Alto Lakes Water & Sanitation District
Final Meeting Minutes for September 27, 2012

Alto Lakes Water & Sanitation District held a Regular Board Meeting on **Thursday, September 27, 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, Director Decker and Director Knorr were present. Director Parker attended telephonically.

Pledge of Allegiance

Approval of minutes for August 23, 2012 Regular Meeting
Director Decker made a motion to accept the minutes of the August 23, 2012 Regular Board Meeting as amended. The motion was seconded by Director Knorr 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 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 was one leak credit request for $964.47 credit.
3. **ACH Payments:** Online payments totaling $16,547.34 were made during August 2012.

Director Knorr made a motion to approve the Consent Agenda as presented. Motion was seconded by Director Decker 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 August totaled 17,391,200, and gallons sold totaled 16,331,440. Production vs Sold difference is 6.1%; flushing and known leaks totaled approximately 0.5% of the difference, leaving 5.6% unaccounted for losses. There were 25 more active accounts during August over the same period last year with average usage per meter up 1,051 gallons per meter compared to last August. Field Supervisor Osborn and his crew continue to watch for leak indicators and to repair leaks as they are discovered.

Well #12 – repaired a short in the electric line between the panel and the down-hole motor lead.

Well #E-5 – pump is not turning, possibly a broken coupling between the motor and the pump, the motor shaft broken, or the pump shaft broken. The well must be pulled to determine required repair. Manager Edington requested authorization to have the well pulled and explained that there is currently $70,373 in the "Well down hole replacement" reserve fund. Director Decker made a motion to have Well E-5 pulled, inspected and repaired, not to exceed $32,000 + tax expenditure. The motion was seconded by Director Knorr and carried unanimously.

Wastewater system update The system is meeting required treatment goals but is still in violation of permit due to discharge location. The last 24 hr. BOD composite sample measured 900 going in and 300 going out of the plant. Edington is having the IP consultant program the PLC programmed for standby. Director Knorr recommended BOD testing of softened water, instead of raw water, for comparison.

Solid waste update Manager Edington presented solid waste pull statistics for August 2012; there were 13 pulls with 455 cy's of green waste from the Greentree Collection Center, generating $1,888.30 in collected fees. There were 5 pulls with 42.65 tons of Trash, no cardboard pulls, 3 pulls with 1.76 yd of paper, 0 Ash pulls, 0 Aluminum Can pulls, 1 Misc. pull with $122.94 misc. fees collected, and 0 metal pulls with $66.74 metal fees collected.

Customer issues None

Regulatory update None

Personnel update Manager Edington reported that employee Bill Rodolph tested for and earned Water Systems Level-I certification. Joe Saiz will attend Wastewater certification training in January.

Projects report Manager Edington reported that the ALWSD capital budget reflects $79,266 for the purchase of a new backhoe based on statewide procurement contracts available in March 2012. In April 2012 new motor requirements kicked in on the state contracts requiring that the state go from tier 3 to tier 4 motors on all equipment purchased in order to meet fuel efficiency and exhaust standards. This new requirement raises the cost by approximately $12,000. Director Decker made a motion to approve the additional funding and to facilitate purchase of the backhoe as equipped. The motion was seconded by Director Knorr and carried unanimously.

Office Manager's report

Administrative update Office Manager Brewington presented and reviewed the ALW&SD Lien Status Report. **Financial reports** Brewington presented the August 2012 Balance Sheet which includes year-to-date comparison with previous year with breakout of capital reserves, and the August 2012 Budget Report by category.

Regular Business Agenda

Board Member Reports None

Update on progress in rebidding Distribution A

Manager Edington reported that eleven contractors attended the Distribution-A pre-bid meeting on Thursday, September 20th. Final bids must be received no later than Friday October 5th.

Discussion and possible action on Infrastructure Capital Improvement Plan & Resolution

Director Adamy presented and reviewed the proposed Infrastructure Capital Improvement Plan (ICIP). Director Parker made a motion to approve the ICIP as presented. The motion was seconded by Director Knorr and carried unanimously. A referendum will be mailed to all District customers outlining proposed projects, and requesting their preference and priorities input.

Chairman Adamy presented Resolution 2013-02 which adopts an Infrastructure Capital Improvement Plan (ICIP). Director Pope made a motion to approve Resolution 2013-02 adopting the Infrastructure Capital Improvement Plan and that it is intended that the Plan be a working document and is the first of many steps toward improving rational, long-range capital planning and budgeting for New Mexico's infrastructure. Director Parker seconded the motion and upon a roll call vote all Directors present indicated a yea vote. Chairman Adamy declared the motion unanimously approved.

Discussion and possible action on District Boundaries

After discussion, Director Parker made a motion to extend invitation to apply for incorporation into Alto Lakes Water & Sanitation District boundaries to:

- Kokopelli Mesa Subdivision, to include Rui., Inc owned property to the north of High Mesa, via the Burdines, and:
- Eagle Creek Acres II, via the ECA Homeowners Association

The motion was seconded by Director Decker and carried unanimously.

Discussion and possible action regarding possible sale of surplus water

In view of Ruidoso's water needs since the Little Bear Fire, discussion included the possibility of ALWSD offering the sale of District excess water to Ruidoso to supplement Grindstone Lake. Director Knorr made a motion to offer surplus District water, taken at our closest point of connection and at a flow rate of 150 gpm, and at a cost of $3.00 p/thousand gallons, to Ruidoso. The motion was seconded by Director Decker and carried unanimously.

Discussion and possible action on operation of solid waste facility

Alto Lakes Water & Sanitation District owned Solid Waste Convenience Station located on High Mesa Drive has been leased to the Greentree Solid Waste Authority for operations since June 1, 2009. The lease terminates on November 30, 2012. ALWSD Board has decided to not renew the lease with GTSW, to instead assume the responsibility of the station for operation by ALWSD staff, with waste hauling contracted out. Notice of the change will be sent to ALWSD customers outlining the District's objectives for Solid Waste operations to include:

- Improvement of Customer Service
- Better Cost Control
- Maintaining Income for the District
- Better Value for Customers

Director Pope made a motion to transfer the Alto Lakes Convenience Station permit to the District and prepare to assume operational responsibility as of November 29, 2012. The motion was seconded by Director Knorr and carried unanimously.

Director Knorr made a motion to accept the professional services proposal from Gordon Environmental in amount not to exceed $20,000 to assist the District in transferring the permit and assuming operational responsibility for the Alto Lakes Convenience Station. The motion was seconded by Director Decker and carried unanimously.

Director Parker made a motion to enter into negotiations with Sierra Contracting for a four year contract to haul and dispose of household waste, recyclable waste, and bulk waste. Should the parties fail to agree upon mutually acceptable terms, the District will enter into negotiations with Greentree Solid Waste Authority. The motion was seconded by Director Pope and carried unanimously.

Director Decker made a motion to enter into negotiations with Sierra Contracting for a four year contract to haul and dispose of yard waste and forest waste. Should the parties fail to agree upon mutually acceptable terms, the District will enter into negotiations with Greentree Solid Waste Authority. The motion was seconded by Director Knorr and carried unanimously.

Director Knorr made a motion to enter into negotiations with the Village of Ruidoso fur use of their Transfer Station on Gavilan Canyon Road. The motion was seconded by Director Parker and carried unanimously.

Director Pope made a motion to enter into negotiations with the City of Alamogordo for use of their Recycling Center; (tin and aluminum cans – rinsed and crushed), (cardboard boxes – broken down), newspaper, (no glass or plastic). The motion was seconded by Director Knorr and carried unanimously.

Director Decker made a motion to authorize capital expenditures of up to $40,000 for Convenience Station improvements including gate house, toilet, security system, gate replacement, and landscaping. Skid loader with brush rake to be authorized after hauling contracts. The motion was seconded by Director Knorr and carried unanimously.

Director Knorr made a motion to have counsel review County Solid Waste Ordinances and Agreements including enforcement provisions for illegal dumping within the District. The motion was seconded by Director Pope and carried unanimously.

Closed Session to include: discussion of personnel matters, discussion of pending litigation, and discussion of possible land acquisition

Director Decker made a motion to enter closed session for discussion of personnel matters, discussion of pending litigation, and discussion of possible land acquisition. Motion was seconded by Director Knorr and carried unanimously.

Director Decker made a motion to end the closed session. Motion was seconded by Director Knorr and carried unanimously. Chairman Adamy declared the closed session ended at 11:58 a.m.

Pursuant to the Open Meeting Act 10-15-1, Sub-paragraph H(8), no discussions were conducted except those related to personnel matters, pending litigation and possible land acquisition. No action was taken.

Signing of Official Documents Chairman Adamy and Director Parker signed Resolution 2013-02.

Board Comments None

Announcement of next meeting

Chairman Adamy announced the next Regular meeting of the ALW&SD Board will be conducted on October 27, 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 Decker and carried unanimously. Meeting adjourned at 12:03 p.m.

Submitted by:

Delores Brewington
District Board Assistant Secretary