

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING**

10:00 a.m. Wednesday, May 15, 2013 at our Butterfield Park, NM Office

Minutes are in DRAFT form until approved by the Board

- I. **Sign in, Roll Call to Establish Quorum, Call to Order** Sign-in sheet and agenda are attached. Directors present were Chairman Robert “Marty” Nieto, Vice-Chairman John Holguin, Director Furman Smith, Director Mike McMullen and Director Cali Tellez. Secretary Ruiz Santos was absent. District 1’s seat is vacant. Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Operations Manager Mike Lopez, Projects Manager Karen Nichols, Adm Asst Joan Ferguson and Accounting Specialist Benny Lopez. Also present were Matt Dyer with PSC, Roberto Nava (MCAC) and Arturo Uribe (MCAC). With a quorum established the meeting was called to order by Mr. Nieto at 10:05 {29}

- II. **Pledge of Allegiance** {46}

- III. **Approval of Agenda** Mr. McMullen moved to approve the agenda. Mr. Smith seconded the motion and it carried 5–0. {1:15}

- IV. **Approval of Minutes of 4/17/2013** Mr. Tellez asked for confirmation that the stub-out project had approval in writing. Ms. Nichols said that she would e-mail him a copy. Mr. McMullen moved to approve the minutes of 4/17/2013. Mr. Smith seconded the motion and it passed 5–0. {4:44}

- V. **Guest Presentations**
 - A. **Roberto Nava** Mr. Nava brought up several issues: the past due notices on the bills; the 3pm deadline for past-due bills; and the automated phone system. He asked about the sewer pumps. Mr. Martin Lopez told him that aside from a few exceptions, they would be removed. He also asked about new meters and Mr. Martin Lopez explained where the new meters were being installed. {23:15}

- VI. **Public Input—15 minutes total allotted for this item, 3 minute time limit per person**
 - A. **Calli Tellez** Director Tellez introduced himself and explained that he wanted to work on community outreach. Mr. Tellez will host a community meet and greet on May 22 2013 at 6 p.m. at the La Mesa office. He also mentioned the need for drivers’ safety courses for operations personnel. {30:40}
 - B. **Arturo Uribe** Asked the Board to consider that reserves be used to help with water shut-offs. Ms. Nichols explained that because the Authority is a governmental entity they are subject to the anti-donation clause in the State Constitution. She suggested the best way to handle that issue would be through a community group. Mr. Uribe said that he would prefer things be dealt with on a case-by-case basis whereupon Mr. Martin Lopez pointed out that officials in Sunland Park went to jail for doing just such favors. He reiterated that it would be unfair to use members’ water fees to pay for someone else’s and he would resign should such a policy be implemented. Mr. Uribe also had issues with the phone system and the 3pm shut-off deadline. Extended an invitation to LRGPWWA to help develop an emergency plan for Mesquite in light of the recent fertilizer explosion in Texas. {37:43}

- VII. **Managers’ Reports**
 - A. **Management Report** Mr. Martin Lopez submitted a written report (attached) and discussed it with the Board.
 - o Mr. Martin Lopez started by responding to the above complaints. He reiterated that all policies have cost-saving components attached and that the Authority does what it can

to provide savings for customers. For example, a receptionist to answer phones would cost the customers.

- RE conversation with Senator Cervantes about amending Authority's statute to recognize that parts of the Authority are not contiguous.
- RE: Wetlands. A group is suing the dairies over nitrate discharge. The dairies, in turn, are exploring suing anyone else with a discharge permit. As part of that suit, the dairies have asked the Authority for records concerning the Wetlands. The Authority may have to increase insurance coverage. Mr. Nieto asked if the Authority would still be liable after the Wetlands facility was shut down. Mr. Martin Lopez explained the time line: LRGPWWA is required to cease discharging into the Wetland by December 2015 but is projecting that they be closed by June 2013. It is required to monitor the ground water for five years after the last discharge or until the nitrate levels are below 1 part per million as required by the State. But because of the current drought, this may be more difficult: current readings are 50mg/liter. Because LRG is down to one well where water can be drawn, it is in talks with the Environmental Department on a solution. Additionally, Ms. Nichols is seeking funding to decommission the Wetlands facility.
- Asked that Ms. Nichols coordinate with staff and Board to insure up-to-date certifications. {49:24}

B. Operations Report Mr. Mike Lopez submitted a written report (attached) and discussed it with the Board. {1:07:39}

- Well 8 pump motor failed Sunday (May 12). Operations spent Sunday and Monday working on it. They ended up pulling out the 75 hp pump and installing a 60 hp pump because that is what was in stock. A 75 hp pump is on order. There were no customer complaints and the well was working by 8:30 p.m. Monday evening.
- RE: Alto de las Flores. Referring to the GM's report, Alto de Las Flores is required by USDA to have a budget before they will approve the Interagency O&M Agreement. Currently Alto to las Flores is working on the budget with Mesilla Valley Accounting. In the meantime, the County has terminated their O&M agreement, effective May 22. Mr. Mike Lopez will be working with Alto in the interim to insure that maintenance is kept up. Mr. Mike Lopez has kept NMED apprised of the situation and Mr. Martin Lopez assured the Board that USDA will retroactively approve the interim maintenance.
- There will be an auction at the fairgrounds in June and discussed the possibility of auctioning equipment and vehicles (that still require insurance) that are no longer in use. Procurement code issues were discussed in this context.
- Mr. Smith asked about the Organ Chevrolet. It was backed into and needs an alignment. The Operator responsible has been written-up and notified that the next reckless driving infraction will be cause for termination. That incident was the impetus to implement a daily vehicle inventory. Finance is also considering GPS tracking.
- A production loss report should be available next month.

C. Projects Report Ms. Karen Nichols submitted a written report (attached) and discussed it with the Board.

- RE: La Mesa Water System Improvements. It appears that there are only two more pay apps until the project is finished.
- RE: Mesquite Waste Water Project. Funding from USDA and CITF for this project is not adequate to decommission the Wetlands Facility so the Authority has submitted a Project Interest Form and supplemental documents to NMED for CWSRLF funding. Gannett, Fleming, West submitted a worst case scenario (sludge) estimate. The Authority may be able to qualify as a disadvantaged community and receive three-quarters funding through grants.

- RE: Surface Water Treatment Plant. Confirmed that LRG is on the agenda of the May 22 NMFA meeting to discuss the change of scope of this project.
- RE: Authority-Alto de Las Flores Interconnect. When Barbara Romero left DFA, there was no reply to the last pay application and the request to use the remaining funds. After many phone calls, Ms. Nichols contacted Mr. Simon Saiz who discovered that the last pay app had been processed. He is currently researching the request to use the remaining funds for the stub-outs in Mesquite. The approval to use those remaining funds is with Ryan Gleason (DFA, Local Government Division) but the situation has become urgent.
- RE: Authority PER. Parametrix proposal to amend the environment documents is up for Board approval later in the agenda.
- RE: Radio Read Meters. Another pallet of meters has been delivered. Steven Deal approved disbursement request in two days and DFA approved it immediately and the money should be available next week.
- Newsletter planned for June
- Met with Johnny Lechuga yesterday south of Veterans Rd. concerning eight homes without water service. Because agricultural pumping in the area, the water table is dropping and their wells are in danger of going dry they may be without water. They were skipped over during the last La Mesa upgrade possibly because extending service to those homes would have involved crossing the highway, as well as a couple of EBID ditches and involve several borings. It may be possible to amend the PER for the water system purchase to include these homes as well as a couple other areas without service. {1:25:24}

D. **Finance Report** Ms. Kathi Jackson presented a power point presentation (attached) and discussed it with the Board. Ms. Jackson's presentation began with charts showing the debt service of the original five Mutual Domestics, how RCAC recommended they be serviced, current debt service of the original five mutual domestics; and current debt service of the original five assumed by LRG PWWA as well as the debts of Organ, Butterfield Park and Brazito. The current total debt service is \$176,336 per year. (Note that the figures for the Radio Read project were not accurate: the loan component was much lower.) Another chart totals new projects at \$34.9 million, \$26.1 million of which was paid through grants leaving \$2.2 million in loans. LRG has been using projections calculated by RCAC in 2010 before Brazito, Butterfield Park and Organ were brought on board (original debt plus nine new projects). Additionally, the Mesquite Wetlands need to be decommissioned, there are households that are going to need service, the revenue from three dairies has been lost and the area is in the midst of a severe drought as well as economic stress. On the revenue side, LRG is still using the rates figured by RCAC in 2009-10 (or previous) which does not take into account all the above history. While their rate study may have been flawed, there was very little history to work from and very little between the original five Domestics was comparable. Mr. Holguin and Mr. Tellez were firmly against any rate change. Ms. Jackson proceeded to proposed budget cuts to cover the \$646,336 shortage. The cuts would be severe. Considerations mentioned by the General Manager were that reserves weren't included in the presentation, some of the loans could be refinanced (although the savings would be minor) , pay off some loans... Questions of growth, service, debt need to be addressed. It has been estimated that the average bill of \$37 needs to increase by \$2.76 in order to make the transfer and assumption feasible. Discussion with the Board concerned the procedure for a rate change, the benefits of an internal rate study and whether to have a budget work session. {2:17:32}

VIII. Unfinished Business

A. **Appointment of Director for District 1.** This Director's position will be kept open until it is filled. {2:19:33}

IX. New Business

- A. **Open Meetings Act Resolution No. 2013-12 FY 2014—for adoption** Mr. Tellez asked if there was anything new in the document. Ms. Nichols explained that the notification periods had changed. Mr. Martin said the only item that the Board could change would be the meeting schedule on the last page. Mr. Holguin made a motion to adopt the Open Meetings Act Resolution No. 2013-12 FY 2014. Mr. Tellez seconded the motion and it passed 5–0. Mr. Martin Lopez asked if Secretary Ruiz needed to attest to the signatures. Ms. Nichols said they had a quorum and they were ok. {2:23:13}
- B. **SCCOG Membership Resolution No. 2013-13 FY 2014—for adoption** Mr. McMullen moved to adopt the SCCOG Membership Resolution No. 2013-13 FY 2014. Mr. Holguin seconded the motion and it passed 5–0 keeping Kathi Jackson (Finance Mgr) appointee and John Holguin (Vice Chair) as alternate. {2:25:46}
- C. **Parametrix proposal for environmental documents—for approval** This is a supplemental document to the Del Cerro project. The initial EID missed 3 roads which this proposal addresses. It will cost \$8,724.03 and is a reimbursable expense. Mr. Martin Lopez proposes to pay for this study up front from the proceeds of the south tower rental (by the truck stop). Mr. McMullen moved to approve the Parametrix proposal for environmental documents. Mr. Smith seconded the motion and it passed 5–0 with no further discussion. {2:28:37}
- D. **Amendment to schedule of rates and fees—for approval** There is a statute that requires that governmental entities not pass on the cost of credit card charges so LRG is charging a flat fee of \$3 per charge for an amount under \$100.00. Any charge over \$100.00 will be assessed a fee of 3%. Mr. McMullen moved to approve the amendment to the schedule of rates and fees. Mr. Tellez seconded the motion. The vote passed 5–0 with no further discussion. {2:30:57}
- E. **Proposed policy change for past due payments—for approval** This policy is to clarify the 3 p.m. deadline for past due bills. Dropping a past due bill into a drop box on shut-off day—instead of paying at the office—does not ensure that the account will not be turned off. Mr. Holguin objected to changing a policy because of one customer. Mr. McMullen made a motion to approve the proposed policy change for past due payments. Mr. Smith seconded the motion. The motion was approved by a vote of 3–1. Mr. Holguin voted against and Mr. Tellez abstained. There was a short discussion about whether the chair can/should abstain from a vote. The chair now represents a district and should probably vote. {2:37:55}
- F. **Negotiate with Internet Companies for Use of LRGPWWA facilities—for approval** Mr. Martin Lopez reminded the Board that a cell phone company is renting space on the Vado tank and Southwestern Wireless is providing free internet to the Authority in exchange for space on the Del Cerro tank. Two other companies have approached the Authority to use the tanks. Because companies typically would prefer to exchange services it might be a way to bounce a signal to the BP office and make billing a little easier for Finance. Mr. Tellez made a motion to approve of negotiations with internet companies for the use of LRGPWWA facilities. Mr. Holguin seconded the motion and it passed 5–0 with no discussion. {2:39:50}
- G. **Resolution No. FY2013-14 Interim Budget—for adoption** Preliminary budget to be submitted to the State to comply with the Budget Act. Mr. Holguin asked if the budget could be adjusted if this Resolution was adopted. Mr. Martin Lopez said yes. Mr. Tellez asked if this was a permanent budget. Mr. Martin Lopez said no. Mr. Holguin moved to adopt the Resolution No FY2013-14 Interim Budget. Mr. McMullen seconded the motion. The motion carried, 5–0 with no further discussion. {2:42:02}

- H. **FY2013 Budget 3rd Quarter Report—for approval** Mr. Martin Lopez explained that if we don't make up the shortfall of \$1 million the Authority will have to amend column #3 (Actual Budget) and that would be the final budget for FY2013 which will impact the Interim Budget FY2014 that was just approved. Mr. McMullen made a motion to approve the FY2013 Budget, 3rd Quarter Report. Mr. Holguin seconded the motion. The motion carried with a vote of 5–0 with no further discussion. {2:48:08}

- X. **Other discussion and agenda items for next meeting, 9 a.m. 6/19/13 at the La Mesa Office**
 - A. CDBG Resolutions—for re-adoption
 - B. Drivers' safety courses
 - C. Mr. Tellez request for an office at the La Mesa office.
 - D. RFP for rate study
 - E. Report from Director Tellez on his meeting

- XI. **Adjourn** Mr. Smith made a motion that the meeting be adjourned, Mr. Tellez seconded the motion; the vote passed 5–0 with no discussion. The meeting adjourned at 1:03 p.m. {2:59:07}

Lower Rio Grande Public Waterworks Authority

Sign In Sheet

P. 1 of 2

Date: May 15, 2013 Time: 10:45 AM Place: Buffalo Park Meeting Type: Regular

Name, Title - Print	Company or Agency Represented	Mailing Address	Telephone	Email
Sign <u>MIKE MEMOLLEN</u> <u>OPERATOR</u>	<u>REGWERA</u>	<u>201 STONE DR.</u> <u>MS. 249 PARK NY 68971</u>	<u>970-302-1852</u>	<u>MS.MEMOLLEN@regwera.com</u>
<u>Robert Zilly</u> <u>Grader</u> <u>Matt Dyer</u> <u>of Matt Ayer</u>	<u>A.R.C.</u> <u>PSC</u>	<u>P.O. Box 69</u> <u>La Grange, TX 78026</u> <u>115 W. Griggs Ave.</u> <u>kas Cruces NM 88001</u>	<u>525-</u> <u>233-9140</u>	<u>mdyer@team-psc.com</u>
<u>Mike Lippert</u> <u>Maintenance</u>	<u>LRSPWMA</u>	<u>P.O. Box 2646</u> <u>Anthony NM 88021</u>	<u>575-635-3921</u>	
<u>MARTIN Lopez</u>	<u>Albarran</u>	<u>325 Holbrook Rd</u> <u>Albarran, NM 87021</u>	<u>575-571-3124</u>	
<u>Aurelius Williams</u> <u>Robert Navia</u>	<u>MCA-C</u>	<u>P.O. Box 95</u> <u>Mesaquite, NM 88048</u>	<u>575-621-0268</u>	<u>arwilliams@regwera.com</u>
<u>John Holguin</u>	<u>REGWERA</u>	<u>4940 Alameda</u> <u>Albarran NM 87021</u>	<u>571-1403</u>	
<u>Kathie Johnson</u> <u>Finance Manager</u>	<u>REGWERA</u>	<u>615 Holguin Rd</u> <u>Albarran, NM 87021</u>	<u>623-9007</u>	<u>john.holguin@regwera.com</u>
<u>Shane Wilson</u>	<u>REGWERA</u>	<u>P.O. Box 2846</u> <u>Anthony NM 88021</u>	<u>640-4330</u>	
<u>Karen Nichols</u>	<u>REGWERA</u>	<u>P.O. Box 2846</u> <u>Anthony NM 88021</u> <u>P.O. Box 2646</u> <u>Anthony NM 88021</u>	<u>575</u> <u>636-3457</u>	<u>Karen.Nichols@regwera.com</u>

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
MEETING NOTICE & AGENDA—REGULAR BOARD OF DIRECTORS MEETING
10:00 a.m. Wednesday, May 15, 2013 at our Butterfield Park, NM Office

Agendas are final 24 hours prior to the meeting and may be obtained at any LRGPWWA Office—call 575-233-5742 for information

- I. Sign in, Roll Call to Establish Quorum, Call to Order
- II. Pledge of Allegiance
- III. Approval of Agenda
- IV. Approval of Minutes of 4/17/2013
- V. Guest Presentations
 - A. Roberto Nava
- VI. Public Input—15 minutes total allotted for this item, 3 minute time limit per person
- VII. Managers' Reports
 - A. Management Report
 - B. Operations Report
 - C. Projects Report
 - D. Finance Report
- VIII. Unfinished Business
 - A. Appointment of Director for District 1.
- IX. New Business
 - A. Open Meetings Act Resolution No. 2013-12 FY 2014—for adoption
 - B. SCCOG Membership Resolution No. 2013-13 FY 2014—for adoption
 - C. Parametrix proposal for environmental documents—for approval
 - D. Amendment to schedule of rates and fees—for approval
 - E. Proposed policy change for past due payments—for approval
 - F. Negotiate with Internet Companies for Use of LRGPWWA facilities-for approval
 - G. Resolution No. FY2013-14 Interim Budget—for adoption
 - H. FY2013 Budget 3rd Quarter Report-for approval
- X. Other discussion and agenda items for next meeting, 9 a.m. 6/19/13 at La Mesa Office
 1. CDBG Resolutions—for re-adoption
- XI. 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 LRG PWWA office at 575-233-5742, 325 Holguin Rd, Vado NM 88072 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 LRGPWWA 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 llame ha la oficina LRG PWWA office at 575-233-5742, 325 Holguin Rd, Vado NM 88072 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 LRGPWWA si un resumen o otro tipo de forma accesible es necesario.

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
MINUTES, REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, April 17, 2013 at the Vado Office, Vado, NM

Minutes are in **DRAFT** form until approved by the Directors

- I. **Sign in, Roll Call to Establish Quorum, Call to Order** Sign-in sheet and agenda are attached. Directors present were Chairman Robert “Marty” Nieto, Vice-Chairman John Holguin, Secretary Santos Ruiz, Director Blanca Martinez, Director Rosaura Pargas, Director Furman Smith and Director Mike McMullen. Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Projects Manager Karen Nichols and Adm Asst Joan Ferguson. Operations Manager, Mike Lopez was absent. Also present were Carlos Tellez, director-elect and Arturo Uribe (MCAC). With a quorum established the meeting was called to order by Mr. Nieto at 9:08am.
- II. **Pledge of Allegiance** {0:47}
- III. **Approval of Agenda** Mr. McMullen moved to approve the agenda, Mr. Smith seconded the motion. The motion to approve the agenda carried 6–0. {1:20}
- IV. **Approval of Minutes of 2/20/13 and 3/20/13**
 - A. Mr. McMullen moved to approve the minutes of 2/20/13. Mr. Smith seconded the motion and it carried 6–0 with no discussion.
 - B. Mr. Holguin moved to approve the minutes of 3/20/13. Mr. Ruiz seconded the motion. There was no discussion and the motion was approved 6–0. {5:24}
- V. **Oath of Office for new Board of Directors** The Oath was postponed until the printed oaths of office were delivered. General Manager, Martin Lopez, presented of awards of appreciation to Rosaura Pargas and Blanca Martinez. Returned to Oath of Office after Projects report. Mr. Josh Smith, the Authority’s attorney, administered the Oath of Office to the new elected directors, {55:00}
- VI. **Guest Presentations** Finance Manager, Kathi Jackson introduced the German accounting intern, Tim Onkes. {11:37}
- VII. **Public Input—15 minutes total allotted for this item, 3 minute time limit per person** Mr. Arturo Uribe expressed his disappointment with the election process and made a series of unsubstantiated accusations against the Board, Management and Staff and will receive a response in writing. {19:55}
- VIII. **Managers’ Reports**
 - A. **Management Report** Mr. Martin Lopez submitted a written report (attached) and discussed it with the Board.
 - o Mr. Martin Lopez clarified to the Board that he had spent the last two months dealing with the election and that Sen. Mary Jane Papen and then Rep Joseph Cervantes wanted the election to be transparent and to that end it was decided that the County should run the election. Because the County ran the election, they issued all of the public notices. The voter lists deadlines are outlined in the NM election code. Additionally, the Authority had notified the membership beginning in 2010 that they should verify their membership information for voter eligibility.
 - o An internet provider has requested attaching an antenna on a LRG water tank. This contract will be brought to the Board when the details are worked out.
 - o An appeals hearing to State Engineer pending on combine and comingle. A scheduling conference was held April 16.

- Potential conflict: A request for project funds by another water company that would conflict with the Authority's service area will be brought to the Board at a later date.
- The draft budget needs to be finished by June 1, 2013. {25:38}

B. Finance Report Ms. Jackson did not have a written report but discussed the following with the Board:

- She is still working on the transfer and assumption of assets from Organ, Butterfield Park and Brazito, specifically the short-lived assets requirement from Rural Development.
- Staff would like to suggest a change in the disconnect policy to require past due payments on disconnect day be made at the office and not the drop box. The policy will be presented at the next regular meeting. {29:56}

C. Operations Report Mr. Mike Lopez was not present and no report was submitted. {31:26}

D. Projects Report Ms. Nichols submitted a written report (attached) to the Board and answered questions.

- RE Berino/Mesquite-Del Cerro Project. Burn Construction has begun to work on the stub-outs. Barbara Romero from NMFA confirmed that the Authority can use the La Mesa Rural Development funds for this project. Mr. Tellez asked if this had been written in the contract. Ms. Nichols explained that Rural Development has given its authorization and we can access Water Trust Board funds from the Del Cerro Project. Additionally Ms. Romero (NMFA) is amenable to letting the Authority use excess funds (\$20,000?) from the Alto de Las Flores Interconnect project towards the stub-outs. Mr. Martin Lopez assured Mr. Tellez that the funding approval had been written into the contract and that there was approval from RD and NMFA.
- RE Surface Water Treatment Plant. Ms. Nichols and Mr. Martin Lopez met on April 16 with the project engineers, Steven Deal and the NMED Construction Programs Bureau about the scope of the treatment plant. Due to the current and probable future water situation, planning for a dual use water treatment plant that would be able to treat brackish ground water and surface water would be more feasible. Amending the engineering services agreement will be necessary as well as removing the surface water pilot studies and adding funds for hydrologic studies on the availability of brackish water.
- RE Authority PER. Meeting on April 16 with Simon Saiz at DFA to review the nearly complete environmental review. He was pleased and encouraged the Authority to talk with Ryan Gleeson about changing the CDBG rules so that the Authority could apply for funds independently instead of through the County.
- RE Organ project. The Environmental Department required that two monitor wells be drilled and they both came up dry. Mr. Martin Lopez told the ED that there are no additional funds available to drill new wells and the wells that were dry were drilled at the locations they (ED) had specified.
- Mr Martin Lopez told the Board that he had completed the NOI for Snow Road Estates for a booster station being installed by a developer to be turned over to LRG under an agreement with the former Brazito MDWA Board. Mr. Nieto asked about the warranty period which will be one year. Mr. McMullen asked about the EBID surface water treatment plant. Ms. Nichols said that the package plant had been purchased but was in storage. {53:00}

IX. Unfinished Business

- A. Director nominations for GM Review Committee** Mr. Holguin moved to nominate Ms. Blanca Martinez to the GM Review Committee. Mr. Ruiz seconded the motion and it passed 6–0 with no additional discussion. Ms. Martinez agreed to sit on the Review Committee. {59:10}

X. New Business

- A. Elect Officers** Mr. Holguin moved to keep Mr. Nieto as Chair, Mr. Holguin as Vice Chair and Mr. Santos as Secretary. Mr. Smith seconded and the motion passed 6–0 with no discussion. {59:10}
- B. Designate initial terms to establish staggered Board terms** The Authority’s governance documents call for four districts to be designated as four-year terms and three districts to initially be designated as two-year terms and thereafter revert to four-year terms. Because the Director District 1 will be appointed, it was decided that it would be designated as a two-year initial term. By roll of the dice, District 2 and 6 were designated at initial two-year terms as well. Mr. McMullen made a motion that Districts 1, 2 and 6 be designated as the initial two-year terms and that Districts 3, 4, 5 and 7 be designated as four-year terms. Mr. Smith seconded the motion and with no further discussion, the motion passed 6–0. {1:01:55}
- C. Decide on procedure to appoint a Director for District 1** The Board has 45 days from the point of the vacancy—April 17–May 31—to appoint a director. The Board decided to post on the website and mail a letter to members in District 1 explaining the vacancy and ask for letters of interest. Mr. Smith was reassured that potential appointees would have to meet the criteria that candidates do. Mr. Holguin made a motion to solicit letters of interest from members in District 1 with a mailing and a posting on the website. Mr. McMullen seconded the motion and it passed 6–0 with no further discussion. {1:05:39}
- D. Potential O&M contract for Alto de Las Flores** Alto de Las Flores has asked LRG to help with accounting and maintenance issues. LRG would be able to provide operations and maintenance assistance but because of the lack of any budget records or audits, management has decided it would be best to recommend them to an accounting firm for accounting and billing matters. Mr. Smith asked why this O&M contract would be any different from those with La Union and Desert Aire which were cancelled in November. Mr. Martin Lopez explained that it would be easier to service this contract because Alto de Las Flores is geographically in the middle of the LRG service area. Desert Aire and La Union were a half an hour away from the LRG service area. Mr. Smith then asked why they don’t merge with the Authority. Mr. Lopez explained that they hadn’t asked to merge and the Authority doesn’t solicit mergers. Mr. Smith then asked if LRG would “come out on top,” with this contract. Mr. Lopez said yes: the contract was for a year and if either party was dissatisfied, they could cancel the contract. Mr. Lopez explained that he was familiar with the system and it is a simple one. Mr. Nieto made a motion to accept the contract with Alto de Las Flores, Mr. Ruiz seconded it and it passed 6–0 with no further discussion. {1:16:30}
- E. Discuss opening Vado office for customer service** Mr. Holguin told the Board that before they could discuss opening the Vado office the Vado Historical Society had planned on new interior paint and flooring when school (Head Start) is not in session. Mr. Martin Lopez’s concern is the ADA remodel which would run \$50,000-\$60,000. Ms. Jackson clarified from last month’s discussion that she had not hired extra staff. {1:19:00}
- F. Adoption of Resolution FY2013-11 Amending Loan and Subsidy Agreement 2710-DW originally adopted under Resolution FY2013-05 on 11/4/12 (Radio-Read Meter Project)** This had previously been authorized and the funding agency needs it to be re-authorized. No explanation

had been given. Mr. Ruiz moved to adopt Resolution FY2013-05. Mr. McMullen seconded the motion and it passed 5-0. Mr. Holguin was out of the room. {1:20:27}

G. Postpone May 15 Regular Board Meeting at the Butterfield Park Office from 9am to 10am

There was an error in the schedule. Mr. McMullen moved to postpone the May 15 Board meeting from 9am to 10am. Mr. Smith seconded the motion and it passed 5-0. Mr. Holguin was not in the room. {1:22:00}

XI. Other discussion and agenda items for next meeting, 5/15/13 at the Butterfield Park Office

- A.** Annual Open Meetings Act Resolution adoption (fy 2014 meeting schedule)
- B.** Possible customer disconnect policy change
- C.** Draft budget for approval {1:27:05}
- D.** Re-adopt CDBG resolutions originally adopted last year

XII. Adjourn Mr. Holguin moved that the meeting be adjourned, it was seconded by Mr. Ruiz and the motion passed 6-0. The meeting was adjourned at 1037am. {1:28:01}

Date Minutes approved: _____

DIRECTORS PRESENT:

Robert Nieto, Chair (District 5)

Vice-Chair, John Holguin (District 4)

Secretary, Santos Ruiz (District 2)

VACANT

Director (District 1)

Director Carlos Tellez (District 3)

Director Michael McMullen (District 6)

Director Furman Smith (District 7)

LRGPWWA
Manager's Report
May 15, 2013

- Continue to work with County and other Governmental entities to define “proposed” changes to the Land Use and Zone Ordinance
- Transfer of Assets from Associations
 - Berino: BLM permit application to transfer has been submitted
 - Berino: Arsenic ACO extension request to NMED DWB (2 years) No word
 - Brazito items pending
 - Transferred bank account balances and closing of accounts except for construction account
 - BNSF Crossing Assignment
- Alto de Las Flores MDWCA approved O&M Interagency agreement, pending USDA RD approval (require Alto's provide a budget)
- Met with John Gwynne from DAC Flood Commission to discuss proposed flood zoning which could impact insurance requirements and future projects
- Snow Road Estates (Brazito) tank and fire protection work has begun
- Discussion with Senator Joseph Cervantes about amending 73.26.1 (LRGPWWA Statute); Wetlands information disclosure
- Exploring trading a 1998 Ford PU (blown motor & transmission-\$2,300 to repair) for repair to 1996 Nissan (blown head gasket-\$1,200 to repair) truck valve if running \$650, if sold for scape metal \$200-300; Victor's Automotive; Office staff use

Lower Rio Grande PWWA

Operators Report

May 15, 2013

System Problems and Repairs.

- Backflow inspections are current.(Mesquite District)
- Sewer tank inspections are current.(Mesquite District)
- The Sewer contractor has finished installing main lines hopefully we will not have any more breaks.
- The inside coating on the Mountain View smaller water tank is going to be recoated.
- New On-call schedule is working well.
- Well #1 Vessel C has been filled with the new media, we ran a bac-t and is back in service.
- Well # 10 in Berino has not been starting in auto. I called Mark, and he has told us that we needed a circuit board.
- Finally our new meters are being installed at a rate of 48/day.
- When we are done installing meters Mr. Rick O'Conner from Master Meter will come back for another training.
- We are close to finishing the gas chlorine unit at well #8.
- We will take over operations of Alto De Las Flores on May 23.

NMED: Monthly Bac-T-Samples have been taken for the Lower Rio Grande PWWA.

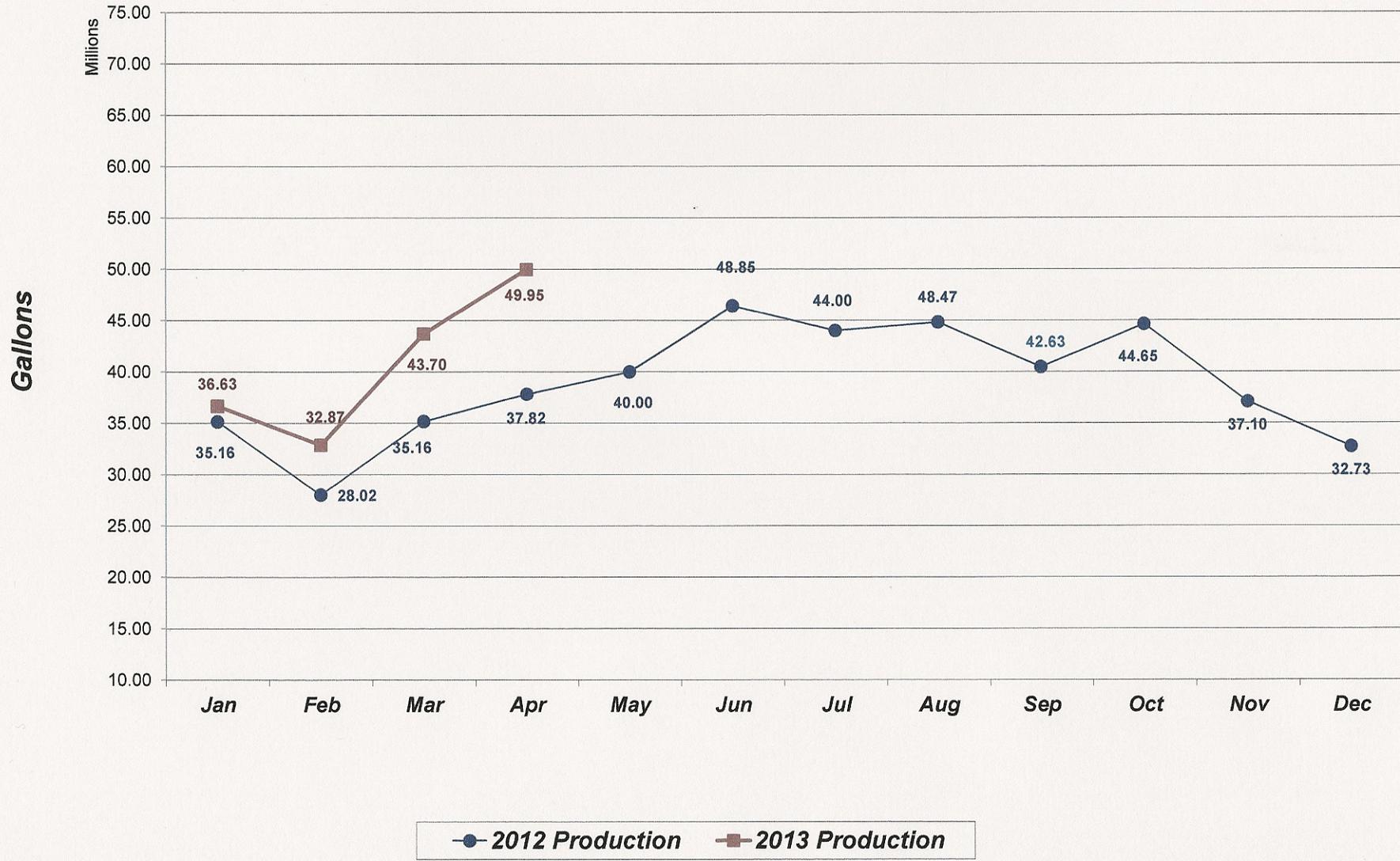
Mesquite district Wetlands: wetlands have been working fine.

Mesquite Sewer Report. Has been sent.

Chlorine: No problems.

Reports: NMED, State Engineers, and the water conservation reports have been sent.

Lower Rio Grande PWWA Water Production Report



**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
PROJECTS REPORT – 5/15/13 BOARD OF DIRECTORS MEETING**

Authority Construction Projects:

LRG-11-01 -La Mesa Water System Improvements – Molzen Corbin – Construction Stage – Burn Construction -RD -\$2,040,346: Well Start-up is scheduled for Friday May 10th. Training will be taking place during the week of May 13th. Joan will be video recording training sessions. The stub-outs are near completion with only one remaining that should be complete prior to the board meeting.

LRG: 11-02.1 -Mesquite Wastewater Project – Gannett Fleming– CONSTRUCTION Stage – Layne Southwest - RD \$7,262,081, CITF \$1,670,257: The contractor has completed working on the sewer main along NM 228 despite utility conflict issue(s). We anticipate a claim for additional work when completed, but have tried to position ourselves to deny the claim since the contractor did not get approval to move forward with the additional work before he began. We will try to reach an agreement with them regarding the cost of additional work, but we anticipate a large discrepancy between their request and what we believe the work costs based on previous proposals. We are going to move forward with only the connections to the new sewer without the new grinder stations because of the excessive cost. Service connections should begin in the following period. Project Interest Form has been submitted to NMED for CWSRLF funds to decommission the Mesquite wetlands. Engineer's estimated cost was \$873,381, but that could be reduced depending on what NMED requires with regard to sludge handling.

LRG-11-02.2 - Authority/Brazito Sewer Project – Vencor – Pre-Design Stage/Funding Application Stage – NMFA/SAP/RD Application: Funding application for design has been submitted to CITF, agreement with DAC for treatment is pending further negotiations. CITF Board meets May 16nd in Alamogordo to award funding. LRGPWWA provided 2 hard copies of final Cultural Report to Ms. Alarcon at USDA-RD on 4/16/13. She distributed agency letters on 4/19/13, and agencies have 30 calendar days to respond.

LRG-11-03 – Interconnect & Looping Project – see 12-01 Authority PER

LRG-11-04 – Berino/ Mesquite-Del Cerro Water System Project WTB #223 – Vencor - Letter of Conditions/final design & review of plans & specs – RD - \$5,420,147/WTB - \$4,371,630: Engineer's Survey Team collected GPS data as the Contractor installed 'stub-outs' throughout the Mesquite Proper area. At the end of the 'stub out' installation, this data will be incorporated into the final plan set. This will require re-setting of the original alignment, stationing, etc. Engineer will need approximately 5 weeks after the Contractor finishes the 'stub-out' installation to update final combined plan set, Bid Lot quantities & specs., 6/21/13 targeted for completion. Contractor finished with 'stub-out' installation 5/10/13. Work session with LRG staff to review final revised plan set to be held 5/31/13.

LRG-11-05 – Surface Water Treatment Plant WTB #252– Bohannon Huston - Design phase - \$750,000 WTB – NMED & NMFA agreed that modifying the design emphasis from surface to brackish water treatment will require a change of scope. Letter was sent to Angela Quintana at NMFA requesting that this be placed on the WTB agenda for 5/16/13. Both agencies are supportive of the change and expect that the WTB will probably approve it.

LRG-12-03 – Authority-Alto de Las Flores Interconnect– Vencor – Design - \$86,400 Old Colonias Initiative/DFA + GF & Alto contributions - Rio Services submitted final invoice on 4/24/13, Disbursement Request #1 was submitted to NM-DFA same date. We have requested to use remaining project funds for water pipeline stub-outs in Mesquite and are awaiting a reply. Engineer provides Owner with final project As-Builts and Daily Observation Reports on 4/23/13.

Authority PERs/EAs/40 Yr. Water Plan, Equipment:

LRG-12-01 – Authority PER – Vencor - prelim. planning - CDBG Planning Grant \$50,000, NMFA Planning Grant \$37,500 & \$12,500 Local Match: Fifth draw from CDBG funds has been requested. Engineer provided Simon Saiz of DFA and Tiffany Goolsby of the SCCOG CD of all previously approved EA's, EID's and current Environmental Document (in support of the Comp PER) on 4/17/13. Engineer & GM met w/John Gwynn of DAC Flood Control Commission to present Comp PER project on 4/17/13. Simon Saiz of DFA sent a letter approving the Categorical Exclusion on 4/24/13. Engineer will submit final draft of Comp PER, Water Model & Environmental document to LRGPWWA & NMED on or before 5/17/13.

Forty-Year Water Plan – CE&M – complete: pending NM-OSE comments/approval.

Return Flow Credit Plan – CE&M – GF – Pending Review: Drafted and submitted to Ms. Thacker at local NM-OSE 12/21/11.

LRG-12-02 - Radio Read Meters – in-house/Rio Grande Pump & Supply – 600,950 DWSRLF: : \$595,000 was approved at 50% subsidized + 25% grant = 75% grant, 25% loan at 0% plus fees approved by NMFA Board 4/27/12. First pallet of meters was received 5/2/13 and operators are installing. Storage of new meters was moved to Berino for better security. First Disbursement Request was prepared on 5/13/13.

LRG-13-02 – System-wide Information Technology Standardization - \$175,000 NM STB: Received a questionnaire from NMED-CPB about use of the funds, project description & ownership of the project, completed & returned it same day on 4/23/13. Funds will be available sometime after 7/1/13.

Individual MDWCA Projects:

LRG-12-04 - Organ Water & Sewer Project – Bohannon Huston – Construction Phase – Morrow - \$2,990,382 RD Colonias Grant, \$101,000 RD Loan: The majority of main distribution line is complete in the South Mountain View area. El Centro is complete including the crossing from the well site. The wastewater treatment facility improvements are complete. The new panel for the Arroyo Well is on order and should be installed in the next couple of weeks. The new transmission line penetrations to the Mountain View tanks are complete and are now waiting on D & R Tank to start the blasting and recoating of the 65K gal tank as per the field order and pending change order for the additional work. The new Booster building at the Organ tanks is near complete including the booster skid and panels. El Paso Electric has completed the 3 phase line extension to the site. Yard piping and the PRV station and valve vaults are also complete at the tank site. The new transmission line is scheduled to begin next week in the Mountain View area, as well as disinfection and meter installs for the Tierra Alta area. Change orders for the Arroyo well electric panel, tank recoating and the US 70 Bore to Tierra Alta are in process and should be available prior to the 5/8/13 progress meeting. We have requested the well location coordinates and existing static ground water level of the 2 existing wells and the 2 new monitor wells drilled at the WWTF to send to NMED – to continue the discussions on what to do about the

required monitor wells at the site and if they will still require additional wells be completed after the last 2 wells drilled indicated that it is a confined aquifer in that area.

LRG-13-01 – Brazito Water System Improvements – Engineers Inc. – Design Phase - \$523,354 NM CITF Grant, \$58,150 Loan, \$58,150 Match Requirement: Closing is scheduled for May 17th. Discovered on May 9th that we need to amend the scope. Funding was awarded for construction only, but there is no design yet for this project. Funding application prepared by Engineers Inc. does not mention design in the Project Purpose & Description, just in the Readiness to Proceed section. Attorney needs to provide a ROW Certificate and Opinion to NMFA's legal consultant.

Other projects:

Water Trust Board Policy Committee – Staying in touch w/Ramon Lucero of El Valle Alliance regarding this issue, nothing new to report

USDA-RD Transfer & Assumption Application Packages: Application packages for Butterfield Park, Organ & Brazito were submitted 1/7/13 and are under review at RD.

Documents Retention & Destruction – Electronic documents schedule is pending completion & approval. Sorting of old association documents for storage or destruction is ongoing, and staff is implementing approved retention/destruction schedules for LRGPWWA documents.

Website – We have been updating and reorganizing the entire site, and that work is ongoing.

Funding Applications – One of the three Capital Outlay Requests was funded (Information Technology Project) and a questionnaire was submitted to NMED-CPB on 4/24/13. CITF applications for design of the Mesquite-Brazito Sewer Project and purchase of water rights are pending review and CITF Board meets to award funding on May 16th in Alamogordo. DWSRLF Application for water system purchase is still pending at NMFA and a conference call with Karl Pennock (NMED) and Ryan Helton was held yesterday morning concerning this application. A Project Interest Form and supplemental documents were submitted to NMED for CWSRLF funding to decommission the wetlands in Mesquite on 5/7/13.

LRGPWWA

FINANCE REPORT

May 2013

Introduction

LRGPWWA was formed to optimize the economies of scale, and to significantly reduce or eliminate the redundancy of managerial, financial and technical operations.

PROJECT	COST	CASH	GRANT	LOAN
ALTO INTERCONNECT	\$103,302.55	\$5,000	\$86,400	\$0
BERINO MESQUITE DEL CERRO WATER PROJECT	\$10,360,803	\$0	\$3,934,467	\$437,163
LA MESA WELL PROJECT	\$2,158,022	\$0	\$1,687,022	\$471,000
COMPREHENSIVE PER	\$112,563	\$12,500	\$0	\$0
MESQUITE BRAZITO SEWER SYSTEM	\$8,399,204.40	\$0	\$8,222,350.58	\$176,853.82
MESQUITE WASTE WATER PROJECT	\$8,932,338	\$0	\$8,059,312.30	\$873,025.70
ORGAN WATER PROJECT	\$3,091,382	\$0	\$2,990,382	\$101,000
RADIO READ METERS	\$607,505.53	\$0	\$457,268.03	\$150,237.50
SURFACE WATER TREATMENT PLANT	\$825,000	\$75,000	\$675,000	\$75,000
TOTAL	\$34,590,120.15	\$92,500	\$26,112,201.91	\$2,284,280.02

LIABILITIES

System Name	Lending Agency/Origin ation Date	Loan Number	Annual Loan Payment	Loan Balance
Berino	USDA-RD '78	91-02	\$ 6,144.00	\$ 28,779.40
	USDA-RD '80	92-06	\$ 2,064.00	\$ 12,757.77
	NMED '90	RIP-90-08R	\$ 9,379.86	\$ 26,531.97
Desert Sands	USDA-RD '06	91-07	\$ 2,652.00	\$ 47,573.13
	USDA-RD '09	91-09	\$ 744.00	\$ 13,827.94
	NMED 3%	2003-08	\$ 1,698.25	\$ 19,183.60
	BERKADIA '78	010436201	\$ 4,968.00	\$ 31,810.59
	NMFA	DS#5	\$ 14,274.00	\$ 63,438.00
La Mesa	USDA-RD '02	01-01	\$ 5,592.00	\$ 91,108.90
	USDA-RD '10	PENDING	\$ 21,936.00	\$ 471,000.00
Mesquite	USDA-RD '07	91-06	\$ 16,752.00	\$ 302,344.33
	USDA-RD '09	91-16	\$ 12,684.00	\$ 299,703.55
	USDA-RD '10	91-19	\$ 23,496.00	\$ 606,000.00
	USDA-RD '10	91-13	\$ 5,304.00	\$ 100,000.00
Vado	USDA-RD '76	91-02	\$ 2,325.87	\$ 3,446.84
TOTAL			\$ 116,213.98	\$2,117,506.02

System Name	Lending Agency/Origin ation Date	Loan Number	Annual Loan Payment	Loan Balance
Berino	USDA-RD '78	91-02	\$ 6,144.00	\$ 28,779.40
	USDA-RD '80	92-06	\$ 2,064.00	\$ 12,757.77
	NMED '90	RIP-90-08R	\$ 9,379.86	\$ 26,531.97
Desert Sands	USDA-RD '06	91-07	\$ 2,652.00	\$ 47,573.13
	USDA-RD '09	91-09	\$ 744.00	\$ 13,827.94
	NMED 3%	2003-08	\$ 1,698.25	\$ 19,183.60
	BERKADIA '78	010436201	\$ 4,968.00	\$ 31,810.59
	NMFA	DS#5 (Vehicles)	\$ 14,274.00	\$ 63,438.00
La Mesa	USDA-RD '02	01-01	\$ 5,592.00	\$ 91,108.90
	NMED	RIP 88-12R	\$ 19,314.36	\$ 85,765.68
	USDA-RD '10	91-04 (Well)	\$ 21,936.00	\$ 471,000.00
Mesquite	USDA-RD '07	91-06	\$ 16,752.00	\$ 302,344.33
	USDA-RD '09	91-16	\$ 12,684.00	\$ 299,703.55
	USDA-RD '10	91-19 (Sewer)	\$ 23,496.00	\$ 606,000.00
	USDA-RD '10	91-13 (Sewer)	\$ 5,304.00	\$ 100,000.00
Vado	USDA-RD '76	91-02	\$ 2,325.87	\$ 3,446.84
TOTAL			\$ 149,328.34	\$2,203,271.70

System Name	Lending Agency/Origin ation Date	Loan Number	Annual Loan Payment	Loan Balance
Desert Sands	USDA-RD '06 NMFA	91-07	\$ 2,652.00	\$ 47,573.13
		DS#5 (Vehicles)	\$ 14,274.00	\$ 63,438.00
La Mesa	USDA-RD '02 NMED USDA-RD '10	01-01	\$ 5,592.00	\$ 91,108.90
		RIP 88-12R	\$ 19,314.36	\$ 85,765.68
		91-04 (Well)	\$ 21,936.00	\$ 471,000.00
Mesquite	USDA-RD '07 USDA-RD '09 USDA-RD '10 USDA-RD '10	91-06	\$ 16,752.00	\$ 302,344.33
		91-16	\$ 12,684.00	\$ 299,703.55
		91-19 (Sewer)	\$ 23,496.00	\$ 606,000.00
		91-13 (Sewer)	\$ 5,304.00	\$ 100,000.00
TOTAL			\$ 102,690.00	\$1,981,167.91

System Name	Agency	Loan Number	Purpose	Term	Annual Payment	Loan Balance
LRGPWWA	NMFA	Lower Rio 2	Refinance	30	\$ 20,355	\$ 738,845
LRGPWWA	NMFA	Lower Rio 3	Berino/Del Cerro	20	\$ 22,384	\$ 418,730
LRGPWWA	NMFA	Lower Rio 4	Radio Read Meters	22	\$ 7,960	\$ 600,950
LRGPWWA	NMFA	Lower Rio 5	Surface Water	20	\$ 3,858	\$ 75,000
LRGPWWA	NMFA	Lower Rio 6	Mesquite Sewer	20	\$ 8,352	\$ 167,025
LRGPWWA	NMFA	DS#5	Vehicles	5	\$ 14,274	\$ 16,698
LRGPWWA	USDA	91-04	La Mesa Water	40	\$ 19,452	\$ 462,274
LRGPWWA	USDA	92-13	Mesquite Sewer	40	\$ 4,560	\$ 96,200
LRGPWWA	USDA	92-19	Mesquite Sewer	40	\$ 22,347	\$ 594,719
Butterfield	USDA	91-02	Water	40	\$ 14,808	\$ 211,590
Organ	USDA	93-09	Water	40	\$ 4,258	\$ 99,608
Brazito	USDA	91-07		40	\$ 4,092	\$ 72,683
Brazito	USDA	91-09		40	\$ 2,088	\$ 36,659
Brazito	USDA	91-12		40	\$ 276	\$ 4,627
Brazito	USDA	91-14		40	\$ 10,128	\$ 210,321
Brazito	USDA	91-15		40	\$ 7,104	\$ 169,571
Brazito	NMED	WSC 85-03		5	\$ 10,040	\$ 31,838

System Name	Agency	Loan Number	Purpose	Term	Annual Payment	Loan Balance	Free \$\$\$\$ Grants
LRGPWWA	NMFA	Lower Rio 2	Refinance	30	\$ 20,355	\$ 738,845	\$0
LRGPWWA	NMFA	Lower Rio 3	Berino/Del Cerro	20	\$ 22,384	\$ 418,730	\$4,371,630
LRGPWWA	NMFA	Lower Rio 4	Radio Read Meters	22	\$ 7,960	\$ 600,950	\$450,712 Forgiveness
LRGPWWA	NMFA	Lower Rio 5	Surface Water	20	\$ 3,858	\$ 75,000	\$675,000
LRGPWWA	NMFA	Lower Rio 6	Mesquite Sewer	20	\$ 8,352	\$ 167,025	\$1,503,232
LRGPWWA	NMFA	DS#5	Vehicles	5	\$ 14,274	\$ 16,698	\$0
LRGPWWA	USDA	91-04	La Mesa Water	40	\$ 19,452	\$ 462,274	\$1,569,346
LRGPWWA	USDA	92-13	Mesquite Sewer	40	\$ 4,560	\$ 96,200	
LRGPWWA	USDA	92-19	Mesquite Sewer	40	\$ 22,347	\$ 594,719	\$6,556,081
Butterfield	USDA	91-02	Water	40	\$ 14,808	\$ 211,590	
Organ	USDA	93-09	Water	40	\$ 4,258	\$ 99,608	\$2,990,382
Brazito	USDA	91-07		40	\$ 4,092	\$ 72,683	
Brazito	USDA	91-09		40	\$ 2,088	\$ 36,659	
Brazito	USDA	91-12		40	\$ 276	\$ 4,627	
Brazito	USDA	91-14		40	\$ 10,128	\$ 210,321	
Brazito	USDA	91-15		40	\$ 7,104	\$ 169,571	
Brazito	NMED	WSC 85-03		5	\$ 10,040	\$ 31,838	
Totals					\$ 176,336	\$4,007,338	\$18,116,383

Lower Rio Grande Water Budget 6-yr. Budget Projection (Dec. 2011)

Line	FY 12 Projected	FY 13 Projected	FY 14 Projected	FY 15 Projected	FY 16 Projected	FY 17 Projected
REVENUE						
<u>Operating Revenues</u>						
1Service Revenue-Water	\$1,656,926.00	\$1,822,618.60	\$2,226,328.62	\$2,293,118.48	\$2,316,049.66	\$2,339,210.16
2Proposed Water Rate Increase	10%	22%	3%	1%	1%	1%
3Additional Revenue from Increase	\$165,692.60	\$403,710.02	\$66,789.86	\$22,931.18	\$23,160.50	\$23,392.10
4Total Service Fees	\$1,822,618.60	\$2,226,328.62	\$2,293,118.48	\$2,316,049.66	\$2,339,210.16	\$2,362,602.26
6Total Operating Revenues	\$1,822,618.60	\$2,226,328.62	\$2,293,118.48	\$2,316,049.66	\$2,339,210.16	\$2,362,602.26
<u>7 Non-operating revenues</u>						
8Water Connection, fees, etc.	\$ 63,000.00	\$ 64,890.00	\$ 66,836.70	\$ 68,841.80	\$ 70,907.06	\$ 73,034.27
9Membership	\$ 5,500.00	\$ 5,665.00	\$ 5,834.95	\$ 6,010.00	\$ 6,190.30	\$ 6,376.01
10Non Operating (Water-Billing Adjustments)	\$ 21,500.00	\$ 22,145.00	\$ 22,809.35	\$ 23,493.63	\$ 24,198.44	\$ 24,924.39
11Non Operating (Transfers, Towers, Contract Work)	\$ 100,000.00	\$ 103,000.00	\$ 106,090.00	\$ 109,272.70	\$ 112,550.88	\$ 115,927.41
12Interest Earned	\$ 300.00	\$ 309.00	\$ 318.27	\$ 327.82	\$ 337.65	\$ 347.78
13Total non-operating revenues	\$ 190,300.00	\$ 196,009.00	\$ 201,889.27	\$ 207,945.95	\$ 214,184.33	\$ 220,609.86
14Total Revenue	\$ 2,012,918.60	\$ 2,422,337.62	\$ 2,495,007.75	\$ 2,523,995.61	\$ 2,553,394.49	\$ 2,583,212.12
15Total O&M Expenses	\$ 1,882,026.00	\$ 1,938,486.78	\$ 1,996,641.38	\$ 2,056,540.62	\$ 2,118,236.84	\$ 2,181,783.95
16Subtotal	\$ 130,892.60	\$ 483,850.84	\$ 498,366.37	\$ 467,454.99	\$ 435,157.64	\$ 401,428.17
17Debt Service	\$ 50,000.00	\$ 253,998.24	\$ 253,998.24	\$ 253,998.24	\$ 253,998.24	\$ 253,998.24
18NET INCOME (LOSS) FROM OPERATIONS	\$80,892.60	\$229,852.60	\$244,368.13	\$213,456.75	\$181,159.40	\$147,429.93
19Plus: Beginning Cash Balance	\$0.00	\$10,892.60	\$48,171.19	\$99,965.30	\$120,848.03	\$140,203.70
20Ending Cash Balance Before Reserves	\$80,892.60	\$240,745.20	\$292,539.31	\$313,422.04	\$302,007.43	\$287,633.63
RESERVES						
21Debt Service Reserve	\$0.00	\$12,696.73	\$12,696.73	\$12,696.73	\$12,696.73	\$12,696.73
22Capital Improvement Reserve	\$0.00	\$49,107.00	\$49,107.00	\$49,107.00	\$49,107.00	\$49,107.00
23Emergency Reserve	\$0.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
24Operating Reserve	\$70,000.00	\$80,770.28	\$80,770.28	\$80,770.28	\$50,000.00	\$50,000.00
25Total Reserves	\$70,000.00	\$192,574.01	\$192,574.01	\$192,574.01	\$161,803.73	\$161,803.73
26ENDING CASH BALANCE AFTER RESERVES	\$10,892.60	\$48,171.19	\$99,965.30	\$120,848.03	\$140,203.70	\$125,829.90
CUMULATIVE REVENUE AND RESERVE DEFICIENCY (line 31 divided by line 19). This						
27dictates the rate increase percentage	0%	0%	0%	0%	0%	0%
28Profitability Ratio (Net Income/Total Revenue) Target is 15- 20%	4%	9%	10%	8%	7%	6%
29Debt Coverage Ratio (Net Operating Income/Total Debt Service) Target is 1.85- 2.15	36.45	8.77	9.03	9.12	9.21	9.30

RCAC VS. ACTUAL

2012		2013	
PROJECTED	\$1,822,618	PROJECTED	\$2,226,329
ACTUAL	\$ 1,699,995	ACTUAL	\$1,579,993
SHORT	\$122,623	SHORT	\$646,336

OPTIONS

- BUDGET CUTS
- RATE INCREASE

WHAT CAN WE CUT?

- SALARIES & BENEFITS
- SUPPLIES
- TAXES & INSURANCE
- UTILITIES
- ACCOUNTING,LEGAL
- LAB & CHEMICAL
- LOAN REPAYMENT

NOT AN OPTION

- UTILITIES
- TAXES & INSURANCE
- LAB & CHEMICAL
- LOAN REPAYMENTS

OPTIONS

- SALARIES & BENEFITS-insurance, retirement, people
- SUPPLIES-office supplies, pipes, fittings, meters, vehicle maintenance, computer maintenance, fuel
- ACCOUNTING & LEGAL-attorney, training, travel, audit, postage for billing, bank fees.

BENEFITS

- RETIREMENT \$84,000
- INSURANCE \$80,000
- SAVINGS \$164,000
- SHORTAGE \$646,336

STILL NEED

\$482,336

ACCOUNTING & LEGAL

- ATTORNEY \$20,000
- ENGINEER \$12,000
- AUDIT \$31,000
- POSTAGE \$17,000
- TRAINING \$10,000
- TRAVEL \$10,000
- PROJECT DEVELOPMENT \$50,000

STILL NEED

\$482,336

-150,000

\$ 332,336

SUPPLIES

COMPUTER MAINTENANCE	\$20,000
PIPE, FITTINGS, METERS	\$90,000
VEHICLE REPAIRS	\$19,950
OFFICE SUPPLIES	\$20,000
FUEL	\$25,000
	<hr/>
	\$174,950

STILL SHORT

\$332,336

-174,950

\$157,386

PEOPLE

GENERAL MANAGER

FINANCE MANAGER

OPERATIONS MANAGER

PROJECTS MANAGER

OPERATORS

OFFICE STAFF

FIRST TO GO

CUT OFFICE STAFF AND CLOSE OFFICES
OPERATE OUT OF 1 OFFICE

BERINO OFFICE- 2 BILLING CLERKS

LA MESA- ADMINISTRATIVE SPECIALIST

BUTTERFIELD-2 BILLING CLERKS

SAVINGS \$ 90,800

STILL SHORT

\$157,386

-90,800

\$66,586

WHO'S NEXT?

PROJECTS MANAGER

ADMINISTRATIVE ASSISTANT

SAVINGS

\$54,000

STILL SHORT \$12,586

MIKE'S TURN

LOOSE AN OPERATOR

\$20,000

BUDGET IS BALANCED

8 JOBS CUT=MORE WORK FOR THE REST OF THE CREW

NO BENEFITS=UNHAPPY WORKERS

LIMITED SUPPLIES=THINGS BREAK AND DON'T GET FIXED=UNHAPPY CUSTOMERS

NO AUDIT=NO MORE FUNDING

BUT THAT'S OK WE DON'T HAVE ANYONE TO APPLY FOR THE FUNDING

**Lower Rio Grande Public Water works Authority
Resolution Number 2013-12
Open Meetings Act Resolution for FY2013-2014**

WHEREAS, the Lower Rio Grande Public Water Works Authority Board of Directors met in regular session at its Butterfield Park Office, 9774 Butterfield Blvd., Butterfield Park, New Mexico on Wednesday, May 15, 2013 at 10:00 a.m. as required by law; and

WHEREAS, Section 10-15-1(B) of the Open Meetings Act (NMSA 1978, Sections 10-15-1 to -4) states that, except as may be otherwise provided in the Constitution or the provisions of the Open Meetings Act, all meetings of a quorum of members of any board, council, commission, administrative adjudicatory body or other policymaking body of any state or local public agency held for the purpose of formulating public policy, discussing public business or for the purpose of taking any action within the authority of or the delegated authority of such body, are declared to be public meetings open to the public at all times; and

WHEREAS, any meetings subject to the Open Meetings Act at which the discussion or adoption of any proposed resolution, rule, regulation or formal action occurs shall be held only after reasonable notice to the public; and

WHEREAS, Section 10-15-1(D) of the Open Meetings Act requires the Lower Rio Grande Public Water Works Authority Board of Directors to determine annually what constitutes reasonable notice of its public meetings;

NOW, THEREFOR, BE IT RESOLVED by the Lower Rio Grande Public Water Works Authority Board of Directors that:

1. All meetings shall be held at the offices of the Lower Rio Grande Public Water Works Authority at the locations indicated in the attached schedule of meetings notice.
2. Unless otherwise specified or adjusted to accommodate holidays, regular meetings shall be held each month on the third Wednesday of the month at 9:30 a.m. The draft agenda will be available at least seventy-two hours and a final agenda will be available at least thirty-six hours prior to the meeting from the office of each Lower Rio Grande Public Water Works Authority Office that is open to the public. Notice of any other regular meetings will be given ten (10) days in advance of the meeting date. The notice shall indicate how a copy of the agenda may be obtained.
3. Special meetings may be called by the Chairperson or a majority of the Directors upon three-day notice. The notice shall include an agenda for the meeting or information on how members of the public may obtain a copy of the agenda. The agenda shall be available to the public at least twenty-four hours before any special meeting.

4. Emergency meetings will be called only under unforeseen circumstances which demand immediate action to protect the health, safety and property of citizens or to protect the public body from substantial financial loss. The Lower Rio Grande Public Water Works Authority Board of Directors will avoid emergency meetings whenever possible. Emergency meetings may be called by the Chairperson or a majority of the Directors upon twenty-four (24) hours' notice, unless threat of personal injury or property damage requires less notice. The notice for all emergency meetings shall include an agenda for the meeting or information on how the public may obtain a copy of the agenda. Within ten (10) days of taking action on an emergency matter, the Lower Rio Grande Public Water Works Authority Board of Directors shall report to the New Mexico Attorney General's Office the action that was taken and the circumstances creating the emergency.

5. For the purposes of regular meetings described in paragraph 2 of this resolution, notice requirements are met if notice of the date, time, and location is placed in the customer lobby of each Lower Rio Grande Public Water Works Authority office. Copies of the written notice shall also be mailed to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation which have made a written request for notice of public meetings.

6. For the purposes of special meetings and emergency meetings described in paragraphs 3 and 4 of this resolution, notice requirements are met if notice of the date, time, place and agenda is provided by telephone to newspapers of general circulation in the state and posted in the offices of the founding entities. Telephone notice also shall be given to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of public meetings.

7. In addition to the information specified above, all notices shall include the following language:

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 Mesquite office of the Lower Rio Grande Public Water Works Authority at 575-233-5742, by mail at 325 Holquin Road, Vado NM 88072, or in person at 215 Bryant, Mesquite, 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 Mesquite office if a summary or other type of accessible format is needed.

8. The Lower Rio Grande Public Water Works Authority Board of Directors may close a meeting to the public only if the subject matter of such discussion or action is excepted from the open meeting requirements under Section 10-15-1(H) of the Open Meetings Act.

(a) If any meeting is closed during an open meeting, such closure shall be approved by a majority vote of a quorum of the Lower Rio Grande Public Water Works Authority Board of Directors taken during the open meeting. The authority for the closed meeting and the subjects to be discussed shall be stated with reasonable specificity in the motion to close and the vote of each individual Director on the motion to close shall be recorded in the minutes. Only those subjects specified in the motion may be discussed in the closed meeting.

(b) If the decision to hold a closed meeting is made when the Lower Rio Grande Public Water Works Authority Board of Directors is not in an open meeting, the closed meeting shall not be held until public notice, appropriate under the circumstances, stating the specific provision of law authorizing the closed meeting and the subjects to be discussed with reasonable specificity, is given to the Directors and to the general public.

(c) Following completion of any closed meeting, the minutes of the open meeting that was closed, or the minutes of the next open meeting if the closed meeting was separately scheduled, shall state whether the matters discussed in the closed meeting were limited only to those specified in the motion or notice for closure.

(d) Except as provided in Section 10-15-1(H) of the Open Meetings Act, any action taken as a result of discussions in a closed meeting shall be made by vote of the Lower Rio Grande Public Water Works Authority Board of Directors in an open public meeting.

Passed and adopted by the Lower Rio Grande Public Water Works Authority Board of Directors this 15th day of May, 2013.

Seal:

Robert Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)

Santos Ruiz, Secretary (District 2)

VACANT
Director (District 1)

Carlos Telles, Director (District 3)

Michael McMullen, Director (District 6)

Furman Smith, Director (District 7)

**Lower Rio Grande Public Water Works Authority
Board of Directors Schedule of Meetings 2013-2014
Junta de la Mesa Directiva 2013-2014**

The Lower Rio Grande PWWA Board will meet the **third Wednesday of the month at 9:30 a.m. at the Lower Rio Grande PWWA Offices designated in this schedule.** Agendas will be available at the office seventy-two hours prior to the meeting at each Lower Rio Grande PWWA office that is open to the public.

La Mesa Directiva de Lower Rio Grande PWWA tiene sus juntas el tercer miércoles de cada mes a las 9:30 a.m. en las oficinas de Lower Rio Grande designadas en este calendario. Las agendas estarán disponibles setenta y dos horas antes de las junta, en las oficinas de Lower Rio Grande que estén abiertas al público,

Regular meetings are scheduled for the following dates:
El horario del las juntas regulares son las siguientes:

9:30 a.m. July 17, 2013	La Mesa 325 Holguin Rd	9:30 a.m. 17 de Julio 2013
9:30 a.m. August 21, 2013	La Mesa 325 Holguin Rd	9:30 a.m. 21 de Agosto 2013
9:30 a.m. September 18, 2013	Berino 1150 Berino Rd	9:30 a.m. 18 de Septiembre 2013
9:30 a.m. October 16, 2013	Vado 325 Holguin	9:30 a.m. 16 de Octubre 2013
9:30 a.m. November 20, 2013	Vado 325 Holguin	9:30 a.m. 20 de Noviembre 2013
9:30 a.m. December 18, 2013	Butterfield Park 9774 Butterfield Park Blvd	9:30 a.m. 18 de Diciembre 2013
9:30 a.m. January 15, 2014	Berino 1150 Berino Rd	9:30 a.m. 15 de Enero 2014
9:30 a.m. February 19 2014	Berino 1150 Berino Rd	9:30 a.m. 19 de Febrero 2014
9:30 a.m. March 19, 2014	Butterfield Park 9774 Butterfield Park Blvd	9:30 a.m. 19 de Marzo 2014
9:30 a.m. April 16, 2014	Butterfield Park 9774 Butterfield Park Blvd	9:30 a.m. 16 de Abril 2014
9:30 a.m. May 21, 2014	Vado 325 Holguin	9:30 a.m. 21 de Mayo 2014
9:30 a.m. June 18, 2014	La Mesa 325 Holguin Rd	9:30 a.m. 18 de Junio 2014

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 office of the LRGPWWA **at 575-233-5742, by mail at 325 Holguin Road, Vado NM 88072, or in person at 215 Bryant, Mesquite, 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 Mesquite office if a summary or other type of accessible format is needed.

Si usted 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 a la oficinas de LRGPWWA at 575-233-5742, por correo al 325 Holguin Road, Vado NM 88072, o en persona en el 215 Bryant, Mesquite, NM una semana antes de la junta o en cuanto le sea posible. Documentos públicos, incluyendo la agenda y minutos, están disponibles en varios formatos. Por favor póngase en contacto con la oficina LRGPWWA si necesita un resumen u otro tipo de forma accesible.

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
RESOLUTION NO. 2013-13
APPROVING PARTICIPATION IN THE PROGRAM OF THE
SOUTH CENTRAL COUNCIL OF GOVERNMENTS, INC.
FOR FISCAL YEAR 2013-2014**

WHEREAS, the LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY (herein-after known as the "Member"), desires to be a participating member in the program and policy development for the South Central Council of governments, Inc. (hereinafter known as "SCCOG"); and

WHEREAS, it is necessary and desirable that an agreement setting forth the services to be performed by the SCCOG for the Member be entered into, wherewith the SCCOG is agreeing to furnish the following:

- A. Implement the work program as established by the SCCOG Board of Directors for the 2013-2014 Fiscal Year.
- B. Provide the Member, when requested, with technical, grant program planning, economic development, strategic overall planning and management assistance.
- C. Address problems, issues and opportunities of a regional nature which go beyond single municipal or county jurisdictional boundaries and serve as a liaison and advocate for local governments within the region at the state and federal levels.
- D. Provide information dissemination about statewide regional and community initiatives to foster greater coordination and efficiency of the programs.

WHEREAS, it is necessary to set forth the sum to be paid by the Member to the SCCOG as annual dues, thereby placing the Member with voting powers on the SCCOG Board of Directors, with an agreement to furnish the following:

- A. To participate, through their designated representatives or alternate, in the SCCOG's policy development process by attending meetings, helping formulate the annual work program, reviewing the SCCOG Goals and Objectives, and the District Comprehensive Economic Development Strategy (CEDS).
- B. To pay to the SCCOG the sum of **\$500.00** annual membership dues as payment of the aforementioned services for the period beginning July 1, 2013 and ending June 30, 2014.
- C. The Member hereby appoints _____, as their designated representative and _____ as alternate.

NOW THEREFORE, BE IT RESOLVED THAT the Member and the SCCOG hereby mutually agree to the aforementioned provisions of this Resolution and Agreement.

DONE this 15th day of May, 2013 at Butterfield Park, New Mexico.

Attestation:

Member Government

Santos Ruiz, Secretary

Roberto Nieto, Board Chairman

Attest :

South Central Council of Governments, Inc.

Jay Armijo, Executive Director

Chairwoman, Nora Barraza

8801 JEFFERSON NE, BLDG B
ALBUQUERQUE, NM 87113-2718
T. 505.821.4700 F. 505.821.7131
www.parametrix.com

May 7, 2013

Karen Nichols, Projects Manager
Lower Rio Grande Public Water Works Authority
PO Box 2646
Anthony, NM 88021

Re: Environmental Report for Lower Rio Grande Public Water Works Waterline Project

Dear Ms. Nichols:

Parametrix is pleased to submit the following proposal to complete an amendment to the 2010 Berino Environmental Information Document (EID) in order to include water line installation in Bosque, Three Saints, and Opitz Roads from W. Joy Drive to O'Hara Road in Anthony, New Mexico. The United States Department of Agriculture (USDA), Rural Utilities Service has specific review requirements in order to comply with the National Environmental Policy Act (NEPA) for federally capitalized water and environmental programs. A description of our proposed services and scope of work associated with these services is included below.

SCOPE OF WORK

1. **Scoping and Coordination:** Task will include initial data collection, review of plans, preparation, and coordination with you as needed to understand the project.
2. **Cultural Resources Investigation:** Parametrix staff will consult with USDA and New Mexico SHPO to gain confirmation that no cultural resource survey is required. We will conduct required background research and record searches with the New Mexico Cultural Resource Information System database to obtain information on previous cultural resource inventories and documented resources in the area.
3. **Biological Investigations:** A desktop biological investigation will be conducted, but no formal stand-alone report will be prepared. The data obtained will be included directly in the NEPA document.
4. **National Environmental Policy Act:** An EID was completed in 2010 for the Berino Mutual Domestic Water Consumers & Mutual Sewage Work Association. Parametrix will prepare an amendment to this document in accordance with NEPA (40 Code of Federal Regulations [CFR] Parts 6, 25, 35, and 1500) as followed by the USDA Rural Utility Service (RUS) Bulletin 1794A-602.
 - a. Agency Scoping and Coordination: Public agencies and other stakeholders will be identified based on the USDA's requirements and will include cross-cutting agencies. Parametrix will actively pursue a consultation/coordination effort to identify interested parties and obtain comments on the proposed project.
 - b. Environmental Report (ER): The ER will consist of an amendment of the original environmental document and will serve to update the cultural resources, threatened and endangered species, state farmland, and floodplain information. In addition, agency scoping will be updated to include the additional three segments of roadways.

ASSUMPTIONS

Cultural Resources

- No cultural resource survey will be conducted and a report will not be prepared

Biological Resources

- A biological survey will not be conducted and a report will not be prepared
- Section 404 and 401 Clean Water Act permitting is not included in Parametrix's scope of work
- There will be no impacts to special status species and consultation with the U.S. Fish and Wildlife Service will not be required

National Environmental Policy Act:

- Parametrix is preparing an amendment to the original environmental document and a full ER would not be required
- The proposed action would be covered under a Categorical Exclusion
- A public hearing or notice would not be required
- USDA would be responsible for Tribal Consultation (if required) and will provide results to Parametrix for inclusion in the ER

COST

Parametrix agrees to complete the scope of work described herein for a total lump sum amount of \$8,724.03. If the scope of work is expanded by the project proponent or lead/consulting agencies, then the additional tasks will be handled under a change order to the contract. Please contact me with questions or comments. We look forward to working with you.

Sincerely,
Parametrix



Devin Kennemore
Natural Resources Division Manager

Cost Proposal for Lower Rio Grande Public Water Works Utility Project

Anthony

Dona Ana County, New Mexico

Parametrix

5/7/2013

Prepared for Lower Rio Grande Water Authority

WORK TASK	NUMBER OF HOURS					HRS PER TASK	AMOUNT PER TASK
	Parametrix						
Employee Name	Kennemore, Devin	Miller, Tamara P.	Hannum, Christine	Okun, Adam S.	Pettit, Elizabeth K.		
	Natural Resources Division Manager	Scientist IV	Scientist II	Senior Cultural Resources Specialist	Project Controls Specialist		
A. Project Management							
1. Scoping/Coordination	2	2				4	
2. Contract Administration	2				4	6	
Project Management Total	4	2	0	0	4	10	\$1,051.96
B. Cultural Resources							
1. Section 106 Coordination				4		4	
TASK Total	0	0	0	4	0	4	\$453.05
C. Biological Resources							
1. Desktop Evaluation and Documentation			10			10	
TASK Total	0	0	10	0	0	10	\$660.73
D. Environmental Report							
1. Scoping/ Agency Coordination	1		10			11	
2. RUS draft report		40			4	44	
3. Final RUS report		8			2	10	
4. QA/QC	4					4	
TASK Total	5	48	10	0	6	69	\$6,283.29
Total	9	50	20	4	10	93	
Total Labor						\$8,449.03	
OTHER DIRECT COSTS							
Reproduction, Postage, etc.		\$250.00					
TOTAL (less gross receipts tax)							\$8,724.03

PROPOSAL:

Parametrix

8801 Jefferson NE, Building B

Albuquerque, NM 87113

Tel: 505.821.4700



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road

Vado, New Mexico 88072

(575) 571-3628

Penalty & Other Fees

Disconnection fee:	<u>\$20.00</u>
Open or Close water service (When requested after normal business hours & in addition to Disconnection fee)	<u>\$20.00</u>
Service Activation fee:	<u>\$50.00</u>
Service Deactivation fee:	<u>\$50.00</u>
Renters Deposit (mandatory)	<u>\$100.00</u>
Water/Sewer facility Tampering fee: (in addition to repair/replacement costs)	<u>\$500.00</u>
Insufficient Funds (Bounced Check): (after 3 times, customer is put on cash-only basis)	<u>\$35.00</u>
Late penalty on overdue accounts	15% of the overdue bill
Dona Ana County Service Letter	<u>\$5.00</u>
Copies per page	<u>\$0.10</u>
IPR Request Copies/per page (see Inspection of Public Records Policy)	\$1.00
Faxes (Local/Toll free) per page	<u>\$1.00</u>
Faxes (Long Distance) per page	<u>\$2.00</u>
<u>Convenience Fee for payment by credit card</u>	<u>\$3.00 minimum or 3% of transaction</u>



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Vado, New Mexico 88072 (575) 571-3628

Bill Date Cycle #1 bills are sent on the 1st of the month. Cycle #2 bills are sent on the 15th of the month. Additional Cycles may be added as the needed due to growth of the customer base.

Due date is twenty-five days after the billing date for the cycle. Cycle #1 bills are sent on the 1st of the month, and the due date is the 25th. Cycle #2 bills are sent on the 15th with a due date of the 10th of the following month.

Overdue date is 3:00 p.m. on the due date.

Delinquency date is thirty (30) days after the bill date

B. Billing of Water/Sewer Service. All Authority Members are subject to at least the minimum water and minimum sewer charges as soon as water/sewer service is available, as defined in "Water/Sewer Service". The Authority shall bill the membership **monthly** for water/sewer service from actual meter readings and/or at the rates set forth on the approved water/sewer rate schedule attached to this Policy. All water metered as used by the member shall be subject to the rate schedule, including water leaked from a member's line.

C. Payment of Water/Sewer Service Bills. Bills for water/sewer service are due and payable at the location indicated on the bill or at the location determined by the Board of Directors. Payment of a bill is due on the **due date** and becomes **overdue at 3:00 p.m. on that date**. Payments received via mail must be **post-marked on or before the due date**. To be timely, payments ~~may also be deposited into the night drop box~~ **must be made** at the Authority's offices on or before **3:00 p.m. on the due date** to avoid overdue penalties. **and ensure account is credited.**

D. Overdue Accounts. Overdue amounts are assessed a **penalty of 15% of the amount due per month**. Failure to pay for water/sewer service will result in disconnection of water service SEE below.

E. Delinquent Accounts/Notification & Disconnection of Service. Accounts become delinquent and subject to disconnection of water service thirty (30) days after the billing date. **Delinquent notice is outlined in the printed bill, no further notice will be provided.** Payment to the account which does not pay the



LOWER RIO GRANDE

Public Water Works Authority

lrgauthority.org

Resolution #FY2013-14 Interim Budget for Fiscal Year 2014

Whereas, in order to comply with Sections 6-6-1 and 6-6-2 NMSA 1978 and to apply for CDBG funding, the Board of Directors wishes to adopt and pass a resolution to approve the FY2014 Interim budget on May 15, 2013.

Therefore, be it resolved, the Board of Directors adopts and passes this resolution to approve the Interim budget officially approve on May 15, 2013.

PASSED, APPROVED, AND ADOPTED: May 15, 2013.

Seal:

Roberto M. Nieto, Chairman

John Holguin, Vice-chairman

Santos Ruiz, Secretary

Carlos Tellez, Director

Furman Smith, Director

Michael McMullen, Director

FY14 (July 13-June 14) LRG PWWA DRAFT	
Revenue-Combined	2014
Water	\$ 1,598,452.00
Water Connection, fees, etc.	\$ 69,000.00
Membership	\$ 11,500.00
Non Operating (Water-Billing Adjustments)	\$ 21,550.00
Non Operating (Transfers, Towers, Contract Work)	\$ 100,000.00
Total Water	\$ 1,800,502.00
Sewer	\$ 63,100.00
Sewer Connection, fee, etc.	\$ 2,500.00
Non Operating (Sewer-Billing Adjustments)	\$ 1,200.00
Non Operating (Transfers, Towers, Contract Work)	
Total Sewer	\$ 66,800.00
Interest Earned	\$ 300.00
TOTAL REVENUE (Non-Operating)	\$ 206,050.00
Water	\$ 202,050.00
Sewer	\$ 3,700.00
TOTAL REVENUE (Water/Sewer sales)	\$ 1,661,552.00
Water	\$ 1,598,452.00
Sewer	\$ 63,100.00
COMBINED REVENUE	\$ 1,867,602.00
Depreciation Expense	\$ 606,000.00
Water	\$ 581,000.00
Sewer	\$ 25,000.00
Expense Item	
Salaries	\$ 1,021,917.00
Administrative Labor	\$ 231,245.00
Clerical Labor	\$ 160,000.00
Operations Labor	\$ 363,000.00
Accrued Leave	\$ 20,000.00
Payroll Taxes-Medicare	\$ 11,800.00
Payroll Taxes-Social Security	\$ 50,872.00
Payroll Taxes-State	\$ 15,000.00
Payroll Taxes- Federal	\$ 10,000.00
Employee Benefits-Retirement: 401 (k) Company Co	\$ 45,000.00
Employee Benefits-Retirement: 401 (k) Company Ma	\$ 23,000.00
Insurance-Health/Dental	\$ 92,000.00
Accounting, Auditing, Legal	\$ 87,950.00
Advertising	\$ 1,500.00
Bank Fees	\$ 3,500.00
Cash Short (Over)	\$ 200.00
Due and Subscriptions	\$ 2,500.00
Licenses, Fees & Permits (Return Flow Credit)	\$ 8,000.00
Postage-Billing	\$ 8,000.00
*****Bad Debt Expense	
Professional Fees-Accounting	\$ 6,000.00
Professional Fees-Legal Services	\$ 10,000.00
Professional Fees-Engineering	\$ 7,000.00
Professional Fees-Retirement Account	\$ -

Project Development	
Training	\$ 5,250.00
Travel	\$ 5,000.00
Audit	\$ 31,000.00
Loans/Debt Service/Interest Expense	\$ 71,000.00
Interest Expense (debt service, loans, etc.)	\$ 71,000.00
Taxes, Property, Liability, Fidelity Bond Insurance	\$ 102,000.00
Government Penalties & Interest	\$ 16,000.00
Insurance-Liability (Total Insurance)	\$ 68,000.00
GRT	
Taxes-Water Conservation Fees, State Taxes	\$ 18,000.00
Reserves	
Utilities	\$ 241,650.00
Garbage Service	\$ 1,750.00
Telephone Service-Cell Phone/Beeper	\$ 17,500.00
Telephone Service-Office Telephone/Internet	\$ 15,000.00
Security (Alarm System)	\$ 5,000.00
Utilities: Electricity-Office	
Utilities: Electricity-Operations	\$ 200,000.00
Utilities: Natural Gas/sewer	\$ 2,400.00
Supplies	\$ 320,085.00
Computer Maintenance, Hardware, Software	\$ 64,500.00
Materials & Supplies (pipe, fittings, meters, etc.)	\$ 125,000.00
Fuel	\$ 75,000.00
Maintenance & Repairs-Other, Contract Services	\$ 1,500.00
Maintenance & Repairs-Equipment/rental	\$ 355.00
Maintenance & Repairs-Infrastructure	\$ 6,500.00
Maintenance & Repairs-Office	\$ 5,000.00
Maintenance & Repairs-Vehicles	\$ 19,950.00
Office supplies, cleaning & miscellaneous	\$ 13,000.00
Office Expense-Printing	\$ 5,000.00
Tool, Furniture	\$ 150.00
Board Expenses (Uniforms, other)	\$ 130.00
Uniforms: Employee Uniforms	\$ 4,000.00
Lab, Chemicals	\$ 23,000.00
Chemicals (Treatment Expense)	\$ 15,000.00
Laboratory Fees	\$ 8,000.00
Total Expenses	\$ 1,867,602.00
Total Revenue	\$ 1,867,602.00
Total Expenses Less Depreciation	\$ 1,867,602.00
Depreciation	\$ 606,000.00
Total Operating Expenses w/Depreciation	\$ 2,473,602.00
Profit (Loss) W/ Depreciation Expense	\$ (606,000.00)
Profit (Loss) W/o Depreciation Expense	\$ -

UNITED STATES DEPARTMENT OF AGRICULTURE
STATEMENT OF BUDGET, INCOME AND EQUITY

Schedule 1

Name	Address
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(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET BEG _____ END _____ (3)	For the _____ Months Ended _____		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
			CURRENT YEAR		
			Actual Data		
			Current Quarter (4)	Year To Date (5)	
1. _____					
2. _____					
3. _____					
4. _____					
5. Miscellaneous					
6. Less: Allowances and Deductions					
7. Total Operating Income (Add lines 1 through 6)					
<u>OPERATING EXPENSES</u>					
8. _____					
9. _____					
10. _____					
11. _____					
12. _____					
13. _____					
14. _____					
15. Interest					
16. Depreciation					
17. Total Operating Expense (Add Lines 8 through 16)					
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)					
<u>NONOPERATING INCOME</u>					
19. _____					
20. _____					
21. Total Nonoperating Income (Add 19 and 20)					
22. NET INCOME (LOSS) (Add lines 18 and 21)					
23. Equity Beginning of Period					
24. _____					
25. _____					
26. Equity End of Period (Add lines 22 through 25)					

Budget and Annual Report Approved by Governing Body	Quarterly Reports Certified Correct
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_____ Secretary	_____ Date	_____ Appropriate Official	_____ Date
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According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 2-1/2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.