Alto Lakes Water & Sanitation District
Final Meeting Minutes for October 27, 2011

Alto Lakes Water & Sanitation District held a Regular Board Meeting on **Thursday, October 27, 2011** in the Conference Room of the ALW&SD Office located at 214 Lake Shore Drive, Alto, NM.

Call to order and roll call
Chairman Adamy called the meeting to order at 9:00 AM and Office Manager Brewington conducted roll call. Chairman Adamy and Directors Parker, and Knorr were present; Directors Pope and Decker were absent.

Pledge of Allegiance

Approval of minutes for September 22, 2011 Regular Meeting
Director Knorr made a motion to accept the minutes of the September 22, 2011 Regular Board Meeting as presented. The motion was seconded by Director Parker and carried unanimously.

Approval of agenda
Director Parker made a motion to approve the Agenda as presented, and to allow the Chairman to address the agenda items in the order that best facilitates the meeting. The motion was seconded by Director Knorr and carried unanimously.

Consent Agenda

1. **Expenditures** Purchases / Payroll / Accounts Payable. There were no purchases, payroll, or accounts payable requiring Board approval.
2. **Approve Leak Credits** Chairman Adamy presented three qualifying leak credit requests totaling $194.73.
3. **ACH Payments** Online payments totaling $14,340.75 were made during September, 2011.

Director Knorr made a motion to approve the Consent Agenda as presented. Motion was seconded by Director Parker and carried unanimously.

Regular Business Agenda

Board Election Proclamation to fill Position #5
The Election Proclamation was still in draft form and Director Parker made a motion to table Proclamation discussion and approval until upcoming Special Meeting to be announced. Director Knorr seconded the motion which carried unanimously.

Discussion and possible action on Distribution A change orders
Manager Edington presented proposed Change Order No. 1 on the Waterline Project, Phase A. Change Order No. 1:

- Increases the Linear Feet of Bores in the project by 563 LF (from 500 to 1,063 LF), and reduces cost per LF of bores from $350 to $338 p/LF
- Reduces the contract price by the reduction in cost of the LF of open road cuts
- Increases contract price for two PRV design revisions to allow for full line flow during by-pass situations if needed

Change Order No. 1 net increase estimate in the construction contract price is $174,655.44 including fees and taxes; this leaves an estimated contingency of $212,715.50. Manager Edington recommended that proposed Change Order No. 1 be approved.

Director Knorr made a motion to approve project Distribution A Change Order No. 1 as presented. The motion was seconded by Director Parker and carried unanimously.

Discussion and possible action on Water Trust Board funding application
Manager Edington presented the ALW&SD 2012 Infrastructure Capital Improvement Plan (ICIP), along with the 2012 Application for Financial Assistance to the NM Water Trust Board for $2,283,596 to fund proposed Distribution B. Director Knorr made a motion to approve ALW&SD Resolution No. 2012-03 authorizing and approving submission of the 2012 funding application to the NM Water Trust Board and the New Mexico Finance Authority. The motion was seconded by Director Parker, and upon roll-call, Chairman Adamy, Director Knorr and Director Parker each voted yes, the motion carried unanimously.

Discussion of Water Conservation section of Ordinance
Chairman Adamy had received an Alto Lakes Zoning District recommendation to edit wording in the Water Conservation section of Alto Lakes Water & Sanitation District Ordinance. Director Parker made a motion to consider the recommendation the next time ALW&SD Ordinance changes are needed. Motion was seconded by Director Knorr and carried unanimously.

Closed session – Pending litigation of water rights in Eagle Creek
Director Knorr made a motion to enter Closed Session to discuss pending litigation of water rights in Eagle Creek. Motion was seconded by Director Parker and carried unanimously.

Chairman Adamy declared the closed session ended at 12:23 p.m., Pursuant to the Open Meeting Act 10-15-1, Sub-paragraph H(8), no discussion was conducted except that related to pending litigation of Eagle Creek water rights.

Director Knorr made a motion to increase the Balleau Groundwater, Inc. job order to $40,000 for hydrology and modeling work. The motion was seconded by Director Parker and carried unanimously.

Reports
District Manager's report
Water system update District Manager Edington reported that the system is currently operating well with all production goals being met for domestic, commercial and irrigation demands. Gallons produced totaled 15,023,400 gallons in September, and gallons sold totaled 12,330,420 after billing adjustments. Production vs Sold shows losses of 18%, adjusted to 7.5% unaccounted for water after factoring in flushing and billing adjustments. There were 3 fewer active accounts in September over the same period last year. Usage per meter was down 71 gallons over last September.

Wastewater system update The system is meeting required treatment goals at this time, but is still in violation of permit due to discharge location.

Solid waste update The October lease payment from Greentree Solid Waste Authority was received as required. Manager Edington presented solid waste pull statistics for September 2011; there were 11 pulls with 141 cy's of green waste from the Greentree Collection Center, generating $126.00 collected fees. There were 3 pulls with 30.46 tons of Trash, 1 cardboard pull with 8.5 yds, 5 pulls with 2.15 yds of paper, no Ash pulls, no Aluminum Can pulls, and 2 roll-off pulls with 8.47 tons of Miscellaneous, with $450.94 misc. fees collected, and 0 metal pulls with $14.70 metal fees collected.

Customer issues None

Regulatory update None

Personnel update Manager Edington reported that Joe Saiz passed his Level I Water Certification test, making him eligible for a pre-agreed upon certification pay raise.

Projects report

Distribution A: Manager Edington reported that utility location potholing has begun. The engineers have had to realign some bore locations as possible; Edington obtained two temporary construction easements from ALG&CC for boring machine access. Edington described problematic utility lines within the easements. A meeting has been conducted between FNF Construction management, SMA engineers, and ALW&SD management concerning project progress; the engineers have sent a letter to FNF, LLC's President in Arizona expressing coordination and lack of progress concerns. An email will be sent advising ALW&SD customers of the delays in locating utilities.

Office Manager's report

Administrative update Office Manager Brewington reported that a request for Audit Contract Amendment to include the additional cost of the required single audit of government grant and loan fund expenditures, has been sent to the State Auditor's office for amendment approval.

Financial reports Brewington presented and reviewed the September 2011 Balance Sheet which includes year-to-date comparison with previous year, the breakout of capital reserves, and the revenues and expenditures with comparison to Budget Report by category.

Board Member reports None

Signing of Official Documents

Chairman Adamy and Secretary Parker signed Resolution 2012-03.

Board Comments None

Announcement of next meeting

Chairman Adamy announced the next Regular meeting of the ALW&SD Board will be conducted on November 17, 2011, to be held at the District Office located at 214 Lake Shore Drive, Alto, NM. Meeting will begin at 9:00 AM in the District Office conference room.

Adjournment

Director Knorr made a motion to adjourn the meeting. The motion was seconded by Director Parker and carried unanimously. Meeting adjourned at 1:25 p.m.

Submitted by:

Delores Brewington
District Board Assistant Secretary