



*Doña Ana Mutual Domestic Water Consumers Association
Mailing Address: P.O. Box 866 • Doña Ana, NM • 88032
Physical Address: 5535 Ledesma Dr. • Las Cruces, NM 88007
(575) 526-3491 Office • (575) 526-9306 Fax*

Agenda

The following are the items for consideration at the Regular Board Meeting of the Doña Ana Mutual Domestic Water Consumers Association Board of Directors on June 21, 2018, convening at 9:00 a.m. at the Doña Ana Mutual Domestic Water Consumers Association Board Room 5535 Ledesma Dr., Las Cruces, NM 88007:

Call to Order & Roll Call

Approval of Agenda

Minutes:

1. Minutes of 6-7-2018 Regular Meeting

Approval of New Members & Meters

Customer Issues and Public Input

Public Input will be limited to 3 minutes per person

Board President Report

Staff Reports

2. Executive Director

New Business

Consent Agenda

None

Unfinished Business

3. Approval of Resolution 2018 – 09 Authorizing the Match for CIF-4634
4. Approval of Resolution 2018 – 11 Infrastructure Capital Improvement Plan (ICIP)
5. Approval to Purchase Replacement Truck
6. Approval to Purchase Dump Truck

Board Open Discussion

Adjournment

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The following are the minutes of the Regular Board Meeting of the Doña Ana Mutual Domestic Water Consumers Association Board of Directors, June 7, 2018 convened at 9:00 a.m. in the Doña Ana Mutual Domestic Water Consumers Association Board Room located at 5535 Ledesma Dr., Las Cruces, NM 88007:

Call to Order & Roll Call

President Melton called the meeting to order at 9:00 a.m. and called roll:

Vice President – Jamie Stull, Excused Absence

Secretary/Treasurer – Dr. Kurt Anderson, Present

Board Member – Dan Hortert, Present

Board Member – Tod Roberts, Present

A Quorum was declared

Others in Attendance:

Executive Director – Jennifer Horton

Legal Counsel – Joshua Smith

Community Member – Jim Hayhoe, Tina and Jack Roevens

Approval of Agenda

Dr. Anderson moved to approve the agenda for the June 7, 2018 Regular Board Meeting as presented; the motion was seconded by Mr. Roberts. The Chair called for discussion of the motion. The Chair called for a vote on the motion. The motion carried by roll call vote 4-0.

Minutes

Dr. Anderson moved to approve the Regular Board Meeting Minutes of May 17, 2018 as presented; the motion was seconded by Mr. Hortert. The Chair called for discussion of the motion. None was brought forward. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

New Members & New Meters

Dr. Anderson moved to approve the New Members and New Meters list as presented; the motion was seconded by Mr. Hortert. The Chair called for discussion of the motion. None was brought forward. Ms. Horton advised we have eighteen (18) names on the list; thirteen (13) are new members and we have four (4) new meters. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

Customer Issues and Public Input

None

Board President Report

Mr. Melton reported things have been moving well around the Association while we actively pursue planning and preparation for various funding and contract actions. We do have a lengthy agenda regarding such items.

Staff Reports

Ms. Horton presented the financials for April and May. June is a very busy month for the Association as we wrap up one fiscal year and begin a new one. We completed our ICIP public input meeting and should be presenting the recommendations at the next Regular Board Meeting.

New Business

None

Unfinished Business

Dr. Anderson moved to approve the Wastewater Exemption; the motion was seconded by Mr. Roberts. The Chair called for discussion of the motion. Ms. Horton explained Jack and Tina Roevens own a lot in Picacho Hills, and they are requesting to be exempt from wastewater and install a septic system instead. Their property sits below where the gravity line would feed, which requires the installation of a lift station or pump. NMED does expect homeowners to connect to nearby municipal lines and in order to have a permit granted for septic tank installation the utility must grant an exemption or a waiver. Jack and Tina Roevens presented to the Board their request. Mr. Roevens explained their property is at the very bottom of the hill. He presented a map with the layout of the utilities and the potential design of where the house would be built. They are 300 feet from the connection line and ten feet below. The cost is \$15,000 for a lift station whereas the septic system can be installed for around \$4,000. Even with the potential for a lift station, there are still issues during monsoon season. Mr. Roevens stated he has spoken to State officials who do not have a problem with the installation. The previous owner of the water company in Picacho Hills wrote a release letter, however the Association is not bound by this letter. They already have the permits necessary for a well. He has the proposals, the plat, and the letter for review. Mr. Melton asked for the staff recommendation. Ms. Horton advised the staff recommendation is to not grant the exemption in order to not set a precedent. We are in the process of expanding our wastewater system and this could potentially set a tone where once a septic system fails each home will come in wanting an exemption. Mr. Hortert asked the Roevens about the lot size (2.3 acres) and reviewed the documents Mr. Roevens presented to the Board. Mr. Hortert asked Mr. Roevens if he was aware of these issues when he brought the land. Mr.

Roevens insisted this lot was never meant to have sewer and that he bought this land knowing this. Mrs. Roevens explained this is why they took the measurements of obtaining the letter from the prior utility company and are now approaching the Board. The Chair called for a vote on the motion; the motion was defeated by roll call vote 3-1:

Jim Melton – No

Kurt Anderson – No

Tod Roberts – Yes

Dan Hortert – No

Dr. Anderson moved to approve the Purchase of Inventory; the motion was seconded by Mr. Hortert. The Chair called for discussion of the motion. Ms. Horton presented a purchase order to Baker Utility for general inventory of materials and supplies for operations. This will cover anything from line repairs, water main breaks, new installations, and the various functions of day to day items. This inventory would be split between our three locations in Radium Springs, Picacho Hills, and Dona Ana. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

Dr. Anderson moved to approve the Purchase of a Replacement Truck; the motion was seconded by Mr. Hortert. Ms. Horton advised we had a vehicle that was totaled earlier in the year and have received our reimbursement from the insurance company. We need to replace this vehicle and sent a request for quotes to multiple entities with only three responses. As a rural utility company, we do have specific fleet pricing to coincide with our specifications. The lowest quote does not meet our requirements as the vehicle is hot red. The second low bidder is Borman and meets all of our conditions. The Chair called for discussion of the motion. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

Dr. Anderson moved to approve award Paving Patches; the motion was seconded by Mr. Hortert. The Chair called for discussion of the motion. Ms. Horton explained this is a retroactive approval. Dona Ana County requires paving be completed within three days. We did complete proper procurement for the patches. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

Dr. Anderson moved to approve Contract 6326344 Design of the Southeast Collection System; the motion was seconded by Mr. Roberts. The Chair called for discussion of the motion. Ms. Horton advised this is the next phase of SE Collection, dependent on what funding allows for. This is the design portion and provides a map for the scope of services. We have partnered with Dona Ana County as they were preparing to pave this area and have agreed to put the paving on hold until after our work is complete. Mr. Hortert inquired as to where the City of Las Cruces service area is compared to the Association service area. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

Dr. Anderson moved to approve Resolution 2018-06 Authorization for Executive Director to Certify and Submit the USDA Application; the motion was seconded by Mr. Roberts. The Chair called for discussion of the motion. Ms. Horton explained USDA requires formal authorization in order for our Executive Director to finalize and submit our application. We have a nine million dollar application pending as we finish the environmental requirements that go hand in hand with the SE Collection contract approved today. The plan is to submit the funding application through the USDA Colonias program in an attempt to fund all of SE Collection to include connection fees. As we cannot mandate connections it has been very difficult to get people to want to decommission their septic tank and come online. The funding would include the decommission and the impact fees to the City of Las Cruces. We are hoping this will

make the project more viable. Wastewater is not a lucrative industry, so we need all the connections we can get. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

Dr. Anderson moved to approve Resolution 2018-07 Rate Review; the motion was seconded by Mr. Hortert. The Chair called for discussion of the motion. Ms. Horton referred to the rate study completed in 2016 by Carl Brown that recommends a three and a half percent increase in water rates and a three percent increase in wastewater. Staff does recommend following the rate study. Costs increase every year for the Association from utilities to benefits. Mr Brown recommended increasing annually by small amounts instead of a large lump after many years. NMED does an annual rate survey on all of the water districts throughout the state. Our rates still fall below the average water bill in the entire state. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

Dr. Anderson moved to approve Resolution 2018-08 Policy Handbook; the motion was seconded by Mr. Roberts. The Chair called for discussion of the motion. Ms. Horton explained last year we consolidated our policies into one handbook to be reviewed at the start of each fiscal year. Our leak adjustment policy has been updated to reflect current standing. We have new additions on page 35. We have experienced a huge influx of subdivisions being built, which requires a significant amount of time and finances from the Association to review their utility plans. We are proposing a review fee to help cover a portion of our engineering costs. Every time a new subdivision plan set comes in our engineers review each plan. The cost for a single utility plan set, water OR wastewater (not both), costs the Association about two thousand dollars plus fifteen dollars per lot. We researched what other entities charge to complete their reviews. Dona Ana County charges eight hundred plus fifteen dollars per lot for a subdivision plan set review. The

City of Las Cruces charges two hundred per plan plus five dollars per lot, and at the time of construction the City charges five percent of the construction costs. For example, for a one million dollar subdivision the costs include the review fee plus a check for \$50,000 to the City for construction costs. Our plan set review allows for up to three reviews. We are also adding fire flow testing. This requires at least four operators on site and is very time consuming. We want to see development happen, but we have to create a structure for the reviews. The Board requested we update the leak adjustment policy to not include the word 'not' and still proceed with the ability to be on a payment plan. Dr. Anderson amended his motion to remove the word 'not' from the leak adjustment policy to which Mr. Hortert seconded. The Chair called for a vote on the amended motion; the motion carried by roll call vote 4-0.

Dr. Anderson moved to approve Resolution 2018-09 Authorizing the Match for CIF-4634; the motion was seconded by Mr. Roberts. The Chair called for discussion of the motion. Ms. Horton advised this is part of the readiness to proceed, which connects to the design component approved earlier for SE Collection. Colonias Infrastructure requires we have a 10% match, 10% loan, and 90% grant. This match will go toward construction and any other type of design, construction, and permitting. If we are awarded federal funds it will match this. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

A recess was called from 10:32 a.m. to 10:44 a.m.

Dr. Anderson moved to approve Resolution 2018-10 Approve to Participate in the South Central Council of Governments, Inc.; the motion was seconded by Mr. Roberts. The Chair called for discussion of the motion. Ms. Horton explained this is our annual membership fee that is passed every year through a resolution. This program sits on a few

of the funding boards and assists with grant writing. The council meets a few times a year and this will maintain the support that we receive throughout the year. Mr. Hortert inquired about the workforce options that the State offers. Ms. Horton would like to participate in this as well. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

Dr. Anderson moved to approve the Employee Handbook; the motion was seconded by Mr. Hortert. The Chair called for discussion of the motion. Ms. Horton advised the Employee Handbook will be reviewed annually to coincide with our policy handbook. The changes proposed include the addition of SCBA, self-contained breathing apparatus. These devices are OSHA regulated and requires a clean face as you cannot have a proper fit with facial hair. The staff is not pleased with this however, our priority is their safety. We utilize chlorine in gas form and the slightest change in facial features affects the way the mask fits. The City of Las Cruces has the same policy. We are also updating our on-call requirements by adding two standby operators to assist the on-call individual in the event of a line or main break. What we will implement is a primary emergency on-call operator who will go out if a call is received and assess the situation. If assistance is needed the individual will have the two standby operators who expected to be available and in fit condition. We have updated our new training program allowances regarding testing to reflect the contract that was recently implemented. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

Closed Session

Dr. Anderson moved to enter closed session at 11:02 a.m.; the motion was seconded by Mr. Roberts. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

As authorized by the Open Meetings Act, New Mexico Statutes Annotated, Section 10-15-1, Subsections H (2), H (7) and H (8), the following portion of the Board Meeting will be conducted in Closed Session:

1. Real Property and Water Right Acquisition
 - a. Negotiations with a Private Water System

Take action, if any, on Closed Session Items

At 11:40 a.m. Dr. Anderson moved to exit Closed Session and enter back into Open Session; Mr. Roberts seconded the motion. The Chair called for discussion of the motion. The Chair called for a vote on the motion; the motion carried by roll call 4-0.

Mr. Melton stated as authorized by the Open Meetings Act, New Mexico Statutes Annotated, Section 10-15-1, Subsections H (2), H (7) and H (8), the following portion of the Board Meeting was conducted in Closed Session:

1. Real Property and Water Right Acquisition
 - a. Negotiations with a Private Water System

Mr. Melton advised as a result of the discussion held in Closed Session we do need to take action. Dr. Anderson moved to approve the negotiations to purchase a water system that will remain private until further notice. The motion was seconded by Mr. Roberts. The Chair called for discussion of the motion. The Chair called for a vote on the motion; the motion carried by roll call vote 4-0.

Open Discussion

Mr. Roberts advised he has met with the new PHPOA President and looks forward to working with him in the future. Mr. Hortert attended a workshop in Utah that featured modeling tools on the benefits of technology in the workforce.

Adjournment

Mr. Roberts moved to adjourn at 11:55 a.m., with a second from Dr. Anderson. The Chair called for a vote on the motion. The motion carried by roll call vote 4-0.

Kurt Anderson
Secretary/ Treasurer

Date



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RESOLUTION # 2018 – 09

A RESOLUTION AUTHORIZING THE MATCH FOR CIF-4634 FOR DOÑA ANA MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION.

WHEREAS, the New Mexico Finance Authority, requires the local government to certify the availability of 10% matching funds; and

WHEREAS, the Board of Directors of Doña Ana Mutual Domestic Water Consumers Association, New Mexico, has authorized a 10% match for CIF - 4634; and

WHEREAS the official meeting for the approval of the matching funds was advertised in compliance with the New Mexico Open Meetings Act; and

NOW, THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF DOÑA ANA MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION, NEW MEXICO:

1. Certifies the availability and allocation of the Associations funds for the ten percent (10%) matching requiring in the amount of \$107,881 for CIF – 4634.

APPROVED, ADOPTED AND PASSED by the Board of Directors at the Regular Board Meeting held on June 21, 2018.

(Seal)

James F. Melton, President

ATTEST:

Kurt Anderson, Secretary/Treasurer



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Doña Ana Mutual Domestic Water Consumers Association

COUNTY OF DOÑA ANA

Resolution No. 2018 – 11

**A RESOLUTION ADOPTING AN INFRASTRUCTURE CAPITAL IMPROVEMENT PLAN
(ICIP) FOR FY 2020 – 2024**

WHEREAS, the Board of Directors of Doña Ana Mutual Domestic Water Consumers Association recognizes that the financing of public capital projects has become a major concern in New Mexico and nationally; and

WHEREAS, in times of scarce resources, it is necessary to find new financing mechanisms and maximize the use of existing resources; and

WHEREAS, systematic capital improvements planning is an effective tool for communities to define their development needs, establish priorities and pursue concrete actions and strategies to achieve necessary project development; and

WHEREAS, this process contributes to local and regional efforts in project identification and selection in short and long range capital planning efforts.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DOÑA ANA MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION that:

1. The Board of Directors has adopted the attached Infrastructure Capital Improvement Plan, and
2. It is intended that the Plan be a working document and is the first of many steps toward improving rational, long range capital planning and budgeting for New Mexico's infrastructure.
3. This Resolution supersedes Resolution No. 2017 - 03

PASSED, APPROVED and ADOPTED by the Board of Directors at its regular meeting of June 21, 2018.

(Seal)

James F. Melton, President

ATTEST:

Jamie Stull, Vice President