Alto Lakes Water & Sanitation District
Final Minutes – Regular Board Meeting January 23, 2014

Alto Lakes Water & Sanitation District held a Regular Board Meeting on **Thursday, January 23, 2014** at the Conference Room of the ALW&SD Office located at 214 Lake Shore Drive, Alto, NM 88312.

Call to Order:
Chairman Knorr called the meeting to order at 9:00 AM and Assistant Secretary Brewington conducted roll call. Chairman Knorr and Directors Bishop and Winans were present; Director Decker attended telephonically. Director Parker was absent.

Guests: None

Pledge of Allegiance

Swearing in of newly elected Board Members
Assistant Board Secretary and Notary Brewington conducted the swearing in of new board members David Winans and Phil Bishop.

Election of Board Officers
Director Decker made a motion to nominate Board Officer Positions as follows:

- President Dan Knorr
- Vice President Dave Winans
- Secretary Gary Parker
- Treasurer Phil Bishop

The motion was seconded by Director Winans and carried unanimously.

Approval of Minutes for November 21, 2013 Regular Board Meeting
Director Bishop made a motion to accept the minutes of the November 21, 2013 Regular Board Meeting as presented. The motion was seconded by Director Winans and carried unanimously.

Approval of Minutes for January 21, 2014 Special Board Meeting
Director Winans made a motion to accept the minutes of the January 21, 2014 Special Board Meeting as presented. The motion was seconded by Director Bishop and carried unanimously.

Approval of Agenda
Director Winans 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 four leak credit requests presented totaling $981.86. All four leak credit requests were approved.
3. **ACH Payments:** Online payments totaling $17,559.76 were made during December, 2013.

Director Bishop made a motion to approve the Consent Agenda as presented. Motion was seconded by Director Decker and carried unanimously.

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.

The District produced 10,044,100 gallons during November and December 2013, and 7,666,608 gallons were sold. Production vs. Sold difference is 23.6%. Flushing and known leaks adjusted losses 23%. The amount of unaccounted for water is relatively consistent month to month, but the percentage of unaccounted for water varies greatly due to demand. Year to date unaccounted for water stands as 10%.

There were 25 fewer active accounts in November over the same period last year, and December saw 2 more active accounts over the same period last year. Per Capita water use is at 101.6 GPD which is below 2020 goal.

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 November 2013.
There were 11 pulls with 330 cy's of green waste of which 56% was yard waste and 44% was forest waste, generating $2,578.01 in collected fees, 2 pulls with 14.99 tons of trash, 1 pulls with .63 tons of cardboard, 0 pulls with paper, 1 pull with 4.95 tons of miscellaneous generating $187.65, 0 pulls with ash, 0 pulls with aluminum cans, and 0 pulls with metal.

Manager Edington presented solid waste pull statistics by Sierra Contracting for December 2013. There were 8 pulls with 240 yds of green waste of which 48.6% was yard waste and 51.4% was forest waste, generating $1919.78 in collected fees. 4 pulls with 32.39 tons of trash, 3 pulls with 1.89 tons of cardboard, 0 pulls with paper, 1 pull with 4.95 tons of miscellaneous generating $262.58 in collected fees, 0 pulls with ash, 0 pulls with aluminum cans, and 0 pulls with metal (r/o not full).

Customer Issues:
- Mr. Mader - has requested fence to block view of storage area on the Watson Tract; negotiations are in place.
- Mr. Winters – reported water pressure problems, requesting the District pay for repairs
- Mr. Blake Martin – reported tree problems due to bark beetles

Manager Edington is following up on these issues.

Personal Update:
Employee Bill Rodolph has passed the Level-II Wastewater Certification Exam, and is now Level-II certified in both Water and Wastewater.

Employees Stuart King and Edison Walker each applied for and received their NMED-SWB Solid Waste Transfer Station Operator Certifications.

Regulatory Update:
NMED-DWB has performed ALW&SD's Sanitary Survey. The draft inspection report stated no major findings. The system is well operated.

Projects Report
Project Distribution-B design continues at a 65% level review performed in December. The District Project Water Trust Board application has advanced to fundable application, due March 2014. Manager Edington completed all state agency certifications, NMED - DWB, SWQB, SWB, DFA, NMFA, and OSE. He is also working on a permit to deepen Well E-5. The new Solid Waste Gates are not yet completed.

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.

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

Regular Business Agenda

Board Member Reports: None

Presentation of Fiscal Year 2013 Audit Results
Manager Edington reviewed the FY2013 audit results as presented in the Auditor's Report. Two audit findings were reported; 1) timing of capital asset projects' transition from construction-in-progress to capital asset capitalization category reporting; and 2) timing of journal entry reporting grant revenue, affecting financial statement reporting to the Board. ALWSD management will implement financial reporting controls to ensure the accuracy and completeness of financial activity in a timely manner. Director Bishop made a motion to approve the audit results as presented. Motion was seconded by Director Winans and carried unanimously.

Discussion and possible action on Annual Open Meetings Resolution
Manager Edington presented proposed Open Meetings Resolution 2013-08. Direct Decker made a motion to approve Resolution 2013-08 as presented. Motion was seconded by Director Bishop and carried unanimously. Office Manager Brewington will facilitate publication of the approved Open Meetings Resolution as required.

Discussion and possible action on Revision (updated) Inspection of Public Records Policy
Manager Edington presented the proposed Public Records Policy with fee changes and revised copy limitations. Director Winans made a motion to approve the Public Records Policy as presented. Motion was seconded by Director Decker and carried unanimously.

Discussion and possible action on Employment Opening (Office Manager)
Manager Edington proposed that interviews of job applicants for the employment position of Office Manager be changed to one interview process with the interviewing board of Chairman Knorr, Director Winans, District Manager Edington, Office Manager Brewington and Operations Supervisor Osborn. Director Bishop made a motion to approve the interview board as presented. Motion was seconded by Director Decker and carried unanimously.

Discussion and possible action on FY2014 Mid-Year Budget Adjustments
Manager Edington presented proposed Resolution 2013-09 for Board affirmation of adjustments to the FY2014 Operating Budget. Proposed Adjustments include additional expenditures:

- New Office Manager Trainee Salary and Benefit costs during training
- Additional cost to add Roll-Off Rental for plastics recycling

Director Decker made a motion to approve additional expenditures to the FY2014 approved Budget as presented. Motion was seconded by Director Bishop and carried unanimously.
Director Decker made a motion to approve Resolution 2013-09 as presented. Motion was seconded by Director Winans and carried unanimously.

Public Comments: None

Closed Session to include: Discussion of Pending or Threatened Legal Action
Director Decker made a motion to enter into closed session at 11:10 a.m. for discussion of threatened or pending litigation. The motion was seconded by Director Bishop and carried unanimously.

Director Decker made a motion to end the closed session. Motion was seconded by Director Bishop and carried unanimously. Chairman Knorr declared the closed session ended at 11:22 a.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.

Director Bishop made a motion to extend the District's contract with Balleau & Associates to update the basin wide model study to reflect additional proposed development plans for the Village of Ruidoso that may reflect on ALW&SD's and Eagle Creek's producing wells. Motion was seconded by Director Decker and carried unanimously.

Board Comments:
Director Knorr welcomed and expressed appreciation to have Phil Bishop, ALW&SD's newest board member, on board.

Announcement of next meeting
Director Knorr requested that the February 2014, and the March 2014 regularly scheduled board meetings be changed from the regular schedule of the fourth Thursday of each month to the third Thursday due to availability of board members. New requested dates would fall on February 20, 2014 and March 20, 2014 respectively. Director Bishop made a motion to reschedule ALWSD Regular Board Meetings from the fourth Thursday to the third Thursday of both February and March, 2014. Motion was seconded by Director Winans and carried unanimously.

The next regularly scheduled ALWSD Board Meeting will be conducted on February 20, 2014; to be held at the District Office located at 214 Lake Shore Drive, Alto, NM. The meeting will begin at 9:00 a.m. in the District Office conference room.

Adjournment
Director Decker made a motion to adjourn the meeting. The motion was seconded by Director Bishop and carried unanimously. Meeting adjourned at 11:46 a.m.

Submitted by:

Delores Brewington
District Board Assistant Secretary