# Alto Lakes Water & Sanitation District
# Final Meeting Minutes December 20, 2012

Alto Lakes Water & Sanitation District held a Regular Board Meeting on **Thursday, December 20, 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 attended telephonically and Directors Parker, Decker, and Knorr were present; Director Pope was absent.

**Pledge of Allegiance**

**Approval of minutes for October 25, 2012 Regular Board Meeting**
Director Parker made a motion to accept the minutes of the October 25, 2012 Regular Board Meeting. The motion was seconded by Director Knorr and carried unanimously.

**Approval of minutes for November 1, 2012 Special Meeting**
Director Parker made a motion to accept the minutes of the November 1, 2012 Special Board Meeting as presented. The motion was seconded by Director Knorr and carried unanimously.

**Approval of agenda**
Director Knorr 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.

**Hearing on Resolution 2013-03**
Director Parker made a motion to begin the Open Hearing for discussion of proposed Resolution 2013-03, a resolution amending Rates, Tolls and Fees of the Alto Lakes Water & Sanitation District. The motion was seconded by Director Knorr and carried unanimously. Mr. and Mrs. Jim Edwards were in attendance.

Chairman Adamy presented proposed new rates to include Solid Waste Service monthly fees for each residential metered customer within the District, cubic yard rates for disposal of yard waste, forest waste and bulk waste for District fire protection customers, and cubic yard rates for disposal of yard waste, forest waste, and bulk and metal waste from outside the District. Also included were proposed increased System Upgrade fees based upon supportive customer responses to the proposed upgrades and rate survey, and newly established fees for District removal of waste from customer properties due to violation of Ordinance Section 8-C – "remove waste from property". The resolution also segregated water rates for customers within and outside of District boundaries.

Director Knorr made a motion to close the public hearing on Resolution 2013-03. The motion was seconded by Director Parker and carried unanimously.

Director Parker made a motion to approve Resolution 2013-03 amending the rates, tolls and fees for Alto Lakes Water & Sanitation District as presented. The motion was seconded by Director Decker and passed unanimously based on a 100% roll call vote.

**Hearing on Ordinance 2013-02**
Director Parker made a motion to begin the Open Hearing for discussion of proposed Ordinance 2013-02. The motion was seconded by Director Knorr and carried unanimously. Mr. Jim and Mrs. Barbara Edwards were in attendance.

Chairman Adamy presented proposed Ordinance 2013-02 with changes affected in water service disconnection. Discussion included deleting the customer disconnection fee previously charged to the seller of a residence being sold to a new buyer when there is no shut-off of water. The resolution also replaced Section 8, Solid Waste Service, and corrected a previous error in the numbering within Section 21, Billing, Payment and Deposits.

Director Decker made a motion to close the public hearing on Ordinance 2013-02. The motion was seconded by Director Parker and carried unanimously.

Director Knorr made a motion to approve Ordinance 2013-02 as presented, eliminating the disconnection fee to the seller, but to retain the reconnection fee charged at closing to the buyer. The motion was seconded by Director Decker and passed unanimously based on a 100% roll call vote.

**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 four leak credit requests presented totaling $4,170.14
3. **ACH Payments:** Online payments totaling $38,104.24 were made during October and November 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 November totaled 9,616,500, and gallons sold totaled 9,108,972. Production vs Sold difference is 5.2%; flushing and known leaks were minimal. There were 18 more active accounts during November over the same period last year with average usage per meter up approximately 167 gallons per meter compared to last November. 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** Manager Edington presented solid waste pull statistics by Greentree Solid Waste Authority for November 2012; there were 26 pulls with 910 cy's of green waste with 33% pine needles and 67% other yard waste from the Greentree Collection Center, generating $1,245.75 in collected fees. There were 4 pulls with 25.76 tons of trash, 1 pull with 3.28 tons of cardboard, 0 paper, 0 Ash pulls, 0 aluminum can pulls, 3.32 tons Misc. pulls with 45.68 tons and $88.24 misc. fees collected, and 1 metal pull with 4.62 tons and $18.46 metal fees collected.

Mrs. Barbara Edwards commented that the collection center looks neat and clean with good labeling and that the staff is very polite and helpful. The camera and alarm systems will be activated soon. Edington was commended for his hard work and hands-on exposure at the Solid Waste Station during operations transfer.

**Customer issues** None

**Regulatory update** None

**Personnel update** Manager Edington and Field Supervisor Osborn completed solid waste transfer station course. Osborn has obtained Solid Waste certification. One full-time and one part-time employees have been hired for Solid Waste Station operations.

**Projects report** None

**Office Manager's report**

**Administrative update** Chairman Adamy, the Board Directors and Staff Management commended District office personnel; Bobbi Guerra and Veronica King, for their extra mile time and effort to facilitate the system upgrade referendum mailings and tally, and multiple solid waste mail-outs this month.

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

**Regular Business Agenda**

**Board Member Reports** None

**Discussion and possible action on settlement with FNF Construction**

Chairman Adamy reviewed an updated cost and funding financial analysis in view of the FNF Construction settlement claim. After discussion Director Knorr made a motion to approve settlement with FNF Construction consisting of $47,000 for value in place and $100,750 for settlement claim of wrongful termination. The motion was seconded by Director Decker and carried unanimously.

**Discussion and possible action on contract with Souder Miller**

Chairman Adamy opened discussion on ALWSD's contract with Souder Miller & Associates Engineering firm (SMA). Consensus was that ALWSD and SMA had a good working relationship but that SMA did not meet their contractural commitment to fully indemnify the District against claims from arising from design and construction of the project. The Board noted that SMA designed the project, bid the project, vetted and selected the winning bidder, and supervised construction. There was absolutely no reason why the District should have been brought into the dispute with FNF or been put in the position of paying damages to FNF. Director Decker made a motion to limit all continued business with Souder Miller & Associates to the completion of project Distribution-A. The motion was seconded by Director Knorr and carried unanimously.

**Discussion and possible action on interim engineering firm**

Director Decker made a motion to approve using Parkhill, Smith and Cooper for general engineering up to $50,000 on an interim basis. The motion was seconded by Director Parker and carried unanimously.

**Discussion and possible action on solid waste matters and facilities**

Chairman Adamy reviewed the exchange of letters between Greentree Solid Waste Authority, Alto Lakes Water & Sanitation District, and Lincoln County Commissioners. During discussion a package was delivered to ALW&SD Board of Directors containing documentation that Greentree Solid Waste Authority had filed suit in District Court versus Alto Lakes Water & Sanitation District and the Lincoln County Commission.

Director Parker made a motion to enter into closed session for discussion of threatened or pending litigation. The motion was seconded by Director Knorr and carried unanimously.

Director Knorr made a motion to end the closed session. Motion was seconded by Director Parker and carried unanimously. Chairman Adamy declared the closed session ended at 12:16 p.m.

No board action was taken during closed session, and 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.

**Discussion and possible action on FY2013 Capital Budget**
Chairman Adamy presented proposed Resolution 2013-04 affirming adjustments to the FY2013 Operating and Capital Budget for Fiscal Year 2013. Adjustments are necessary to facilitate the midyear cost projections for the addition of Solid Waste operations. Director Knorr made a motion to approve Resolution 2013-04 affirming both the adjusted FY2013 capital and operating budgets, pending approval of the NM State Budget Division. Director Parker seconded the motion which carried unanimously upon Roll Call vote.

**Discussion and possible action on Distribution A Payments and changes**
District Manager Edington submitted Pay Request #1 from Burn Construction with Change Order#1: Director Knorr and Manager Edington worked with the engineers and reviewed the changes and the pay request for $137,127.85 plus NMGRT of $7,799.88 for work up to November 25, 2012. Change Order #1 work directives cover:

1. Change saddle and service line size – ¾ to 1 inch on 83 service connections on Deer Park (each service feeds two houses
2. Change water line location at the end of Oso Loop requiring more fittings
3. Change of fitting sizes for tie-in to 6" lines at Buena Vista instead of anticipated 3" lines

Director Knorr made a motion to approve Change Order #1 as presented. Motion was seconded by Director Decker and carried unanimously.

**Signing of Official Documents**

**Board Comments** None

**Announcement of next meeting**
The next regularly scheduled ALWSD Board Meeting will be held on January 24, 2013, 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 12:30 p.m.

Submitted by:

Delores Brewington
District Board Assistant Secretary