Alto Lakes Water & Sanitation District
Final Meeting Minutes April 4, 2013

Alto Lakes Water & Sanitation District held a Regular Board Meeting on **Thursday, April 4, 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 and Directors Parker, Decker, Knorr, and Pope were present.

Pledge of Allegiance

Approval of minutes February 21, 2013 Regular Board Meeting
Director Parker made a motion to accept the minutes of the February 21, 2013 Regular Board Meeting. The motion was seconded by Director Decker 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 four, leak credit requests presented during March, 2013, totaling $12,957.91.
3. **ACH Payments:** Online payments totaling $17,594.62 were made during February, 2013.

Director Knorr made a motion to approve the Consent Agenda as presented. Motion was seconded by Director Parker 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 February 2013 totaled 5,129,200, and gallons sold totaled 3,767,883. Production vs Sold difference is 26%. Flushing and known leaks totaled 680,600 gallons, adjusting gallons lost to 13%. There were 34 less active accounts during February over the same period last year with average usage per meter down approximately 145 gallons per meter compared to last February.

Edington reported that K.D. Huey pulled the pump and motor from Well E2 to facilitate testing. Huey determined that the pump and motor, originally installed in 2005, needed to be replaced. Director Pope made a motion to purchase the recommended Grundfos 230S600-19 Pump, with Grundfos 60hp, 460v, 8″ pump at the quoted cost of $18,315.54. Motion was seconded by Director Decker and carried unanimously.

Wastewater system update The system is meeting required treatment goals at this time; however, it 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 were 3 pulls with 90 cy's of green waste, consisting of 72% Yard Waste and 28% forest waste from the ALW&SD Collection Center, generating $577.50 in collected fees. There were 2 pulls with 14.26 tons trash, 1 pull with 0.75 tons cardboard, 1 pull with 1.5 tons paper, and 1 pull with 4.95 tons miscellaneous from the Center, generating $224.33 in collected fees. There were 0 metals pulled (roll-off not full), 0 ashes, and 0 aluminum can pulls.

Customer issues Manager Edington reported that ALWSD customers are eager for completion of the water line construction. ALWSD continues customer email and telephone communications advising water shutoff dates and areas affected.

Regulatory update None

Personnel update Manager Edington reported that Joe Saiz has completed training for, and has passed his Water Operator Level-II Certification, and that Bill Rodolph is receiving backhoe operations training. Personnel evaluations have been completed by field and office supervisors and by district management.

Projects report Manager Edington estimated completion of the Distribution-A water main project by May 5th, 2013.

Office Manager's report

Administrative update Office Manager Brewington presented the current ALW&SD Lien Status Report to include the status of unpaid liens filed, lien warning notices sent and slow payment status, and explained that current accounts receivable totals are currently higher than usual due to increases in non-payment status, and property foreclosures.

Financial reports Brewington presented and reviewed the February 2013 Balance Sheet which includes year-to-date comparison with previous year with breakout of capital reserves, the February 2013 year to date Budget Report by category.

Regular Business Agenda

Board Member Reports None

Discussion and possible action to clarify Personnel Policy item #18 – Sick Leave

Chairman Adamy presented contradictory statements in the ALW&SD Personnel Policy concerning "Sick Leave" policy. One sentence states, "Employees will not be paid for unused sick leave", with subsequent sentence stating, "Upon separation from employment, unused accrued sick leave benefits shall be paid at one half the employee's regular pay rate (not to exceed 30 days)". Director Knorr made a motion to amend the Personnel Policy by deleting the sentence that "Employees will not be paid for unused sick leave". The motion was seconded by Director Parker and carried unanimously.

Discussion and possible action on FY 2014 Budget Assumptions

Chairman Adamy presented a summary of budget assumptions which detailed anticipated changes in major budget line items from FY2013 to FY2014. Detailed are changes in Revenues, Expenditures, Reserves, and Debt Service. The first draft of proposed budget detail for FY 2014 will be presented for review and discussion during the ALWSD Regular Meeting in April.

Discussion and possible action on Distribution B & C

Manager Edington presented cost analysis of proposed "Distribution-B & C Projects". Director Knorr made a motion to authorize District Manager Edington to send a RFP to the New Mexico Professional Technical Advisory Board (PTAB) for review. The motion was seconded by Director Parker and carried unanimously.

Discussion and possible action on Distribution A

Manager Edington presented Change Order #2 requesting additional time to complete the construction work due to slow progress created by conflicting utility lines in the construction zone and eight weather days. Director Knorr made a motion to approve the time change order as presented. The motion was seconded by Director Pope and carried unanimously.

Discussion and possible action on Sanitary Easements

The Board discussed the District's wells' sanitary easement status for wellhead protection.

Closed Session to include: discussion of real property and water rights
Director Decker left the meeting prior to closed session.

Director Knorr made a motion to enter into closed session for discussion of real property and water rights. The motion was seconded by Director Pope and carried unanimously.

Director Knorr made a motion to end the closed session. Motion was seconded by Director Pope and carried unanimously. Chairman Adamy declared the closed session ended at 11:50 a.m.

Pursuant to Open Meeting Act 10-15-1, Sub-paragraph H(8), discussion was devoted solely to real property and water rights.

The Board directed District Manager Edington to review options to deepen Well E5.

Signing of Official Documents

Board Comments Chairman Earl Adamy announced his resignation from the ALW&SD Board of Directors, based on the sale of his Alto home and his permanent move to Arizona. He expressed gratitude to the Board and Staff, for their commitment and hard work in making the District a successful reality. Each director and staff present expressed sincere appreciation for Adamy's tireless determination in the launching of ALW&SD, and for his business acumen, organizational and execution skills in bringing the District to successful fruition.

Director Knorr presented a Proclamation as follows:

"In recognition of Earl Adamy's service and many contributions to the Alto Lakes community, including;

- Leading the formation of the Alto Lakes Water & Sanitation District, and
- Serving as Chairman of the Alto Lakes Water & Sanitation District for over eight years, and
- Providing the vision and financial guidance to bring the District into a forward thinking, financially sound, and recognized organization"

Director Knorr made a motion: "I move that the Alto Lakes Water and Sanitation District hereby declare that the Alto Lakes Water and Sanitation District Water Treatment Plant at 103 Mader Lane in Alto, NM be named the "Earl Adamy Water Treatment Plant". The motion was seconded by Director Parker and carried unanimously.

Announcement of next meeting
The next regularly scheduled ALWSD Board Meeting will be held on April 25, 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 12:07 a.m.

Submitted by:

Delores Brewington
District Board Assistant Secretary