Alto Lakes Water & Sanitation District
Final Meeting Minutes February 21, 2013

Alto Lakes Water & Sanitation District held a Regular Board Meeting on **Thursday, February 21, 2013,** 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, Knorr, and Pope were present.

Pledge of Allegiance

Approval of minutes for January 24, 2013 Regular Board Meeting
Director Parker made a motion to accept the minutes of the January 24, 2013 Regular Board Meeting. The motion was seconded by Director Decker 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.

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 nine, predominately sprinkler system leaks, leak credit requests presented during January, 2013 totaling $11,181.15.
3. **ACH Payments:** Online payments totaling $17,071.43 were made during January 2013.

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 January 2013 totaled 6,608,100, and gallons sold totaled 4,773,572. Production vs Sold difference is 28%. Flushing and known leaks totaled 1,173,000 gallons, adjusting gallons lost to 10%. There were 2 less active accounts during January over the same period last year with average usage per meter up approximately 1,500 gallons per meter compared to last November due to leaks on the customer side.
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 Sierra Contracting for January 2013; there was 1 pull with 30 cy's of green waste, with 76% pine needles and 24% other yard waste from the ALW&SD Collection Center, generating $495.00 in collected fees. There were 3 pulls with 21.41 tons trash, 2 pulls with 1.2 tons cardboard, and 1 pull with 1.5 tons paper from the Center, generating $569.63 in collected fees. There were 0 metals pulled (roll-off not full), 0 ash, 0 aluminum cans, and 0 miscellaneous pulls.

Customer issues Manager Edington reported that customer, Mike DiSanto, has requested review of his damaged driveway to determine if the damage is due to the new waterline project.

Regulatory update None

Personnel update Manager Edington reported complimentary customer feedback on the newly hired Solid Waste personnel manning the collections center. Solid Waste attendants have demonstrated good customer service by assisting recyclers with the compaction and disposal of boxes, etc.

Projects report None

Office Manager's report

Administrative update Office Manager Brewington presented clarification on payment of New Mexico Gross Receipts Tax to solid waste hauling contractors. ALW&SD had previously been advised by the Department of NM Taxation and Revenue that ALW&SD did have to pay gross receipts tax as billed by Sierra Contracting. Chairman Adamy objected to the double taxation and asked for a review. On advice of counsel, ALW&SD disputed this ruling and has now been issued a Non-Taxable Transaction Certificate (NTTC-5) by the Department of NM Taxation and Revenue, effective Feb 7, 2013. Tax paid prior to Feb. 7th cannot be refunded.

Financial reports Brewington presented and reviewed the January 2013 Balance Sheet which includes year-to-date comparison with previous year with breakout of capital reserves, the January 2013 year to date Budget Report by category, and the ALW&SD Lien Status Report to include status of unpaid liens filed, lien warning notices sent and resulting payment status.

Regular Business Agenda

Board Member Reports None

Accept annual audit and approve publication

Chairman Adamy presented the final audit results as released by the Office of the State Auditor. Strickler and Prieto, LLP audit firm conducted the FY 2012 financial audit of ALW&SD during September, 2012. Audit results of the District's 2012 financial records were rated "Unqualified" with no audit findings. Director Knorr made a motion to accept the audit results as presented. The motion was seconded by Director Decker and carried unanimously. Chairman Adamy acknowledged the staff for a job well done.

Discussion and possible action on Distribution A

Manager Edington reported that the project is on schedule, but he anticipates Burn Construction will request a 30 day contract extension. All but 370 ft. of the underground water lines are in place and shoulder work paving and patching, has begun. Line tie-in's are being completed as lines are treated and disinfected; residents will be notified prior to potential water outages. Manager Edington, Director Knorr, and Steve Osborn will attend a project progress meeting with Burn Construction and SMA on Friday, February 22, 2013.

Discussion and possible action on spinner test

Manager Edington reported that a Spinner Test has been recommended by ALW&SD's hydrologist; to be conducted on Well E-2 in the valley, to perfect ALW&SD's hydrological model. The test requires down-hole monitoring, 90 ft. below the static water level, which measures flow to the pump, water salinity, temperature and conductivity. Cost estimates by Jet West Geophysical Services and by K.D. Huey Company, LLC, were presented and reviewed. Director Knorr made a motion to proceed with the spinner testing as recommended by hydrologist to perfect ALW&SD's model. The motion was seconded by Director Pope and carried unanimously.

.

Discussion and possible action on fire season preparations including emergency power generation and irrigation pond levels

Chairman Adamy outlined the necessity for ALW&SD wells emergency power generation capability during extended power outages; i.e. during and after the Little Bear fire. Manager Edington addressed stationary power generation and portable generation capabilities, with combination of both types ideal for the long term. In the interim, wells E-2, E-5, and S-6 could be rigged for a portable that could be moved to each well as needed. He also advised a small on-site natural gas generator be obtained for the Wastewater Treatment Plant. The board discussed alternative solutions to include the possibility of joint use agreement through a standby fee, Lincoln County emergency management on a standby memorandum of understanding, weighing rental vs. purchase expenses, military surplus, etc. Manager Edington will continue further research, through contacts, for information on surplus generator services, etc.

Chairman Adamy has expressed concern to the Club concerning a leak in the large lake at the Club which reduces storage capacity in the event of well outage and for aerial fire fighting needs. The ALW&SD Board had previously adopted a provision in the ordinance waiving the punitive rate for usage exceeding 15 million gallons per month with the understanding that the Club would keep both lakes full during fire season.

Signing of Official Documents

Board Comments Mr. Jim Laswell had suggested to Director Knorr that ALW&SD communicate directly with the Club regarding the ongoing waterline project.

Announcement of next meeting

The next regularly scheduled ALWSD Board Meeting will be held on March 28, 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 Pope made a motion to adjourn the meeting. The motion was seconded by Director Parker and carried unanimously. Meeting adjourned at 11:25 a.m.

Submitted by:

Delores Brewington
District Board Assistant Secretary