Alto Lakes Water & Sanitation District
Final Minutes – Regular Board Meeting August 22, 2013

Alto Lakes Water & Sanitation District held a Regular Board Meeting on **Thursday, August 22, 2013,** in the Conference Room of the ALW&SD Office located at 214 Lake Shore Drive, Alto, NM.

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

Pledge of Allegiance

Approval of minutes for July 25, 2013 Regular Board Meeting
Director Pope made a motion to accept the minutes of the July 25, 2013 regular Board Meeting as adjusted. 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 Pope 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 totaling $221.61.
3. **ACH Payments:** Online payments totaling $21,446.18 were made during July, 2013.

Director Pope 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 July 2013 totaled 14,036,300, and gallons sold totaled 13,664,520. Production vs Sold difference is 3%. Average usage, compared to same time last year, with 5 fewer active accounts, is down about 170 gallons per meter.

Due to the fact that system demand historically begins diminishing during September and the 3-year average demand is well below 120% of capacity, Manager Edington recommended that the conservation status be upgraded to NORMAL for September. Director Decker made a motion to upgrade the Alto Lakes Water & Sanitation District conservation level from Moderate to Normal. Motion was seconded by Director Pope and carried unanimously.

Manager Edington reported that Well E-4's production capacity is down from 160 gpm to 60 gpm. K.D. Huey Drilling has been hired to pull the well for inspection. The pump and motor appear to be in good shape; it is anticipated that there is a hole in the column pipe. Upon pipe removal to determine well corrosion levels versus discharge pressure at the pumps, Edington will send a piece of the pipe to a metallurgist for assistance in determining the cause of repeated pipe deterioration.

Wastewater system update Manager Edington reported that the system is meeting required treatment goals at this time; however, it is still in violation of permit due to the discharge location.

Solid waste update Manager Edington presented solid waste pull statistics by Sierra Contracting for July 2013; there were 18 pulls with 540 cy's of green waste of which 68% was yard waste and 32% was forest waste, generating $2,839.83 in collected fees. There were 5 pulls with 46.15 tons of trash, 2 pulls with 1.2 tons of cardboard, 2 Misc. pulls with 9.9 tons and $876.88 misc. fees collected, 0 paper pulls, 0 ash pulls, and 0 aluminum can pulls. The directors are working on a resolution of problems with plastics recycling.

Customer issues Manager Edington reported that Burn Construction has been advised of a High Mesa homeowner's report of damage to his yard due to the new water line installation. Burn's project manager will respond

Regulatory update None

Personnel update None

Projects report Manager Edington is working with Parkhill, Smith & Cooper on the Distribution-B project and contract. The engineering cost has been reduced 16% from the original proposed contract. He will have the contract reviewed by legal council and NMED-CPB (NMFA). Edington reviewed an Alto Village map to exhibit the proposed Distribution-B boundaries scheduled for new 6-inch waterlines and updated fire protection.

The Engineers are also tasked with determination of best possibility options for water tank improvement. One option would be a new tank north of the booster building onsite. Also discussed was replacement of the current 150,000 gallon tank with a new 300,000 gallon tank.

Balleau Groundwater has attained a draft permit for the cleaning and deepening of Well E-5 for submittal for legal review prior to being sent to the Office of the State Engineer for approval.

Office Manager's report

Administrative update Office Manager Brewington advised the board that the ALW&SD FY2013 annual State Audit will be conduced during the week of September 16 through 20. She also 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 she reported that the new server has been installed providing greater capacity and speed. The upgrade from current Caselle "Classic" software to the "Clarity" version will take place after conclusion of the annual audit.

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

Regular Business Agenda

Board Member Reports None

Discussion and possible action on Annual Report

Manager Edington presented a draft of the FY2013 Annual MD&A Report for review and/or edit. Suggestion was made to add solid waste operations and well replacement to the final report. Director Parker made a motion to approve the Annual Report as amended. Motion was seconded by Director Pope and carried unanimously.

Discussion and possible action on Water Trust Board 2013-2014 Application (Submission Authorization)

Manager Edington presented a copy of the NMFA Application Management Portal for NM Water Trust Board Application for financial assistance for ALW&SD's planned Distribution-B project. Also presented, in conjunction with the NMFA application, was the Application Certification Form within the 2014 Water Trust Board (WTB) Application Cycle, for ALWSD Board authority of application submission. Director Winans made a motion to submit the applications and to authorize beginning of application certification. The motion was seconded by Director Pope and carried unanimously.

Discussion and possible action ICIP submissions

The New Mexico Infrastructure Capital Improvement Program (ICIP) deadline for submittal is September 30, 2013. Manager Edington presented a list of ALW&SD likely projects for board priority discussion for ICIP submittal:

- Distribution – B (Lines)
- Tank Improvements (repair or new)
- Distribution – C (Lines)
- Preliminary Engineering Report (PER) for Wastewater System

Edington will complete draft ICIP Submission for Board approval in Special Meeting prior to the ICIP filing deadline.

Discussion and possible action on Project Review and Prioritization

Manager Edington presented a list of potential ALW&SD future projects for Board review. The WTB application process has changed this year from one application to two; the initial application determines legal funding eligibility. Current submission requirement is to have 16 readiness-to-proceed items' status. The following year, the requirement will be for 32. Discussion included the possibility of regionalization.

Public Comments None

Closed Session to include: Discussion of pending or threatened legal action None

Signing of Official Documents

Chairman Knorr and Treasurer Pope signed the Application Certification – 2014 Water Trust Board Application Cycle.

Board Comments None

Announcement of next meeting

The next regularly scheduled ALWSD Board Meeting will be held on September 26, 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 Parker made a motion to adjourn the meeting. The motion was seconded by Director Decker and carried unanimously. Meeting adjourned at 11:33 p.m.

Submitted by:

Delores Brewington
District Board Assistant Secretary