Bobbie Boyer), Director Santos Ruiz (Berino), and new Director Rosaura Pargas (Desert Sands, replacing Karen Nichols). La Mesa was not represented, and has not named a representative to replace Vice-president Tiffany Romero-Vega who resigned from the Authority Board. Also present were Tiffany Bloom (South Central Council of Governments), Martin Lopez (Registered Agent for LRG MDWA, GM of Mesquite) and Karen Nichols (Desert Sands Business Manager). With a quorum established, Mr. Nieto called the meeting to order at 10:18 a.m. Mr. Nieto welcomed the new directors and asked for volunteers to fill the vacant offices of Vice-president and Secretary. After some discussion, Mr. Nieto made a motion to appoint Mr. Holguin as Vice-president and Mr. Ruiz and Secretary. Ms. Pargas seconded, and it carried unanimously. 4:04
- II. Approval of agenda – Mr. Ruiz made a motion to approve the agenda, Mr. Holguin seconded, and it carried unanimously. 4:36
- III. Approval of Minutes of 8/4/10 motion – Mr. Holguin made a motion to approve the minutes, Mr. Ruiz seconded, and it carried unanimously. 8:45
- IV. Fiscal Agent Items - Additional bank accounts and signors, Insurance quotes, transfers of assets – Mr. Lopez reported that we opened an on account 5/28/10, but they did not set it up correctly and charged us fees. We started with a \$500, and were down to a balance of \$489.28 due to fees they should not have deducted. Expenses to date are \$500 to open the account which is owed to Mesquite, and we paid the attorney \$3,323.68, also owed to Mesquite, and purchase of deposit slips in the amount of \$60.16 to be deducted from the account balance. Mr. Lopez also reported that he has put out an RFP for accounting services, and that \$106.70 expense is owed to Mesquite. He said he would like to deduct the amounts owed to Mesquite from the amount Mesquite owes the Lower Rio Grande MDWA. Regarding the insurance quote, noted that he has an appointment next Monday and has collected all the policies from the mutuals. He will push back the transfer of the vehicles to the Authority until the insurance is in place. Regarding the transfer of assets, he and Ms. Morales have compiled all of the deeds, easements, etc. and given them to the attorney to begin working on that. Mr. Lopez request that he be added to the bank account at the signer to make it possible for him to deal with the bank. They would not even let him order deposits. Ms. Pargas made a motion to add him as a signer, Mr. Ruiz seconded, and it carried unanimously. 14:17
- V. Guest Presentations – NONE
- VI. Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action: NONE

VII. Unfinished Business:

- A. Water Rights issues – update on deeds & lease-back MOU, combine & comingle application – Mr. Lopez reported that the transfer and lease-back MOU is done, a special warranty deed was filed with the county, and application was filed with NM-Office of the State Engineer. The attorney will need to begin the application for combine and comingle next. 15:46

- B. LRGMDWA items/updates – meeting(s) w/county staff, project deadlines, other – Mr. Lopez reported that the MDWA board issued a letter to the engineer with deadlines for project completion. One task due last Monday that has not been done is getting the as-builts from the contractor who did the Phase I Interconnect Project. He said the contractor still owes subcontractors \$10-12,000, and he spoke with the contractor through the engineer who reported back that he would straighten it out. Ms. Pargas asked what are “as builts”, and Mr. Lopez explained that they were the final project drawing showing the project as it was constructed as opposed to plans for construction. Mr. Lopez noted that next month is the eleven month warranty inspection, and if that is not resolved, the MDWA can file a formal complaint against the contractor with the state agency that oversees contractors and with NM-Department of Finance and Administration which could result in the contractor losing his license. Mr. Lopez also noted that the engineer has experienced hang-ups in finishing PER & EA due to the county review on the treatment plant property. He said they wanted the owner to put in paved road for 3 lots, and the county approved with conditions. He said that if the process takes too long, we can do a friendly condemnation, and the seller is considering that. This impacts both the PER and EA, and the deadline for those reports is 9/30/10. Phase II Interconnect plans are complete by the deadline and pending submission to NMED. The holdup has been the bridge hangers. 22:32

- C. ICIP – Resolution – Tiffany Bloom noted that the close-out public hearing for the CDBG Project has to be done on 9/13/10 also. She said that Gerald Garcia at NM-DFA approved the final timeline. She said that at the next morning meeting of the Authority we could do a special MDWA meeting at 11:00 a.m., then the public hearing at 11:30. Mr. Garcia needs to approve the documents before the meeting. Ms. Morales will send Ms. Bloom a pdf file to email to Gerald by the 10th.

Mr. Lopez pointed out that the ICIP is in the board packet after the minutes. Ms. Bloom said she got approval from NM-DFA to roll all six ICIPs into the Authority one. She said there are still some changes that need to be done with their computer program, and they are fixing it internally with their IT Department. Mr. Lopez pointed out that the final ranking is Berino Rd line is first priority, he said he and Ms. Bloom reviewed and deleted all the projects that have already been funded, Mesquite Water IV A is second priority, and Berino System Improvement is number three. The top three all have PERs and design completed,

and we are approaching the WaterTrust Board and Rural Development. He reviewed all of the projects (ICIP is attached), and said that we would also seek CDBG Planning Grants this year, and might consider a trip to Washington DC to seek funding as well. Mr. Lopez read the Resolution aloud, and Mr. Holguin made a motion to adopt Resolution #2011-02, Mr. Ruiz seconded, and it carried unanimously. 39:29

D. Governance Documents Committee report

1. Re-scheduled work session – Mr. Lopez reported that Ms. Nichols and Ms. Morales sat down Monday and revisited the Findings section, and the Committee will meet on the 23rd at 2:00 p.m. at Berino.
2. Review election time-table from county – Mr. Lopez said we are still getting the run-around from county staff, and that Ms. Perez was going to go speak with them. He said the attorney pointed out to them that we only have to have district boundaries established by July, and could do the election in the fall if necessary. We are trying to get the county to provide at least a generic timeframe and have told Ms. Morales to also develop an election procedure similar to Berino's and Desert Sands as a backup so we can run our own elections as necessary. He reported that Desert Sands and Berino have provided member lists to Ms. Morales and the other three are working on it. 44:09

E. Voting District Boundaries – for approval IF READY – NOT READY

- F. RFPs for engineering services & accounting services – Mr. Lopez said that his report will combine items F & G. He said the Authority put out an RFP due 25th for accounting services. He recommend that once we get an accountant in place, have them look at the financial position of all five mutuals to assure that no funds have been misused or misappropriated since Authority went into effect.

He said the RFP is going out this Friday through Sunday for engineering services. Part of the agreement with RD was taking over the mutuals' projects, and the Authority can't take over the existing engineering contracts (per our attorney), so we need to secure and engineer for the Authority to do the construction management. La Mesa Water and Mesquite Sewer project are in the closing stage, and will close in the name of the Authority. Berino Phase I Water and Mesquite/Del Cerro Ph. IV A are projects RD would like to have submitted combined as one project. The existing PERs and EAs need to be combined in order to make a funding application to RD. The recommendation is to keep same engineers as mutuals had for those projects. 50:08

- G. Application for funding to USDA RD – Mr. Lopez reported that we met with Terry Brunner after the Desert Sands project event and let him know we were meeting with him and the NM-OSE the following week. With Mr. D'Antonio's

help, we got the issues resolved to get the mutuals' projects moving and discussed the transfer and assumption of old loans and/or refinancing them with a different entity (NMFA). They like the idea of refinancing instead of their laborious transfer & assumption process. We have to provide them with a combined projected budget for the Authority, and RCAC is finalizing it and should have it for the first September board meeting of the Authority. They would like us to submit the Del Cerro project and Berino Water project as one project, not doing a new PER, just a document to amend & merge the two existing ones. They will allow us to submit new projects to RD and allow us to apply to WTB without three years of audited financial statements. 54:40

- H. Funding applications update – WTB, NMFA, RD – Mr. Lopez said that for the WTB application, we needed to let NMFA research all the infrastructure loans in order to combine them, and they also need the financial projections we will have the first meeting in September. They changed rules so that new regional entities can apply without three years of financials. 55:53
- I. Resolution for Authority to assume founding entity projects with USDA-RD funding allocated but not closed (LOC stage) – IF READY – Mr. Lopez discussed Joint Resolution 2011-01: Authority assumption of all projects of the mutuals. He said that La Mesa and Berino have adopted the resolution, it is on Mesquite's agenda tonight, and we need the Authority to adopt it as well. Mr. Lopez read the resolution aloud. Santos Ruiz made a motion to adopt, Mr. Holguin seconded, and it carried unanimously. 58:09
- J. Staffing issues – none yet – Mr. Lopez said we are still trying to put together proposed pay scales and gathering staff input. 58:50
- K. Logo redesign – Ms. Nichols discussed, noting that the board had approved redesigning the logo complete by RCAC, and said someone she knows (Susie Anderson) who is a graphic artist gave her a quote and outlined a process for working with us on the logo. She searched online for local graphic artists, emailed four to request quotes, had replies from two, and actually received a quote from one. The price was about the same as Ms. Anderson, and she asked Mr. Lopez and Mr. Nieto to pick between the two based on examples of their work. She selected Ms. Anderson, and she is going to be sending us three preliminary designs fairly soon. Mr. Holguin questioned changing the logo we had the public choose. Mr. Lopez said that we will use that one as starting point to come up with something more professional looking than the choices we were offered.
- L. Accounting RFP – update – Mr. Lopez said that one interested firm out of Albuquerque has contacted him. Ms. Nichols said she talked with Fristoe & Company, and they are hesitant, but thinking about it. Ms. Nichols asked about the selection committee, and Mr. Lopez said that if it is okay with the board, he will call all the office managers from the mutuals to be on the committee. 1:06:42

M. Governance Documents – NOT READY

VIII. New Business:

A. none

IX. Other discussion and agenda items for next meeting – Next meeting will be 9/1/10 at 6:30 p.m. Mr. Lopez reported to board that he attended the La Mesa meeting, and they are still hesitant, still have concerns, and are trying to circumvent doing their own elections, but they all want off the board in November. So far they have provided and signed documents as needed. He reminded them that their membership voted twice to do this. Mr. Holguin asked if, since this board & MDWA board have majority of the same board members, we can merge the meetings. Ms. Nichols noted that she suggested that previously, and Mr. Lopez said we can't do it right now because we have money & contracts tied into the MDWA. He said the CDBG Planning Project will be over in September, and Blanca Surgeon met with NM-DFA to see if their funding could be transferred to the Authority. It can, but it would be simpler to just spend it out. Also, there is the issue of D&O liability insurance. He said we are looking at closing out the MDWA as soon as possible, maybe as early as October. Agenda items mention for the MDWA – relinquish financial agency for the Authority effective at the close of the CDBG Planning Grant. Ms. Nichols mentioned that her board approved travel for her to attend the CDBG training this month. She also said she would like for the Authority to consider purchasing a newer and lighter weight laptop and was told to bring prices to the next meeting. Approval of Rates and Projected Budgets needs to be on the next agenda. Mr. Nieto mentioned that he received information about the next Infrastructure Finance Conference, and it will be in Las Cruces October 26-28th.

X. Adjourn – Mr. Holguin made a motion to adjourn, Mr. Ruiz seconded, and it carried unanimously. Mr. Nieto declared the meeting adjourned at 11:36 a.m.

Date Minutes Approved: _____

LRGPWWA BOARD: Sign ABOVE your printed name Name, Title/ Association Represented	Approve/Absent
Robert Nieto, President/Mesquite MDWC & MSWA	
Vacant position/La Mesa MDWCA	ABSENT
John Holguin, VP/Vado MDWCA	
Santos Ruiz, Secretary/Berino MDWC & MSWA	
Rosaura Pargas/Desert Sands MDWCA	

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
MINUTES (Time Rescheduled from 6:30 p.m.)
BOARD OF DIRECTORS MEETING
10:00 a.m. Wednesday, September 1, 2010 at Vado MDWCA Office

- I. Sign-in sheet and Agenda are attached. All of the Directors were present: President Robert Nieto, Vice-President John Holguin, Secretary Santos Ruiz, Director Rosaura Pargas, and Director Jim Pugh. Also present were Martin Lopez (LRG MDWA Registered Agent & Mesquite MDWC & MSWA General Manager), Karen Nichols (Desert Sands Business Manager), Olga Morales (Rural Community Assistance Corp.), Annette Morales (Medius, Inc.), and Espy Holguin (Housing & Urban Development). With a quorum established, Mr. Nieto called the meeting to order at 10:16 a.m. and welcomed new Director Jim Pugh and gave him the floor to tell the other Directors a little about himself. 2:26
- II. Approval of agenda: Mr. Holguin made a motion to approve the Agenda, Mr. Ruiz seconded, and it carried unanimously. 2:40
- III. Approval of Minutes of 8/18/10 – Mr. Holguin made a motion to approve the minutes of August 18, 2010, Mr. Ruiz seconded, and it carried unanimously. 4:45
- IV. Fiscal Agent Items - Additional bank accounts and signors, Insurance quotes, transfers of assets, Income & Expense Report: Mr. Lopez said that the Authority still has \$500 in the bank, and he had to re-order deposit slips because of a typo in the name. He said that he is now on the bank as signer, and we need to remove Ms. Nichols and Ms. Vega now that they have resigned from the Board and add some other directors.

He said that he met with the insurance agents last week, toured the systems, and will be getting a quote, and they will list the mutuals as additional insured on the Authority policy to avoid paying double. That way the mutuals can terminate their policies when the Authority policy goes into effect. He also noted that we might be able to go under the state's risk management plan, and there was a request from some other mutuals to do that. He reported that the attorney is in the process of setting up quit claim deeds. One recommendation from the insurance agents was to give or sell abandoned property back to the original owners for little pieces of land that are no longer in use for water system facilities.

Mr. Lopez also noted that all the expenses incurred for the Authority are under MDWA as its fiscal agent. He said that the Request For Proposals for accounting service legal ad and the deposit books are the two expenses that have been incurred. Mr. Pugh asked for clarification of the difference between the LRG Mutual and the Authority. Mr. Nieto and Mr. Lopez explained the history behind it. Mr. Lopez said that we are almost able to phase out the LRG MDWA, and the contract with the South Central Council of Governments and RCAC and some project funding are what is left to finish and close out. He noted that the contracts will be finished this month, and we need to spend out money as soon as possible.

He also reported that, to comply with audit requirements we had to get a certification from NM Department of Finance & Administration, but in order to get it, we had to have submitted budget last year. We had not funds and no budget last year and cannot get the certification, but the NM-DFA and the NM Office of the State Auditor understand the situation and will not penalize us. The Authority will probably be waived for audit & budget requirements for the last fiscal year. For the NM-DFA Finance & Budget Bureau, we have to submit revised one. 16:14

- V. Guest Presentations – Ricardo Holguin from Vado said that he owns property adjacent to old Vado well site, and he looking to get it deeded back since it has not been used in many years. He said he stopped at the county because they are encroaching with the road at corner, and they agreed to resurvey at their expense and compensate him. He said he would like to request to resurvey the whole thing including 15x30' well piece, and that will take about 6-8 months with county. He said he is hoping to get the landed deeded back from Vado to include in survey and noted that the old well is capped. Mr. Lopez noted that it is probably plugged as well, and he recommended to board to be careful with water rights and the ability to receive the Vado water rights if the NM Office of the State Engineer is willing to restore them. We could transfer them to another well before transferring the land back to Mr. Holguin. It is 89 acre feet, and we should not take any chances on losing it, but he does recommend transferring the land once the water rights are handled. 25:16
- VI. Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action: NONE 25:46
- VII. Unfinished Business:
 - A. Water Rights issues – combine & comingle application – Mr. Lopez reported that the water rights have been transferred and approved by NM-OSE, and have been leased back at ZERO FEE to the individual mutuals. Transfer of ownership was also filed with the county. The attorney should be getting ready to apply for the combine & comingle of the water rights with NM-OSE. He noted that next Thursday, he is meeting with the county manager to talk about return flow credits for clarification so that the engineer can proceed with finalizing our Return Flow Credit Plan and 40-Year Water Plan. Mr. Nieto asked about the total water rights for the Authority, and Olga Morales replied that the total is 1829.422 acre feet. Mr. Pugh asked how the Authority can assume property without being established, and Mr. Lopez explained that Authority is in place, has its appointed board as established by statute to accomplish the merger and set up for the election. The water rights issues were discussed at length. 36:35
 - B. LRGMDWA items/updates - meeting(s) w/county staff, project deadlines, other: Mr. Lopez noted that the next LRG MDWA is at 10:00 on Friday in Berino. He said the county is proposing to move Berino Road 2 feet south, which will nuke our proposed 12” water line project, and he will be setting up workshop with the Berino board because we need to at least get stub-outs done there right away. He

will propose to just do the stub-outs and get out of their way. He noted that a hot-tap is about \$500, we need 8, and the two that are critical are the ones that go to Bluestem & another road on the south side. He said that the county put drainage in at 2' instead of the 7-8' their plans required, and we will have to go underneath them. Mr. Lopez went over the history of the Berino Road issues for Mr. Pugh. He said that he thought our best approach as the Authority is to move one street north and get out of their way since we cannot get funding or work with them. He also reported that the Authority board recommended to MDWA board to set deadline with CE&M to get some projects completed, i.e. the 40 yr plan, PER & EA for the surface water plant, work with the people trying to secure that site, and get the Phase II Interconnect Project out to bid. He reported that the advertisement for bids for the Phase II Interconnect has been sent to the newspaper, and we should receive contract documents and specifications today. Pre-bid conference is 9/10/10, bids are due by 9/21/10. LRG MDWA has some Colonias Initiative money that expires in November, and it needs to be spent, so we can at least purchase materials for that project right away once the bid is awarded. He said the MDWA is doing a 'friendly' condemnation for the surface water treatment plant site, and we should get the CI money expended, but the hurdle is the La Mesa building because NMED is still reviewing their plans, and we need to push them. NMED is just not getting reviews and disbursements done. There was some discussion of special water users associations and leasing of surface water rights for the treatment plant. 47:54

C. Governance Documents Committee:

1. Recognition of Committee volunteers – Mr. Lopez said that at last public meeting before the merger began, RCAC offered the opportunity to anyone who wanted to participate to join in developing the Governance Documents for the Authority. Six or seven people started, and four continued through the whole process, and we need to recognize them. Two were from Desert Sands, Jose Luis Arellano and Jeanette Gomez, and two from Berino, Santos Ruiz and Gabriel Gutierrez. He suggested a plaque and taking them to lunch after the meeting. Annette Morales asked if we can we make sure the Governance Documents are available to review and noted that the state has to sign off, the board has to adopt, and they are working documents. Mr. Lopez said he will be posting notices everywhere today for the public hearing for comment on the Governance Documents. Mr. Holguin made a motion to award plaques and buy lunch for the Governance Documents Committee. Ms. Pargas seconded, and it carried unanimously. Mr. Lopez said maybe we could do this on the 15th. 53:44

2. Review election time-table from county – Mr. Lopez said he finally got through to county yesterday, and that they freaked out after working well with Olga Morales when other people got involved. He said the attorney pointed out that voting districts have to be in place under our statute, not necessarily elections. Mr. Lopez said he finally got through to them that we only need the protocol for elections, not to have them set up our election.

Olga Morales discussed the hurdles with setting up voting districts. She said the preference from everyone is to have the county do elections, but it has been very challenging to get information from them in order to set up a timetable. In the Governance Document, there is a recommendation from RCAC to the Board to set up an election policy as an option in case having county do it doesn't work out. Ms. Morales has not seen the county process yet, and it is the only thing missing from the Governance Document. Mr. Lopez noted that we can insert it later. 1:02:08

3. Review of proposed Governance Document – Ms. Morales said that she printed it out before receiving Ms. Nichols' comments, and she handed out a revision to section 2.13. She will collect them with comments this coming Friday. Ms. Nichols noted that the document needs to have an amendment clause and a severability clause added. Once comments are in, the Governance Document goes to the attorney for legal review, also the employee handbook & policies. Ms. Morales (Olga) said she will supply these documents electronically and stressed that they are living documents and need to be kept up to date. Mr. Lopez noted that we had decided that he is the point of contact for comments. Annette Morales asked about board training on the Governance Documents once they are in place, also about the recommendation for hiring employees and timetable. Olga Morales said that throughout the planning process, RCAC has also been funded with Rural Community Development Initiatives funds, and she will continue to work with the Authority Board after the CDBG Project is done. Mr. Lopez said we will need some more public meetings, and we will take that opportunity to tell people about the transition to the Authority. Mr. Pugh asked about the organization chart and how we get from where we are today to that document. Mr. Lopez said that he and Ms. Nichols organized some meetings with the mutual employees to put people into positions. Mr. Pugh asked if anyone would be losing their job as a result of the merger, and Mr. Lopez replied no, but some are choosing to leave. Mr. Pugh also asked about the need for La Mesa's new office, and Ms. Nichols mentioned that it will also house SCADA controls. Mr. Lopez noted that we will have Financial Manager, and may need to house that department in the new La Mesa building. 1:16:58

4. Amend Member Definition to correct statute citation: Mr. Lopez said that on p.10 the first one cited the wrong statute, the correct one is NMSA 1978 73-26-1. Ms. Pargas made a motion to adopt the amendment, Mr. Ruiz seconded, and it carried unanimously. 1:18:33

- D. Voting District Boundaries – for approval IF READY – Olga Morales reported that this has turned out to be a huge challenge trying to get equal representation. RCAC recommendation is five initial districts. We need to work from the county parcel base map, but it does not recognize private roads. She said they started working on Berino, got a membership list with actual locations and plotted 400 out of 600 connections, but the rest are on private roads. Mr. Holguin made a

motion to postpone this item, Mr. Ruiz seconded, and it carried unanimously.
1:35:55

- E. RFPs for engineering services & accounting services – updates: Mr. Lopez said that, at the Board’s request, he put out an RFP for accounting services, and one Albuquerque firm responded with a proposal for 1138 hours, \$100,000 for 2010 & 2011, and said that reflected a 37% discount. He said we could re-RFP, or could hire an accountant on staff. Annette Morales knows a firm that may be interested. Olga Morales said that the challenge to some of these firms is that it is a merger. Mr. Lopez clarified that we will not have to have this firm resubmit if we re-RFP. Annette Morales will have some CPA firms she knows look at it. There was a lengthy discussion, and Mr. Holguin made a motion to reissue the RFP, Mr. Ruiz seconded, and it carried unanimously. 1:45:20

RD frozen projects: Mr. Lopez reported that the compromise was to have the Authority assume the La Mesa water and Mesquite sewer projects at end of the Letter Of Conditions and RFP for construction management with the mutuals terminating their contracts with engineers. He asked if the Board wants to have a committee to submit recommendations or have the Board do it. Berino water & Del Cerro Mesquite projects will combine their PER/EAs and apply for funding under the Authority. That will require some engineering, and he requested that we RFP for engineering services for the next four years. He said we will immediately apply for more planning funds. Mr. Holguin made a motion to issue an RFP for engineering services for the projects identified in the ICIP, Mr. Ruiz seconded, and it carried unanimously. Mr. Lopez said he will advertize this Friday, Saturday, and Sunday. 1:53:11

- F. Funding applications update – WTB, NMFA, RD – Mr. Lopez said that he may have to go up to the Water Trust Board next Wednesday for their next meeting since they were going to change the rules for new regional entities, but he will check and it might not be critical to be there. He said he provided Tracy Davis at NMFA with all the previous financials. Olga Moralez forwarded the ones she did showing all of them. Mr. Lopez will call and see if Mr. D’Antonio wants us to be there. Ms. Holguin mentioned EID moneys, and there was some discussion. Annette Morales said she be putting together a meeting with all the water providers, etc. regard the Colonias Initiative Trust Fund, and there was some discussion. 2:02:22
- G. Staffing issues – Mr. Lopez said the staff is working on recommended pay scales and we will need to submit the budget to NM-DFA Finance & Budget Bureau. Ms. Vega at La Mesa is working on the office staff pay scales, and Mike Lopez at Mesquite is doing the operations staff pay scale. He said he will be giving them a deadline to get them complete, or he and Ms. Nichols will brainstorm it next week. Mr. Pugh asked about getting pay scales from the Labor Department, and Mr. Lopez said that they were researching it based on what other local entities pay ranges are for the same jobs.

- H. Logo redesign - Ms. Nichols handed out color copies of the second round of logo samples from the graphic artist and discussed the process of working with her. She noted that if the Board is not ready to pick one of these, the feedback needs to be very specific to move forward with the next revision. There was a lengthy discussion, and Ms. Nichols collected written and verbal notes to provide feedback to the artist. 2:27:10

VIII. New Business:

- A. Projected Budget – for approval – Olga Morales discussed the Water Budget, and said we will send in the 2010-2011 as the budget and use the 2011-12 as the projected budget. There was some discussion of what to plug in as reserves, and that will be \$140,000 in Capital Improvement Reserves. 2011-12 includes the Berino water & Mesquite sewer combined projects as potentially all loan and the La Mes water and Mesquite water projects as funded.

LRG 2010-11 is the proposed budget for FY-11, and the projected budget to submit to USDA-RD for all projects is the 2011-12 or FY-12.

Wastewater Budget – there was some discussion of the proposal, and Mr. Lopez noted that it is not balanced, but needs to be for the state. He suggested deleting the operating reserve to balance it and show a positive net revenue, Mesquite is already required to have an \$8,000 emergency reserve in its wastewater budget. There will be a proposed rate increase for FY12.

Ms. Pargas made a motion to adopt revised Resolution #2010-04 adopting revised FY11 budget and to adopt the FY12 budget projection with adjustments to reserves as discussed. Mr. Ruiz seconded, and it carried unanimously.

- B. Proposed Rate Schedule – for approval – Olga Morales discussed the proposed rate schedule with minimum bill of \$10 for 0 gallons, 0-10,000 gallons at \$1.50/1000, and she reviewed the entire rate proposal. Four entities rates will drop, and she expressed concern at how low the rates are and said that we will need to strongly make the argument that economies of scale work. Sewer rates remain the same. Ms. Pargas made motion to adopt the proposed rates, Mr. Holguin seconded, and it carried unanimously. 3:06:42
- C. Purchased of laptop computer – for approval – Ms. Nichols requested that the Board consider purchasing a newer, lighter weight laptop for Authority use. There was a brief discussion, and Mr. Pugh agreed to assist with configuration. Mr. Holguin made a motion to authorize a \$2,000 budget for the purchase of a laptop. Mr. Ruiz seconded, and it carried unanimously. 3:08:13
- D. Authorization to RFP for additional projects – already done in previous section VII. E

- E. Request SCCOG assistance to apply for CDBG Planning Grant – Mr. Lopez reported that he sent Ms. Nichols to CDBG training so we could qualify to apply, and they are taking applications for planning grants. Ms. Nichols said that based on the high attendance at the workshops, there is likely to be a great deal of competition for CDBG funds this year. Mr. Holguin made a motion to request assistance from SCCOG in applying for a CDBG Planning Grant, Mr. Ruiz seconded, and it carried unanimously. 3:10:16
- IX. Other discussion and agenda items for next meeting – Next meeting will be 9/15/10 at 10:00 a.m. Mr. Holguin thanked the Board for rescheduling the meeting around his Purple Heart ceremony. He also noted that on 9/16/10, Susanna Martinez & Steve Pearce will be in Vado at 1:45 at the Vado office. Ms. Nichols will get CDBG agenda items from Tiffany Bloom. The LRG MDWA Special Meeting will be at 11:00 a.m., Public Hearing at will be at 11:30 a.m. Mr. Pugh noted that he will be out of town from 9/8-12/10out of town.
- X. Adjourn: Mr. Holguin made a motion to adjourn, Mr. Ruiz seconded, and it carried unanimously.

Date Minutes Approved: _____

LRGPWWA BOARD: Sign ABOVE your printed name Name, Title/ Association Represented	Approve/Absent
Robert Nieto, President/Mesquite MDWC & MSWA	
Jim Pugh/La Mesa MDWCA	
John Holguin, VP/Vado MDWCA	
Santos Ruiz, Secretary/Berino MDWC & MSWA	
Rosaura Pargas/Desert Sands MDWCA	

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
MEETING NOTICE & AGENDA
BOARD OF DIRECTORS MEETING
10:00 a.m. Wednesday, September 15, 2010 at Vado MDWCA Office

- I. Sign in, establish quorum, call to order
- II. Approval of agenda
- III. Approval of Minutes of 9/1/10
- IV. Fiscal Agent action items & reports - Insurance quotes, transfers of assets, Income & Expense Report, update on laptop purchase, other
- V. Guest Presentations – NONE
- VI. Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:
- VII. Unfinished Business:
 - A. Water Rights issues – combine & comingle application
 - B. LRGMDDWA items/updates – meeting(s) w/county manager & staff, project deadlines & reports, other
 - C. Governance Documents Committee: Recognition of volunteers - update
 - D. RFPs for engineering services & accounting services – Update on Accounting RFP re-issue - Selection of engineering firms for construction oversight/management of projects ready to bid (La Mesa Water Project & Mesquite Wastewater Project) and ready to fund (Mesquite Del Cerro Water Project & Berino Water Project)
 - E. Funding applications update – WTB, NMFA, RD, CDBG
 - F. Logo – final design for approval

BREAK AT 11:00 after Unfinished Business for Authority Meeting & Hearing
RESUME WITH New Business following Authority Public Hearing
- VIII. New Business:
 - A. Adoption of Charter Document – motion to send to attorney for review & set target date for board to adopt
 - B. Hiring of General Manager – RCAC recommends action
 - C. Consideration of items from Merger Plan recommended by RCAC for immediate adoption:
 - 1. GM Job Description, Organization Chart
 - 2. Policy Manual (consider attorney review as well)
 - 3. Procedures Manual
 - 4. Employee Handbook
 - 5. Water Conservation Plan
 - 6. Vulnerability Assessment & Emergency Response Plan
 - D. Other Items from Merger Plan
 - 1. Election Policy – pending information from county
 - 2. District Boundaries – pending info from mutuals & mapping
 - 3. Job descriptions & pay scales – for implementation by GM
 - 4. Strategic Plan – consider adoption or postpone

- E. Agency required Public Notification Meetings for new CDBG Planning Grant Application & USDA Rural Development “Intent to Submit Application” – motion to authorize scheduling the meetings and associated costs
- IX. Other discussion and agenda items for next meeting – Next meeting 9/15/10 at 10:00 a.m.
- X. Adjourn

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aide or service to attend or participate in the hearing or meeting, please contact the Desert Sands MDWCA office at 505-882-0313, P.O. Box 1864, Anthony, NM 88021, or in person at 59 Links Road, Berino, NM at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Desert Sands MDWCA office if a summary or other type of accessible format is needed.

Si es un individuo con una incapacidad esta en necesidad de un lector, amplificador, lenguaje por senas, o cualquier otra forma de asistencia o servicio para atender o participar en las juntas, por favor lame ha la oficina Desert Sands MDWCA 505-882-0313, P.O. Box 1864, Anthony, NM 88021, o en persona 59 Links Road, Berino, NM una semana antes de la junta o en cuanto posible. Documentos públicos, incluyendo la agenda y minutos, están disponibles en varios formatos. Por favor opóngase en contacto con la oficina Desert Sands MDWCA si un resumen o otro tipo de forma accesible es necesario

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

MINUTES

{Noted: Minutes are a DRAFT until approved and signed by the Directors}

BOARD OF DIRECTORS MEETING

10:00 a.m. Wednesday, September 15, 2010 at Vado MDWCA Office

- I. Sign-in sheet and Agenda are attached. Present were President Robert Nieto, Director Rosaura Pargas, and Director Jim Pugh. Secretary Santos Ruiz arrived at 10:44 a.m. Vice-President John Holguin was absent. With a quorum established, Mr. Nieto called the meeting to order at 10:10 a.m.
- II. Approval of agenda: Ms. Pargas made a motion to approve the Agenda with a correction to re-number item F to E, Mr. Pugh seconded, and it carried unanimously.
- III. Approval of Minutes of 9/1/10 (attached): Ms. Pargas made a motion to approve, Mr. Pugh seconded, and it carried unanimously. 7:44
- IV. Fiscal Agent action items & reports - Insurance quotes, transfers of assets, Income & Expense Report, update on laptop purchase, other: Mr. Lopez said he does not yet have a quote for insurance, the company need a budget and he needs depreciation numbers for La Mesa and Vado for the budget using RD form 442-2. The attorney is in the process of transferring assets. He said we have had no expenses yet except deposit slips \$62, and some of the laptop items are starting to arrive. 11:39
- V. Guest Presentations – NONE
- VI. Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action: NONE
- VII. Unfinished Business:
 - A. Water Rights issues – combine & comingle application: Mr. Lopez reported that this has not begun yet. He said he finally got water rights recorded at the county which was delayed because they wanted originals, not copies. 13:22
 - B. LRGMDWA items/updates – meeting(s) w/county manager & staff, project deadlines & reports, other: Mr. Lopez reported that he met with the County Manager, Assistant Manager, County Attorney along with Ms. Singleman and Ms. Nichols. They indicated that they will send letters to the individual mutuals saying they can have the return flow credits. Mechanism for prorated amount of credit is up to NM-OSE for return flows. There was also some discussion of Berino Road and the additional streets in La Mesa to be included in the Ph.II Interconnect. 17:04
 - C. Governance Documents Committee - Recognition of volunteers – update: Ms. Nichols reported that she is planning a luncheon on Wednesday, October 6th at 11:30 a.m., and she will order some plaques once the logo is adopted. 19:03

- D. RFPs for engineering services & accounting services – Update on Accounting RFP re-issue: Mr. Lopez said that proposals have been received for the construction oversight & management of projects ready to bid (La Mesa Water Project & Mesquite Wastewater Project) and ready to fund (Mesquite Del Cerro Water Project & Berino Water Project). He said he re-issued the accounting RFP to clarify it is for the balance of this FY with a possible extension into FY11 and ask for hourly rate and breakdown by task. He said he just had a call from a firm out of El Paso.

He also noted that he issued the RFP for future construction projects with a due date of this Thursday, the 22nd. The LRG MDWA is in the bid process on the Phase II Interconnect Project, had a pre-bid conference, and there were six contractors and a vendor present for that. Mr. Pugh asked about the project budget, and Mr. Lopez replied that it is about half a million.

Mr. Lopez said that five firms submitted packages and asked if the board wanted to go through the rating criteria format. He said that the recommendation from USDA-RD and the attorney is to select the same engineers who have developed the projects, and noted that the three firms who started the projects applied plus two new ones. Ms. Pargas made a motion to come back to this item and do the rating after items E and F. Mr. Pugh seconded, there was some discussion and the motion carried unanimously. {Go to VIII E} 27:19 After items E & F, the directors verbally ranked the proposals with Mr. Lopez recording the group scores. Group score sheet is attached. Ms., Pargas made a motion to selection Gannet Fleming & West for the Mesquite Wastewater project, to select Molzin Corbin for the La Mesa Water Project, and to select Vencor for the Mesquite - Del Cerro Water Project and Berino Water Project (each firm scored 100 points; Bohannon Huston Inc. and CE&M each scored 90), Mr. Pugh seconded, and it carried unanimously. 42:52

- E. Funding applications update – WTB, NMFA, RD, CDBG – Mr. Lopez said that the Water Trust Board application is due 10/15/10, and he asked Matthew Jaramillo at NMFA if they adopted the rules change we need, and they did. They are saying they understand we do not have past financials, but they want the ones from the founding entities and he is providing them back to 2009. The board approved the budget, and he had to shift some line items. Olga Morales' numbers did not reflect the true salary projections due to difference in the way the individual mutuals handle their bookkeeping for salaries, contract operations, payroll taxes, etc. He said that we have things in place to meet the WTB deadline. NMFA is looking at same things as the WTB in order to refinance our loans. RD depends on the revised budget and RFP selection. For CDBG, we requested SCCOG help, have not heard back from Jay officially yet, and need to have public hearing which is later in agenda. 31:24 .

- F. Logo – final design for approval (attached): – Mr. Pugh made a motion to adopt, Ms. Pargas seconded, motion carried unanimously. 32:15 Mr. Lopez asked if Ms. Nichols can get it on website, and she thought so. Mr. Nieto asked the final cost, and Mr. Lopez replied \$250. Mr. Ruiz arrived at 10:44 back to VII. D RFP

BREAK AT 11:00 after Unfinished Business for Authority Meeting & Hearing
RESUME WITH New Business following Authority Public Hearing 11:37 am

VIII. New Business:

- A. Adoption of Charter Document – motion to send to attorney for review & set target date for board to adopt: Ms. Pargas made a motion to send the proposed Charter to the attorney for review, Mr. Ruiz seconded, and there was some discussion. Mr. Lopez said that, as the board considers adoption of the Charter, it needs to consider the timing and give guidance to the attorney on priorities for the tasks she is working on. He said the water rights transfers are finished, she is about half-done with the condemnation, and is tackling the combine & comingle and return flow credits. Ms. Nichols asked for clarification on the 10/15 deadline for WTB application, and Mr. Lopez said the combine & comingle not critical until April. He said the transfer of real property and Charter probably need to go hand in hand. After some further discussion, consensus was to target adoption of the Charter for 10/20/10 after receiving public comment at next Authority board meeting on the 6th. Ms. Pargas amended her motion to include the target date, and Mr. Ruiz agreed. Motion to send the proposed Charter to the attorney for review with a target date for adoption of October 20, 2010 after opportunity for public comment on October 6th carried unanimously. 13:03
- B. Hiring of General Manager – RCAC recommends action: Ms. Nichols said that the recommendation from RCAC is to select a General Manager as soon as possible, the selection can be made before the person selected actually becomes an employee, and the board can negotiate salary and establish a benefits package. There was a great deal of discussion, and Ms. Pargas made a motion to post the General Manager position as open to the founding entity's staff member to apply for the job no later than October 1st with board action to follow on the 6th. Mr. Pugh seconded, and it carried unanimously. 19:56
- C. Consideration of items from Merger Plan recommended by RCAC for immediate adoption:
1. GM Job Description, Organization Chart: Mr. Pugh asked about operator certification requirements, and Mr. Lopez discussed, noting that we probably need to have a Level 4 for Operations Manger. He also reviewed the Organization Chart and pay scale recommendation. Ms. Pargas made a motion to adopt, Mr. Ruiz seconded, and it carried unanimously. 43:37 Mr. Pugh made a motion to send GM Job Description to the attorney for review with a deadline of 10/6/10, Mr. Ruiz seconded, and it carried unanimously. 44:54

2. Policy Manual (consider attorney review as well): Ms. Pargas made a motion to send to the Policy Manual to the attorney for review, Mr. Ruiz seconded, and it carried unanimously. 47:53
3. Procedures Manual: postpone until FM or accounting firm is on board – Ms. Pargas made a motion to postpone until a Finance Manager or accountant is in place, Mr. Ruiz seconded, and it carried unanimously.
4. Employee Handbook: Mr. Lopez recommend sending it to the attorney, but said it is not urgent. Mr. Pugh made a motion to send the Employee Handbook to the employees for review prior to sending it to the attorney, Mr. Ruiz seconded, and it carried unanimously. 50:51
5. Water Conservation Plan: Mr. Pugh made a motion to adopt, Mr. Ruiz seconded, and it carried unanimously.
6. Vulnerability Assessment & Emergency Response Plan – Mr. Pugh made a motion to adopt, Mr. Ruiz seconded, and it carried unanimously. 53:31

D. Other Items from Merger Plan

1. Election Policy – pending information from county: Mr. Lopez said he had Ms. Nichols and Annette Morales meet briefly with the Lynn Ellins, and he is waiting to hear from our attorney.
2. District Boundaries – pending info from mutuals & mapping: Mr. Lopez said we are still working on getting property ID numbers on all the member lists.
3. Job descriptions & pay scales – for implementation by GM: There was a brief discussion.
4. Strategic Plan – consider adoption or postpone: Mr. Lopez discussed the contents of the plan and noted that it will be a living document. Mr. Pugh made a motion to adopt, Mr. Ruiz seconded, and it carried unanimously. 58:19

- E. Agency required Public Notification Meetings for new CDBG Planning Grant Application & USDA Rural Development “Intent to Submit Application” – motion to authorize scheduling the meetings and associated costs: Mr. Lopez said we are required to have meeting, and he has scheduled it for October 20th at 7:00 p.m. at Vado Elementary for the regular CDBG application for all their programs and for USDA-RD Intent to Submit Application. Ms. Pargas made a motion to approve, Mr. Ruiz seconded, and it carried unanimously. 45:57

- IX. Other discussion and agenda items for next meeting – Next meeting will be 10/6/10 at 6:00 p.m. Mr. Lopez reported that the letter that the LRG MDWA sent to CE&M is resulting in them meeting all their deadlines. Mr. Nieto had a question about the NEPA process, and Mr. Lopez said that because of the reconfiguration of the land for the treatment plant, it will probably cost an extra \$2,000. Next Agenda – GM hiring, insurance policy, maybe benefits, selection committee for current RFPs for new projects and accounting.
- X. Adjourn – Mr. Ruiz made a motion to adjourn, Ms. Pargas seconded, and it carried unanimously. Mr. Nieto declared the meeting adjourned at 12:40 p.m.

Date Minutes Approved: _____

LRGPWWA BOARD: Sign ABOVE your printed name Name, Title/ Association Represented	Approve/Absent
Robert Nieto, President/Mesquite MDWC & MSWA	
Jim Pugh/La Mesa MDWCA	
John Holguin, VP/Vado MDWCA	ABSENT 9/15/10
Santos Ruiz, Secretary/Berino MDWC & MSWA	
Rosaura Pargas/Desert Sands MDWCA	