Alto Lakes Water & Sanitation District
Final Meeting Minutes for June 28, 2012

Alto Lakes Water & Sanitation District held a Regular Board Meeting on **Thursday, June 26, 2012** 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 Asst. Secretary Brewington conducted roll call. Chairman Adamy and Directors Parker, Decker, Knorr and Pope were present.

Pledge of Allegiance

Approval of minutes for May 24, 2012 Regular Meeting
Director Decker made a motion to accept the minutes of the May 24, 2012 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 Decker and carried unanimously.

Open Hearing on Resolution 2012-06 for Annual Rate Adjustments
Director Knorr made a motion to open the public hearing. The motion was seconded by Director Parker and carried unanimously.

Chairman Adamy presented and reviewed proposed Resolution 2012-06 with proposed Appendix-A Fee Schedule. The Resolution proposal included a 2.3% CPI adjustment on Residential and Commercial rates, tolls, fees and charges since the last annual adjustment in 2011. An additional 3% increase in Commercial Wastewater rates was also proposed in order to more closely align wastewater revenues with the cost of providing wastewater service. Golf Course Irrigation fees were restructured to encourage the Club to keep lakes full during fire and peak irrigation seasons. A new Lien Administrative Fee was added to help offset the time and cost involved in filing liens on delinquent accounts.

Director Knorr made a motion to close the public hearing. The motion was seconded by Director Pope and carried unanimously.

Director Knorr made a motion to approve Resolution 2012-06. The motion was seconded by Director Parker, and Asst. Secretary Brewington Conducted Roll Call: Chairman Adamy, and Directors Knorr, Parker, Decker and Pope unanimously approved the resolution.

Director Decker made a motion to approve the proposed Notice of Resolution Adoption with authorization for Legal Notice publication in the Ruidoso News as required. 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:** There were five leak credit requests for a total of $4,094.32 credit.
3. **ACH Payments:** Online payments totaling $18,941.89 were made during May 2012.

Director Knorr made a motion to approve the Consent Agenda as presented. Motion was seconded by Director Pope 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 in May totaled 21,281,200, and gallons sold totaled 19,321,564. Production vs Sold difference is 9.2%; flushing and known leaks totaled approximately 1.7% of the difference, leaving 7.5% unaccounted for. There were 40 fewer active accounts during May over the same period last year with average usage per meter approximately the same as last May. Usage in levels 4 and 5 had jumped dramatically. Field Supervisor Osborn and his crew continue to watch for leak indicators and to repair leaks as they are discovered.

Edington reported that ALWSD Staff, Engineers and the Hydrologist have consulted on potential flood damage possibilities due to the Little Bear Fire. The District's main focus is on well vulnerability; assessment as follows:

- Very Minimal Risk – Very little chance of damage due to worst case flooding
- Minimal Risk – Chance of limited damage if worst case scenario happens…many unlikely elements would have to occur
- Moderate(-) Risk – Should worst case happen…possibility that limited damage could occur, requires only 1 or 2 unlikely elements to occur.

ALWSD Wells located along Eagle Creek

- Well E1 Very Minimal Risk
- Well E2 Minimal Risk
- Well E5 Very Minimal Risk
- Well E4 Very Minimal Risk

ALWSD Wells located along Little Creek

- Well 12 Moderate(-) Risk – Unlikely event
- Well 16 Moderate(-) Risk – Unlikely event

The well most vulnerable to preventable damage would be Well 16 due to potential water rise. The District will import fill-dirt and build a short dike on the north side of the well between the well and Little Creek to prevent water reaching the wellhead in the event of water rising across the valley. Wells 12 and 16 are designated irrigation wells only.

Board consensus is that the District's biggest threat could be to electrical and natural gas supply infrastructure that supplies power for pumping and backup, and to underground infrastructure in Deer Valley. Standby emergency generators will be procured.

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

Solid waste update The June lease payment from Greentree Solid Waste Authority was received as required. Manager Edington presented solid waste pull statistics for May 2012; there were 27 pulls with 445 cy's of green waste from the Greentree Collection Center, generating $1,808.10 in collected fees. There were 3 pulls with 18.91 tons of Trash, 1 pull with 2.02 yds cardboard, 1 pull with 1.3 yds of paper, 0 Ash pulls, 1 pull with 0.06 tons of aluminum cans, 1 Misc. pull with $73.53 misc. fees collected, and 0 metal pulls with $12.08 metal fees collected.

Customer issues None

Regulatory update None

Personnel update Joe Saiz and Bill Rodolph attended short school and completed exams.

- Joe tested for and passed his Level II Wastewater Certification
- Bill tested for and passed his Level I Water Certification

Both employees will receive an incentive increase in their hourly wage per employment contracts for passing and obtaining certification. Joe is also eligible, per personnel policy, for an Education Incentive Award for obtaining Level II Wastewater Certification.

Projects report ALWSD is currently requesting quotes for labor to rehab the Site-C Lift Station on Midiron Drive. All parts have been ordered and are in stock. Quotes for labor should be received and presented to the Board at the July board meeting. Estimated labor cost is $15,000 to $20,000.

Office Manager's report

Administrative update Office Manager Brewington presented and reviewed the ALW&SD Lien Status Report. All liens on foreclosed homes have been paid and the liens released. Current outstanding filed liens are on Fire Protection vacant lots. The District has fully reserved for liens deemed uncollectable due to priority Federal Tax Liens on 3 lots, SB Unit-2, Block-7, Lot-2, AL Unit-4,Block-14,Lot-4 and AL Unit-7, Block-15, Lot-57, owned by AD Powers.

Financial reports Brewington presented the May 2012 Balance Sheet which includes year-to-date comparison with previous year with breakout of capital reserves, and the May 2012 Budget Report by category.

Regular Business Agenda

Board Member Reports None

Discussion and possible action on Solid Waste including RFP

Chairman Adamy presented a draft Request for Proposal for bids on solid waste operations and hauling, and/or bids on hauling only with ALWSD operating the site with administration billing and collections. After discussion, Director Parker made a motion to convert the draft RFP to a conventional bid to provide frontend qualifications, followed by a price selection, with Chairman Adamy authorized to sign the request for bids. The motion was seconded by Director Knorr and carried unanimously.

Discussion and possible action on Water Treatment Phase II

Chairman Adamy advised that the Club cannot take ALWSD Water Treatment Brine for golf course irrigation. The technology and additional land required is not available to proceed with the water softening project. District Manager Edington will get a wrap-up report from the engineers for the next meeting, at which capital project decisions will be determined.

Discussion of Eagle Creek conference between District and VOR

Chairman Adamy reported that he and Manager Edington will attend a conference meeting with the Village of Ruidoso tomorrow concerning North Fork wells.

Discussion and possible action on Distribution A (may be moved to closed session)

Chairman Adamy requested a motion to move to closed session for discussion on Distribution A. Director Knorr made a motion to enter closed session for discussion on Distribution A. Motion was seconded by Director Parker and carried unanimously.

Chairman Adamy declared the closed session ended at 12:02 p.m.

Director Pope made a motion to end the closed session. Motion was seconded by Director Parker and carried unanimously. Pursuant to the Open Meeting Act 10-15-1, Sub-paragraph H(8), no discussion was conducted except that related to Distribution A.

Signing of Official Documents Chairman Adamy and Secretary Parker signed Resolution 2012-06 and Asst. Secretary Brewington will facilitate official filing of the Resolution with Lincoln County.

Board Comments None

Announcement of next meeting
Chairman Adamy announced the next Regular meeting of the ALW&SD Board will be conducted on July 26, 2012, 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 Pope and carried unanimously. Meeting adjourned at 12:05 a.m.

Submitted by:

Delores Brewington
District Board Assistant Secretary