Alto Lakes Water & Sanitation District
Final Meeting Minutes for July 26, 2012

Alto Lakes Water & Sanitation District held a Regular Board Meeting on **Thursday, July 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 June 28, 2012 Regular Board Meeting

Director Parker made a motion to accept the minutes of the June 28, 2012 Regular Board Meeting as presented. The motion was seconded by Director Decker and carried unanimously.

Approval of minutes for July 13, 2012 Special Board Meeting

Director Pope made a motion to accept the minutes of the July 13, 2012 Special Board Meeting as presented. The motion was seconded by Director Parker and carried unanimously.

Approval of agenda

Director Decker 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 Parker 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 six leak credit requests for a total of $3,873.92 credit.
3. **ACH Payments:** Online payments totaling $18,359.28 were made during June 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 June totaled 24,341,259, and gallons sold totaled 21,733,267. Production vs Sold difference is 12%; flushing and known leaks totaled approximately 1.5% of the difference, leaving 10.5% unaccounted for. There were 15 fewer active accounts during June over the same period last year with average usage per meter down approximately 1,300 gallons per meter compared to last July. Static water levels have come up approximately 20 ft. since the Little Bear fire and the start of the rains. Field Supervisor Osborn and his crew continue to watch for leak indicators and to repair leaks as they are discovered.

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 July lease payment from Greentree Solid Waste Authority was received as required. Manager Edington presented solid waste pull statistics for June 2012; there were 26 pulls with 455 cy's of green waste from the Greentree Collection Center, generating $1,476.35 in collected fees. There were 4 pulls with 27.98 tons of trash, 0 cardboard pulls, 2 pulls with 0.89 tons of paper, 0 Ash pulls, 1 pull with 0.03 tons of aluminum cans, 0 Misc. pulls with $279.40 misc. fees collected, and 1 metal pull with $51.56 metal fees collected.

Customer issues None

Regulatory update None

Personnel update None

Projects report None

Office Manager's report

Administrative update Office Manager Brewington reviewed customer delinquent status, lien warning notices that have been sent out, and liens that have been filed on delinquent owners' property per ordinance regulation.

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

Regular Business Agenda

Board Member Reports None

Discussion and possible action on Solid Waste including RFP

Chairman Adamy advised that Request for Bids have been published for Solid Waste Operation Management, and/or Transportation and Disposal Services for the District. Bid opening will take place on August 15th.

Discussion and possible action on Water Treatment Phase II

Chairman Adamy reported that the Concentrate Management Study for Brine Disposal indicates that current available evaporation treatment options are not feasible on a cost basis, given unavailable land requirements. Director Decker made a motion to terminate Water Treatment Phase II project and to give District customers the opportunity to decide if the WTPII System Upgrade Fee will be redirected to other needed projects or eliminated. Motion was seconded by Director Knorr and carried unanimously.

Discussion and possible action on completion of Distribution A

Chairman Adamy recommended that the ongoing project remediation be cancelled due to high costs and to apply the difference to engineering costs for completion of Distribution A. Director Knorr made a motion to cancel the remediation and designate up to $475,000 for engineering design and construction observation on the Distribution A project. Motion was seconded by Director Parker and carried unanimously.

Chairman Adamy also presented an SMA contract package for design and construction phases of the revised Distribution-A waterline design to address the incomplete work and the realignment of portions of the work to within the adjoining roadways. Director Knorr made a motion to authorize Chairman Adamy to sign the SMA contract not to exceed $125,000. Motion was seconded by Director Decker and carried unanimously.

Discussion and possible action on Annual Report to Customers

Chairman Adamy presented a draft of the FY 2012 Annual Report to Customers for board review and discussion. Director Decker made a motion to mail the Annual Report to customers in conjunction with the July billings, and to incorporate suggested adaptations in the report. Motion was seconded by Director Knorr and carried unanimously.

Discussion and possible action on Resolution 2013-01 Final Budget for FY 2013

Chairman Adamy presented the final proposed FY2013 Operating and Capital Budgets for review and discussion, and for consideration of Resolution 2013-01 to affirm the FY2013 Operating and Capital Budgets. Discussion included the prioritization of capital system upgrade projects to include the possible deletion of Distribution-B project from the capital budget.

Director Knorr made a motion for the board to reevaluate priorities for planned capital system upgrades in order to submit applications on the regular ICIP cycle, and for the consideration of deleting project Distribution-B from the capital budget. When Distribution B plans are finalized, the District Board will make recommendations to customers regarding the System Upgrade Fees. Motion was seconded by Director Parker and carried unanimously.

Director Parker made a motion to approve the final Operating Budget as presented. Motion was seconded by Director Knorr and carried unanimously.

Director Parker made a motion to delete project Distribution-B from the final Capital Budget, then to approve the final Capital Budget as presented. Motion was seconded by Director Decker and carried unanimously.

Director Knorr made a motion to approve ALW&SD Resolution 2013-01 affirming the final budget for the Fiscal Year 2013. Director Decker seconded the motion and Asst. Secretary Brewington conducted a roll call vote. All Directors indicated a yea vote, and Chairman Adamy declared the motion carried unanimously.

Closed Session: Threatened or Pending Litigation
Chairman Adamy requested a motion to move to closed session for discussion on threatened or pending litigation.

Director Decker made a motion to enter closed session for discussion on threatened or pending litigation. Motion was seconded by Director Parker and carried unanimously.

Director Knorr 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 threatened or pending litigation.

Chairman Adamy declared the closed session ended at 12:22 p.m.

Signing of Official Documents Chairman Adamy and Secretary Parker signed Resolution 2013-01 and Asst. Secretary Brewington will facilitate official filing of the Resolution with NMDFA.

Board Comments None

Announcement of next meeting
Chairman Adamy announced the next Regular meeting of the ALW&SD Board will be conducted on August 23, 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 12:25 a.m.

Submitted by:

Delores Brewington
District Board Assistant Secretary