Alto Lakes Water & Sanitation District
Final Meeting Minutes April 25, 2013

Alto Lakes Water & Sanitation District held a Regular Board Meeting on **Thursday, April 25, 2013,** in the Conference Room of the ALW&SD Office located at 214 Lake Shore Drive, Alto, NM.

Call to order and roll call
Vice Chairman Knorr called the meeting to order at 9:00 AM and Asst. Secretary Brewington conducted roll call. Directors Knorr, Parker, Decker, and Pope were present.

Pledge of Allegiance

Approval of minutes April 4,, 2013 Regular Board Meeting
Director Knorr proposed correction to the draft minutes to include Distribution "C" to the cost analysis proposed for "Distribution-B Project" RFP to be sent to PTAB for review.

Director Decker made a motion to accept the minutes of the April 4, 2013 Regular Board Meeting as corrected. The motion was seconded by Director Pope and carried unanimously.

Approval of agenda
Director Pope 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 was one leak credit request presented during April, 2013, totaling $174.37.
3. **ACH Payments:** Online payments totaling $16,852.98 were made during March, 2013.

Director Decker 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 March 2013 totaled 8,666,700, and gallons sold totaled 6,213,833. Production vs Sold difference is 28%. Flushing and known leaks totaled 1,079,300 gallons, adjusting gallons lost to 15.9%. There were 11 less active accounts during March over the same period last year with average usage per meter up approximately 570 gallons per meter compared to last March.

Edington reported Well 16 has begun to have pumping problems. It will need to be pulled and inspected to determine the problem; possibly pump, motor, or column pipe, or a combination thereof. Well 16 was last pulled in 2009 for pump impeller replacement. A pump and motor would cost approximately $30,000. Director Pope made a motion to pull the well to determine the problem and to affect repairs, not to exceed expenditure of $30,000. 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 March 2013; there were 4 pulls with 90 cy's of green waste, consisting of 87% Yard Waste and 13% forest waste from the ALW&SD Collection Center, generating $466.36 in collected fees. There were 2 pulls with 15.04 tons trash, 2 pulls with 1.2 tons cardboard, 1 pull with 1.5 tons paper, and 0 pulls miscellaneous from the Center, with $298.68 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 a Deer Park resident had issue with truck traffic on Deer Park Valley Rd., reportedly creating cracks in the road. The waterline construction crews are now redirecting truck traffic when possible.

Regulatory update None

Personnel update None

Projects report Manager Edington reported that project Distribution-A paving should be completed next week, with minor repairs and cleanup.

Office Manager's report

Administrative update Office Manager Brewington reviewed 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 March 2013 Balance Sheet which includes year-to-date comparison with previous year with breakout of capital reserves, and the March 2013 year to date Budget Report by category.

Regular Business Agenda

Board Member Reports None

Discussion and possible action on Election of Officers

Earl Adamy's resignation from the Alto Lakes Water & Sanitation District Board of Directors created a vacancy on the five member board with requirement to elect new board officers. Director Knorr called for nominations for ALWSD Board Officers.

- Director Pope nominated director Dan Knorr for ALWSD Board Chairman
- Director Parker nominated director Bob Decker for ALWSD Board Vice-Chairman
- Director Decker nominated Director Gary Parker for Board Secretary
- Director Parker nominated Director Bill Pope for Board Treasurer

Director Parker made a motion to elect each of the four nominated directors as presented. The motion was seconded by Director Pope and carried unanimously.

Discussion and possible action on filling Vacant Board Position

Completion of the ALW&SD Board director term vacated by Earl Adamy, expiration date January 2016, will be filled by board appointment. Chairman Knorr presented a draft "Notice of Board Vacancy and Recruitment" letter and proposed that it be mailed to all property owners within the District. Director Decker made a motion to mail the letter as amended and to appoint Directors Parker and Knorr to review letters and qualifications of interested property owners. The motion was seconded by Director Pope and carried unanimously.

Discussion and possible action on RFP for Distribution B-C

Manager Edington presented a timeline for project Distribution B Engineering, to include RFP Notice publication during May, 2013. Director Pope made a motion to authorize publication of the engineering RFP in the Ruidoso News for three consecutive publications in May, 2013, and to appoint Chairman Knorr and Vice-Chairman Decker as the RFP review committee. The motion was seconded by Director Parker and carried unanimously.

Discussion and possible action on RFP for Banking Services
Office Manager Brewington presented the proposed RFP for Banking Service for Board review, along with required RFP Legal Notice for publication. Director Parker made a motion to authorize publication of the Banking RFP in the Ruidoso News for three consecutive publications in May, 2013, and to appoint Vice Chairman Decker and Treasurer Pope as the RFP review committee. The motion was seconded by Director Knorr and carried unanimously.

Discussion and possible action on RFP for Insurance Services
Office Manager Brewington presented the proposed RFP for Insurance Service for Board review, along with required RFP Legal Notice for publication. Director Decker made a motion to authorize publication of the Insurance RFP in the Ruidoso News for three consecutive publications in May, 2013, and to appoint Chairman Knorr and Secretary Parker as the RFP review committee. The motion was seconded by Director Pope and carried unanimously.

Discussion and possible action on Financial System Upgrade
Office Manager Brewington presented a proposal from ALW&SD's current "Classic" billing and software program to the recommended "Clarity" upgraded program for the district's billing and accounting software program. The currently used "Classic" version is on schedule to be phased out of Caselle's program. Proposed cost for the Clarity upgrade is $11,425. Director Decker made a motion to approve the Caselle upgrade to the Clarity level. The motion was seconded by Director Pope and carried unanimously.

Closed Session to include: Discussion of Personnel Evaluation and Discussion of Threatened or Pending Litigation
Director Decker made a motion to enter into closed session for discussion of personnel evaluation and discussion of threatened or pending litigation. The motion was seconded by Director Pope and carried unanimously.

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

Pursuant to Open Meeting Act 10-15-1, Sub-paragraph H(8), discussion was devoted solely to personnel evaluation and threatened or pending litigation.

Director Parker made a motion to accept Manager Edington's recommendations for Employees' CPI salary increases and to approve a 6.3% increase for Edington. Motion was seconded by Director Pope and carried unanimously.

Discussion and possible action on preliminary FY2014 Budget
Chairman Knorr presented the preliminary draft FY2014 Budget. The board reviewed and discussed proposed line item projections.

Signing of Official Documents

Board Comments None

Announcement of next meeting
The next regularly scheduled ALWSD Board Meeting will be held on May 23, 2013 at the District Office located at 214 Lake Shore Drive, Alto, NM, to 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