

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

MINUTES - REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, December 7, 2011 at the Vado Office, 325 Holguin Road

{NOTE: Minutes are a DRAFT until approved & signed by the Board of Directors}

- I. **Sign in, establish quorum, call meeting to order:** Sign in sheet and agenda are attached. Board members present were Chairman Roberto “Marty” Nieto, Vice Chairman John Holguin, Secretary Santos Ruiz. Absent were Directors Blanca Martinez and Rosaura Pargas. Staff members present were General Manager Martin Lopez, Projects Manager Karen Nichols, Operations Manager Mike Lopez and HR/payroll Specialist Connie Garcilazo. Also present were Olga Morales from Rural Community Assistance Corporation, Espie Holguin from HUD, and Ernesto “Ernie” Ortiz, Director of NM High Intensity Drug Trafficking Area. With a quorum established, the meeting was called to order by Roberto “Marty” Nieto at 9:03 a.m. {30}
- II. **Approval of agenda:** A motion was made by Mr. Holguin and seconded by Mr. Ruiz to approve the agenda with the following changes: postpone item III and item VI. B. and move item IV below item VIII. Mr. Lopez noted that only two of the three directors present at this meeting attended the previous one, so approval of the minutes needs to be postponed until Ms. Martinez is able to attend. The motion carried on a vote of 3-0. {2:10}
- III. **Approval of Minutes of 11/16/11:** (attached) Postponed.
- IV. **Guest Presentations:**
 - A. **Olga Morales, Rural Community Assistance Corporation re: Rate Study:** Ms. Morales made a presentation of her water rate study and proposal. Board requested a second presentation of different scenarios and simpler explanation on the proposed water rate tiers increase. {2:06:05}
- V. **Public Input - 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:** NONE {2:45}
- VI. **General Manager’s Reports**
 - A. **Management Report:** General Manager written report was included in the board packet (attached). Mr. Martin Lopez reviewed it with the board, reporting that LRGPWWA audit was completed and will be available following the Office of the State Auditor’s review. {6:00}
 - B. **Finance Report:** Postponed
 - C. **Projects Report:** Projects Manager’s Karen Nichols written report was included in the board packet (attached) and Ms. Nichols reviewed with the board. {14:30}
 - D. **Operations Report:** Mike Lopez Operations Manager report was included in the board packet, and he reviewed it with the board. {18:00}
- VII. **Unfinished Business:**
 - A. **Employee Handbook – for adoption:** After discussion on sick leave and annual leave carried over. A change was made on page i second paragraph second sentence as per Ms. Singleman Attorney recommendation. Mr. Holguin made a motion to adopt Employee Handbook, Mr. Ruiz seconded motion and it carried on a vote of 3-0. {29:30}
- VIII. **New Business:**
 - A. **Authorization for vehicle purchases:** Mr. Martin Lopez discussed this item in conjunction with VIII. B. and handed out a list of vehicle that have exceeded their useful life (attached). Mr.

Holguin made a motion to purchase 3 vehicles, Mr. Ruiz seconded motion and after a brief discussion, it carried on a vote of 3-0. {34:20}

- B. Authorization for disposal of vehicles:** A motion was made by Mr. Holguin and seconded by Mr. Ruiz to authorize the disposal of five vehicles as per the General Manager's list. The motion carried on a vote of 3-0. {35:00}

- C. Resolution 2012-8 AUTHORIZING A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO WATER TRUST BOARD AND THE NEW MEXICO FINANCE AUTHORITY AND THE LRGPWWA IN THE AMOUNT OF \$4,371,630 – For Adoption:** Mr. Lopez briefly discussed the Resolution and Water Trust Board funding for the Berino/Mesquite-Del Cerro Water System Improvements Project. Mr. Holguin made a motion to authorize Resolution 2012-8, it was seconded by Mr. Ruiz and carried on a vote of 3-0. {38:13}

- D. Authorization for application for NAD Bank Community Assistance Program funding:** Mr. Lopez reminded the board that they had a presentation about this funding at the last meeting. Mr. Holguin made a motion to authorize making application for NAD Bank Community Assistance Funding and Mr. Ruiz seconded. The motion carried on a vote of 3-0. {45:35}

- E. Consideration to act as Fiscal Agent for the NM High Intensity Drug Trafficking Areas Program:** Mr. Lopez and Mr. Ernie Ortiz explained the request and the services needed by NMHIDTAP and stated that the process will be basically to receive federal funds on their behalf and pay employees and contractors. A separate bank account will be created for this purpose, and the LRGPWWA will be paid a fiscal agent fee. A motion was made by Mr. Holguin and seconded by Mr. Ruiz to approve the LRGPWWA acting as fiscal agent for the NM HIDTAP for a fee of 3% of the funding amount with NM HIDTAP paying for the cost of their required audit. The motion carried on a vote of 3-0. {54:30}

IX. Other discussion and agenda items and change date for next meeting scheduled for 1/18/12 due to conflict with Colonias Day at the NM Legislature: Items mentioned for next month meeting were Audit for Lower Rio Grande PWWA, amended district map. The next meeting rescheduled for 01/12/12 at 9 am at the Vado Office. {2:12:52}

X. Adjourn Mr. Holguin made a motion to adjourn the meeting at 11:16 a.m. Mr. Ruiz seconded, and the motion carried on a vote of 3-0.

Date Minutes Approved: _____

Directors Present:

Chairman Roberto M. Nieto

Vice- Chairman John Holguin

Secretary Santos Ruiz

Absent
Director Rosaura Pargas

Absent

Director Blanca Martinez

Lower Rio Grande Public Waterworks Authority Sign In Sheet

Date: 12/7/11

Time: 9am

Place: Vado Office

Meeting Type: Regular

Name, Title - Print Sign	Company or Agency Represented	Mailing Address	Telephone	Email
<u>Beverly Singeman</u> <u>Beverly Singeman</u>	<u>Atorney</u>	<u>P.O. Box 471</u> Mesa <u>Mesa, AZ 85201</u>	<u>(515) 680-1159</u>	<u>bjsin@spinn.net</u>
<u>Banks Rittz</u>	<u>LRGPWA</u>	<u>P.O. Box 106</u> <u>Bearna 77meat</u>	<u>575 8825987</u>	
<u>John Holguin</u> <u>J. Holguin</u>	<u>LRGPWA</u>	<u>615 Holguin Rd, Udo, Pa</u>	<u>575-195-9007</u>	
<u>Connie Garcia</u> <u>Connie Garcia</u>	<u>LRGPWA</u>	<u>PO BOX 2044</u> <u>ANNAPOLIS</u>	<u>882-5072</u>	<u>connie.garcia@lrpauthority.org</u>
<u>Espn Holguin</u>	<u>HRD</u>	<u>2510 N. Telsor</u>	<u>575-635-1289</u>	<u>Espanol s.a. Holguin @</u> <u>hrd-pa</u>
<u>Ernesto Ortiz</u>	<u>NM HOTA</u>	<u>2450 Lakeside Dr</u> <u>Las Alamos, NM 87807</u>	<u>(505) 571-9507</u>	<u>erortiz@nwhda.org</u>
<u>Michael Lopez</u> <u>Michael Lopez</u>	<u>LRGPWA</u>	<u>P.O. Box 2646</u> <u>mesa, az 85201</u>	<u>(515) 685-3421</u>	<u>michael.lopez@</u> <u>lrpauthority.org</u>
<u>Alisa Yonnes</u>	<u>LRGPWA</u>	<u>P.O. Box 1223</u> <u>Douglasville, GA 30102</u>	<u>575-382-6992</u>	<u>alyonnes@lrp.org</u>
<u>Karen Nichols</u> <u>Karen Nichols</u>	<u>LRGPWA</u>	<u>PO BOX 2646</u> <u>Anthony, NM 88021</u>	<u>575 203 2057</u>	<u>karen.nichols@</u> <u>lrpauthority.org</u>

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

MEETING NOTICE & AGENDA - REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, December 7, 2011 at the Vado Office, 325 Holguin Road

Agendas are final 24 hours prior to the meeting and may be obtained at any LRGPWWA Office – call 575-233-3947 for information

- I. Sign in, establish quorum, call meeting to order
- II. Approval of agenda
- III. Approval of Minutes of 11/16/11
- IV. Guest Presentations
 - A. Olga Morales, Rural Community Assistance Corporation re: Rate Study
- V. Public Input - 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:
- VI. General Manager's Reports:
 - A. Management Report
 - B. Finance Report
 - C. Projects Report
 - D. Operations Report
- VII. Unfinished Business:
 - A. Employee Handbook – for adoption
- VIII. New Business:
 - A. Authorization for vehicle purchases
 - B. Authorization for disposal of vehicles
 - C. Resolution 2012-8 AUTHORIZING A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO WATER TRUST BOARD AND THE NEW MEXICO FINANCE AUTHORITY AND THE LRGPWWA IN THE AMOUNT OF \$4,371,630 – For Adoption\
 - D. Authorization for application for NAD Bank Community Assistance Program funding
 - E. Consideration to act as Fiscal Agent for the NM High Intensity Drug Trafficking Areas Program
- IX. Other discussion and agenda items and change date for next meeting scheduled for 1/18/12 due to conflict with Colonias Day at the NM Legislature
- X. Adjourn

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aide or service to attend or participate in the hearing or meeting, please contact the LRG PWWA office at 575-233-3947, 325 Holguin Rd, Vado NM 88072 at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the LRGPWWA office if a summary or other type of accessible format is needed.

Si es un individuo con una incapacidad esta en necesidad de un lector, amplificador, lenguaje por senas, o cualquier otra forma de asistencia o servicio para atender o participar en las juntas, por favor llame a la oficina LRG PWWA office at 575-233-3947, 325 Holguin Rd, Vado NM 88072 una semana antes de la junta o en cuanto posible. Documentos públicos, incluyendo la agenda y minutos, están disponibles en varios formatos. Por favor opóngase en contacto con la oficina LRGPWWA si un resumen o otro tipo de forma accesible es necesario.

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

MINUTES - REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, November 16, 2011 at the Vado Office, 325 Holguin Road

{NOTE: Minutes are a DRAFT until they are approved & signed by the Board of Directors}

- I. **Sign in, establish quorum, call meeting to order:** Sign in sheet and agenda are attached. Board Members present were Chairman Roberto “Marty” Nieto, Secretary Santos Ruiz and Director Blanca Martinez. Absent were Vice-Chairman John Holguin and Director Rosaura Pargas. Staff members present were General Martin Lopez, Finance Manager Kathi Jackson, Projects Manager Karen Nichols, Operations Manager Mike Lopez and HR/Payroll Specialist Connie Garcilazo. Also present were Ms. Christine Anderson and Sandra Franco from Spaceport Americ, Mr. Bernardino Olague of AT Analytica, and Ms. Espie Holguin from HUD. The meeting was called to order by Mr. Nieto at 9:08 a.m. {:41}
- II. **Approval of agenda:** Ms. Martinez made a motion to approve the Agenda, Mr. Ruiz seconded and it carried on a vote of 3-0. {1:05}
- III. **Approval of Minutes of 10/19/11 and 10/31/11:** A motion was made by Ms. Martinez and seconded by Mr. Ruiz to approve the minutes dated 10/19/11 and 10/31/11 (attached). The motion carried on a vote of 3-0. {1:46}
- IV. **Guest Presentations**
 - A. **Christine Anderson, Spaceport America:** Ms. Anderson made a presentation about the different aspects of the Spaceport America stating that this is the first private spaceport in the country and explaining how Dona Ana county residents are impacted by this project. Her presentation is attached. {42:34}
 - B. **Bernardino Olague, P.E., A T Analytica LLC RE: NAD Bank Community Assistance Program:** Mr. Olague gave a presentation (attached) about the NAD Bank CAP grant program for low income communities in the U.S-Mexico Border region. {54:54}
- V. **Public Input - 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:** NONE {55:07}
- VI. **General Manager’s Reports**
 - A. **Management Report:** The General Manager’s Martin Lopez written report was in the board packet (attached), and he reviewed it with the board. {59:33}
 - B. **Finance Report:** Ms. Jackson informed the board members that she has been working with the auditor, and that Financial Reports will be presented at the next board meeting. {1:00:58}
 - C. **Projects Report:** Ms. Karen Nichols written report (attached) was in the board packet, and she reviewed with the board. 1:18:59}
 - D. **Operations Report:** Mr. Mike Lopez’ written report was in the board packet (attached) and Mr. Lopez reviewed it with the board, reporting no major problems in the system. {1:23:46}
- VII. **Unfinished Business**
 - A. **None** {1:24:09}
- VIII. **New Business**
 - A. **Availability of SCCOG Training re: Planning:** Ms. Nichols described the training Ms. Bloom has been presenting at SCCOG board meetings and asked if the board would like to schedule her to

present some of her material at one of their meetings. Mr. Nieto agreed that staff should select the appropriate modules and schedule a presentation from Ms. Tiffany Bloom for the board. {1:25:55}

B. Employee Handbook – POSTPONED TO NEXT MEETING {1:26:39}
Mr. Lopez informed the board members that Meter Reader Crystal Perez had an accident on the job: she forgot to put the truck on park and ran over herself. She was taken to the hospital, is fine, and is back to work.

C. December Training event-Mr. Lopez will coordinate something and notify the board. {1:40:04}

D. Re-appoint LRGMDWA Board: Roberto Nieto, John Holguin, Mike Guillen, Gabriel Gutierrez, Ismael Borunda, Santos Ruiz: Mr. Lopez explained that until the last Colonias Initiative funding is fully expended, we need to have this board remain in place, and since it was appointed by the former mutual domestic association boards, this board will need to reappoint as their successor. Mr. Nieto made a motion to re-appoint same previous board for the Lower Rio Grande Mutual Domestic Water Association for a two year term. Mr. Ruiz seconded motion and it carried on a vote of 3-0. {1:43:00}

IX. Other discussion and agenda items for next meeting on 12/21/11: Discussion on purchase of new vehicles. December meeting date changed to 12/07/11 at 9:00 am. Employee Handbook and Water Rates Study will be presented. {2:03:59}

X. Adjourn Mr. Ruiz made a motion to adjourn the meeting at 11:12a.m. Ms. Martinez seconded and it carried on a vote of 3-0.

Date Minutes Approved: _____

Directors Present:

Chairman Roberto M. Nieto

Absent
Vice- Chairman John Holguin

Secretary Santos Ruiz

Absent
Director Rosaura Pargas

Director Blanca Martinez


Lower Rio Grande Water Budget

Line	FY 12 Projected
REVENUE	
<u>Operating Revenues</u>	
1 Service Revenue-Water	<u>\$1,656,926.00</u>
2 Proposed Water Rate Increase	10%
3 Additional Revenue from Increase	<u>\$165,692.60</u>
4 Total Service Fees	<u>\$1,822,618.60</u>
6 Total Operating Revenues	<u>\$1,822,618.60</u>
7 <u>Non-operating revenues</u>	
8 Water Connection, fees, etc.	\$ 63,000.00
9 Membership	\$ 5,500.00
10 Non Operating (Water-Billing Adjustments)	\$ 21,500.00
11 Non Operating (Transfers, Towers, Contract Work)	\$ 100,000.00
12 Interest Earned	<u>\$ 300.00</u>
13 Total non-operating revenues	<u>\$ 190,300.00</u>
14 Total Revenue	<u>\$ 2,012,918.60</u>
15 Total O&M Expenses	\$ 1,882,026.00
16 Subtotal	\$ 130,892.60
17 Debt Service	<u>\$ 50,000.00</u>
18 NET INCOME (LOSS) FROM OPERATIONS	<u>\$80,892.60</u>
19 Plus: Beginning Cash Balance	\$0.00
20 Ending Cash Balance Before Reserves	<u>\$80,892.60</u>
RESERVES	
21 Debt Service Reserve	\$0.00
22 Capital Improvement Reserve	\$0.00
23 Emergency Reserve	\$0.00
24 Operating Reserve	<u>\$70,000.00</u>
25 Total Reserves	<u>\$70,000.00</u>
26 ENDING CASH BALANCE AFTER RESERVES	<u><u>\$10,892.60</u></u>
CUMULATIVE REVENUE AND RESERVE DEFICIENCY (line 31	
27 divided by line 19). This dictates the rate increase percentage	0%
28 Profitability Ratio (Net Income/Total Revenue) Target is 15- 20%	4%
Debt Coverage Ratio (Net Operating Income/Total Debt Service)	
29 Target is 1.85- 2.15	36.45

Reserve Funds

v5.7

Calculation start date : **3/01/12**

Connections / ERUs:	3,693	Total cash expense over 5 years:	\$14,171
Monthly payment per each above to reserves:	\$0.07	 ← <i>If this background appears in the 'Years to Replace' column below, a rate decrease or reassignment of reserve funds is possible and information will be shown here.</i>	
Total annual payment to reserve funds:	\$3,103		

INSTRUCTIONS: List items *in descending order of "Years to Replace"* (Longest replacement time first). Enter replacement costs (usually what it would cost "today"), annual inflation percentage, and interest rate of reserve savings account. **Note: Do not "drag" or "cut" entries in cells!**

Item	Item	Replacement Cost	Years to Replace	Inflation	Future Cost	Account Interest Rate
1	Backflow preventer MES 6000/HMZB00203	\$2,750	5.0	3.00%	\$3,188	2.00%
2	Backflow preventer Zurn Wilkins-6	\$2,395	5.0	3.00%	\$2,776	2.00%
3	Magnum 330 484 ATV	\$4,900	5.0	3.00%	\$5,680	2.00%
4	Magnetic Locator	\$895	4.0	3.00%	\$1,007	2.00%
5	Aqua Track 50 pvc	\$1,349	4.0	3.00%	\$1,518	2.00%
6						
7						
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9						
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NOTE!	<i>You don't have any entry errors; re-check your entries for accuracy and good luck!!</i>
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LRG Authority Customer Base

TYPE	
Single Family	3557
Multifamily	12
Commercial / business	102
Schools	3
Parks (meters)	4
Dairies (meters)	15
Other (hydrant meters)	0
Total	3693

Residential Customer Profile

Tier 1	0-10,000	2134
Tier 2	10,001-20,000	263
Tier 3	20,001 -30000	75
Tier 4	30,001 - 50,000	87
Tier 5	All over 50,001	998
Total		3557

Commercial Customer Profile

Tier 1	0-20,000	45
Tier 2	20,001-50,000	9
All over	All over 50,0001	82
Total		136

LRG PROPOSED RATE SCHEDULE (2011)

Residential Use and Income Estimate:

Minimum Bill	\$ 10.00	for	0 gallons
Tier 1	0-10,000	gallons for	\$1.75 per 1,000 gallons

Lower Rio Grande Water Rate Proposed Sample Implementation Schedule

Adopted Residential Use and Income Estimate:						
Minimum Bill	\$ 10.00	for				0 gallons
Tier 1	0-10,000	gallons	for	\$ 1.75	per	1,000 gallons
Tier 2	10,001-20,000	gallons	for	\$ 2.00	per	1,000 gallons
Tier 3	20,001 -30000	gallons	for	\$ 2.25	per	1,000 gallons
Tier 4	30,001 - 50,000	gallons	for	\$ 2.50	per	1,000 gallons
Tier 5	All over 50,001	gallons	for	\$ 2.75	per	1,000 gallons

Proposed Implementation Plan		March. 2012 (FY12) 30%	Sept. 2012 (FY 13) 30%	Apr. 2013 (FY 13) 30%	Dec. 2013 (FY 14) 10%
Tier 1	1-1000 gal.	\$ 10.53	\$ 11.05	\$ 11.58	\$ 11.75
	1,001-2,000 gal.	\$ 12.28	\$ 12.80	\$ 13.33	\$ 13.50
	2001 - 3,000 gal.	\$ 14.03	\$ 14.55	\$ 15.08	\$ 15.25
	3,001 - 4,000 gal.	\$ 15.78	\$ 16.30	\$ 16.83	\$ 17.00
	4,001 - 5,000 gal.	\$ 17.53	\$ 18.05	\$ 18.58	\$ 18.75
	5,001 - 6,000 gal.	\$ 19.28	\$ 19.80	\$ 20.33	\$ 20.50
	6,001 - 7,000 gal.	\$ 21.03	\$ 21.55	\$ 22.08	\$ 22.25
	7,001 - 8,000 gal.	\$ 22.78	\$ 23.30	\$ 23.83	\$ 24.00
	8,001 - 9,000 gal.	\$ 24.53	\$ 25.05	\$ 25.58	\$ 25.75
9,001 - 10,000 gal.	\$ 26.28	\$ 26.80	\$ 27.33	\$ 27.50	

LRG PWWA
Manager's Report
December 7, 2011

- Transfer of Assets from Associations
 - Lack the USDA construction accounts for the Mesquite water project-need project as-builts from Smithco; O&M Manual from Gannett
- Hwy 192 Bridge: No response from Burn construction to response
- Potential to purchase 300 acre-feet of 1955 water rights-will explore; asking between \$5,500 to \$6,000 per right
- Audit (Agreed Upon Procedure) for Lower Rio Grande MDWA completed, no findings
- Newsletter & Election Policies-Still pending
- Authority-Brazito is on hold pending decision to process from new Brazito Board-did not apply for CDBG funding for water project
- GM evaluation form will be available pending approval of Employee Policy Manual
- Meetings/Trainings:
 - RD (Berino-Del Cerro/Mesquite LOC project) meeting December 13 at 1:30 pm, Mesquite office
 - Staff/Board training set for December 19 at 6 location will be provided at later date

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
12/7/11 BOARD OF DIRECTORS MEETING
PROJECTS REPORT**

Authority Construction Projects:

LRG-11-01 - La Mesa Water System Improvements – Molzen Corbin – final design/closing – RD
- **\$2,040,346:** Funding application and Letter of Conditions Notebook redone in the name of the Authority are under review at USDA-RD. OM has been working with engineer on SCADA specs, design is being finalized.

LRG: 11-02.1 -Mesquite Wastewater Project – Gannet Fleming– final RD review before closing
- **\$7,262,081:** Still pending RD review. Engineer has requested extension on permits.

LRG-11-02.2 - Authority/Brazito Sewer Project – Vencor – planning – CDBG/SAP: Documents at 65% completion (PER, EID & sewer model) were submitted for review at NMED CPB, PER comments were received from Mr. Deal on 9/14/11 and are being incorporated; EID comments were received on 10/3/11. GM approved 90-day extension on 10/4/11, NMED concurred 11/7/11. Base mapping & field data collection is 95% complete.

LRG-11-03 – Interconnect & Looping Project – Stern Drive project is complete, Castillo Road project is pending resolution of the bridge crossing issues. RIP Loan application for Berino/Desert Sands loop is in preparation and has not yet been submitted.

LRG-11-03.4 Mesquite/Brazito Water Emergency Water Interconnect & Supplemental Wells – prelim. Planning: Vencor has a preliminary map, nothing to report yet.

LRG-11-04 - Berino & Mesquite/Del Cerro combined Project – Letter of Conditions/final design & review of plans & specs – RD - \$5,420,147/WTB - \$4,371,630: NMFA is holding the portion of the project for which reviews are incomplete. Plans & specifications were submitted to NMED-CPB for review on 9/16/11 and comments were received on 10/13/11 - also submitted to NMED-DWB on 9/19/11, they responded that they do not need to approve. Next teleconference with RD is 12/13/11. Water Trust Fund Resolution is on today's agenda. RCAC bridge loan was approved, loan documents have been received.

LRG-11-05 – Surface Water Treatment Plant – Design phase - PER (approved) & EID (conditionally approved 9/14/11) completed by CE&M, USDA-RD NOI published 7/9/11, public meeting 7/20/11. NMED-CPB approved EID updates from Parametrix on 11/18/11. Met with engineer on 12/1/11 to discuss funding and scope. They will write up scope and prepare an ESA. WTB application has been submitted and additional funding applications are being prepared.

Authority PERs/EAs/40 Yr. Water Plan:

LRG-12-01 – Authority PER – prelim. planning: CDBG Planning Grant Application submitted thru SCCOG 3/16/11, and we have responded to their requests for more budget detail and additional documents. Application has been rated & ranked and assigned to Simon Saiz who is re-reviewing it yet again.

Forty-Year Water Plan – CE&M – complete: pending NM-OSE comments/approval. Followed up w/Cheryl Thacker, NM-OSE, she inquired w/Santa Fe office, still pending. No response to a second follow-up email, inquired again on 12/1/11, again no response.

Return Flow Credit Plan – CE&M – GF work in progress: 60% complete, engineer has all the meter readings from us & the county that she needs. This has to be submitted before our Combine & Comingle application will be processed. Instructed the engineer to finalize the plan without the septic tank data she was trying to get from the county and she is expected to have it done by 12/16/11.

Radio Read Meters – in-house – SRF Fund: Rob Pine at NMED-DWB advised that our funding request for \$595,000 is approved: 25% subsidized + 25% grant = 50% grant, 50% loan at 0%. This will purchase 3400 meters at \$175 ea. On 8/31/11 Mr. Pine advised that he expected to be able to move forward with the formal application process in a couple of weeks after resolving procedural changes at NMFA & EPA, and that we are on the list, but he cannot yet assess our chances of receiving funding. Called Megan Marsee at NMED on 11/10/11, she found out that NMED's Intended Use Plan was finally approved by EPA, which was the hold-up, and NMFA has the list of projects, ours is #8.

Individual MDWCA Projects under construction:

Mesquite Water Project – Gannett Fleming – Construction complete, pending close-out:

Work is complete, final disbursement of RD funds was received 11/10/11, project will close as soon as engineer receives releases from subcontractors. Still pending are as-builts from Smithco and O&M manual from Gannett.

LRG MDWA Projects:

Castillo Rd - La Mesa/Mesquite Interconnect – CE&M – construction incomplete: Nothing new to report

La Mesa Building (jointly funded by La Mesa & LGRMDWA) – Molzin Corbin – under construction - NMED - SAP08-3099, Colonias 09-3118: 8 pay requests have been submitted, first 6 have been paid. Change Order #1 was approved by NMED-CPB with a credit to us of about \$3,400 and a time extension of 148 days. There will be another change order to extend the time and add a light fixture for the sign and panic buttons to the alarm system. Contractor has completed 95% of the site grading, is working on the parking lot and sidewalk. Contractor has changed building manufacturers due to poor performance from the previous manufacturer. Shop drawings are being reviewed by structural engineer on 11/10/11 and should be back to

Duran by 11/11/2011. The new manufacturer is much more responsive. Nearly all submittals are complete, once building arrives construction should proceed quickly. We have requested an extension on CI funding thru 4/30/12 which is within the updated timeline from the contractor.

Other projects:

Website: Board Minutes page is up to date, Updated Home page with video & information about Martin's award at NMIFC, will be working with Mike to put up an Operations Page.

EBID Surface Water Treatment Plant – bid has been awarded to Siemens for traditional treatment package plant. Spoke with Dr. Cadena, will set up a meeting with him and Mr. Magallanes.

Lower Rio Grande PWWA

Operators Report

December 07, 2011

System Problems and Repairs.

- Backflow inspections are current.(Mesquite District)
- Sewer tank inspections are current.(Mesquite District) well
- No Major problems with the Lower Rio Grande system.
- 2 new services in the Berino district.
- 1 new service in the La Mesa district.
- We had all crew members insulate all pipes, Backflows, ect. Early this year.
- The gas chlorine unit At Well #4.
- The production crew will be installing a new 8” check valve at well # 8 next week.
- Sewer problems in Mesquite have been very minimal.

NMED: Monthly Bac-T-Samples Have been taken for the Lower Rio Grande PWWA, La Union, and Desert Aire.

Mesquite district Wetlands: wetlands have been working fine

Chlorine: No problems with Chlorine this month.

Reports: NMED, State Engineers, and the water conservation reports have been sent.



Employee Policy Manual

Version 1.0 October 2011

Lower Rio Grande Public Water Works Authority Employee Policy Manual

WELCOME

Welcome to the Lower Rio Grande Public Water Works Authority! The Authority is a political subdivision of the State of New Mexico established in the New Mexico Statutory Authority 1978 Chapter 73-26-1. This manual will introduce you to our public entity and provide you with information on the Authority's policies, procedures, practices and employee benefit programs. Acquainting yourself fully with this manual is essential because it will make your job easier and will enable you to make an effective contribution to the Authority and our members and customers.

All employees of the Authority are employees at will, subject to termination at any time. The General Manager will endeavor to follow guidelines for progressive discipline. However these are guidelines only and not mandatory procedures which must be applied prior to termination of an employee. Nothing contained in this employee handbook shall be construed as constituting either expressly or implicitly a contract between any employee and the Authority.

It is obviously not possible to anticipate every situation that may arise in the workplace or to provide information that answers every question. In Addition, future circumstances will undoubtedly require that these policies, practices and benefits change. Accordingly, The Authority's General Manager and Board of Directors reserve the right to modify, supplement, rescind or revise any provision of this manual as necessary or appropriate. Employees will, of course, be advised of changes.

RECEIPT OF EMPLOYEE HANDBOOK

I, _____ hereby acknowledge that I received a copy of this employee manual on the _____ day of _____, 20____.

I certify that I have read and understand the handbook.

Employee's signature

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1. INTRODUCTION

About Your Employee Manual

This manual is provided to answer common questions posed by employees. It contains the Authority's personnel policies, procedures, practices and benefits, and how they will affect you. Please take the time to review and become familiar with these materials.

Periodically, policies, procedures, practices and benefits programs currently in effect are reviewed and may be revised or canceled by the General Manager or Board of Directors at any time in response to changing business needs or other requirements with or without a written revision to the Employee Policy Manual. Changes will be announced as they occur, but you may also contact the Human Resources Specialist at any time for the latest information or for clarification of these policies, procedures, practices and benefits. The Authority General Manager maintains the sole and absolute right to make such changes at any time without notice.

We encourage you to ask your supervisor or the Human Resources Specialist for help in answering questions related to the Authority's policies, procedures, practices and benefits and to continue to use them as resources during your employment.

Should any of the descriptions of benefits in this manual differ from any formal agreement or document, the formal agreement or document shall be considered correct. Questions on any matter pertaining to employment or any information included in this manual should be directed to the Human Resources Specialist.

The policies, procedures, practices and benefits described in this manual replace all earlier written and unwritten ones

Principals

The purpose of this manual is to establish for the Authority a system of personnel administration based solely on qualification and ability in line with the following principles:

1. Recruitment should be from qualified individuals from appropriate sources in an endeavor to achieve a work force from all segments of society, and selection and advancement should be determined solely on the basis of relative ability, knowledge, and skills, after fair and open competition which assures that all receive equal opportunity.
2. All employees and applicants for employment should receive fair and equitable treatment in all aspects of personnel management without regard to race, national origin, color, religion, gender, disability, medical condition, veteran status, sexual orientation, age, or any other status protected by Federal, State, or Local law, and with proper regard for their privacy and constitutional rights.
3. Equal pay should be provided for work of equal value, with appropriate consideration of both national and local rates paid by comparable employers, which may include employers in the private sector, and appropriate incentives and recognition should be provided for excellence in performance.
4. All employees should maintain high standards of integrity, conduct, and concern for the public interest.
5. The Authority work force should be used efficiently and effectively.

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6. Employees should be retained on the basis of the adequacy of their performance, inadequate performance should be corrected, and employees should be separated who cannot or will not improve their performance to meet required standards.
7. Employees should be provided effective education and training in cases in which such education and training would result in better organizational and individual performance.
8. Employees should be
 - a. protected against arbitrary action, personal favoritism, or coercion for partisan political purposes, and
 - b. prohibited from using their official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for election.
9. Employees should be protected against reprisal for the lawful disclosure of information which the employees reasonably believe evidences
 - a. a violation of any law, rule, regulation, or
 - b. mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

Role of the Board of Directors

The Board of Directors of the Lower Rio Grande Public Water Works Authority is a governing body and does not participate in hiring, directing, overseeing, evaluating, addressing grievances or terminating the employment of any employee except the General Manager. This Employee Policy Manual is developed and implemented by Management.

2. Employment

2.01. Equal Opportunity Statement

It is the policy of the Authority that there shall be no discrimination based upon race, national origin, color, religion, gender, disability, medical condition, veteran status, sexual orientation, age, or any other status protected by Federal, State, or Local law in any personnel action, including recruitment, appointment, performance evaluation, promotion, the granting of leaves, and any disciplinary or grievance action.

The Authority employs persons having the best available skills to efficiently provide high quality service to the public.

The Authority makes reasonable accommodations for qualified persons with disabilities. The Authority is built upon teamwork and equal opportunity. Any questions or concerns relating to equal employment opportunities should be directed to the Human Resources Specialist.

2.02 Drug Free Workplace

The Authority hereby notifies all employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance or alcohol is prohibited in Authority workplaces or vehicles.

All individuals who are offered full-time, temporary or part-time employment in a position which entails the operation of Authority vehicles and/or equipment shall be required to submit to a pre-employment alcohol and controlled substance test at Authority expense, subsequent random testing, and testing

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following any on the job accident or injury. The drug & alcohol testing will be conducted at a facility selected by the Authority.

Candidates will be denied employment with the Authority if their test results are confirmed positive for drugs and alcohol. Applicants shall be informed in writing if they are rejected on the basis of a confirmed positive drug and alcohol test result.

If an employee's positive test result has been confirmed or if an employee has been determined to have engaged in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance, or use of alcohol or illegal drugs in the workplace, the employee is subject to corrective-disciplinary action up to and including termination. Factors to be considered in determining the appropriate corrective disciplinary response include the employee's work history, length of employment, current job performance, and the existence of past corrective disciplinary actions.

2.03 Outside Employment

No Authority employee shall be permitted to accept employment in addition to or outside of Authority service if:

The additional or outside employment leads to a conflict, or potential conflict of interest for said employee; or,

The duties to be performed in the additional or outside employment create a conflict between the Authority and the outside employer; or

The nature of the additional or outside employment is such that it will reflect unfavorably on the Authority.

An employee who does have additional or outside employment shall not be permitted to use Authority records, materials, equipment, facilities, or other Authority resources in connection with said employment.

Permission for outside employment must be preauthorized by the General Manager. A copy of the request and approval must be kept as a part of the employee's personnel record. **{NEED A FORM}**

2.04 Continuity of Service

For probationary and regular employees in all classifications, length of continuous service with the Authority will be used as the basis for determining benefits such as sick leave and annual leave. Length of continuous service will also be one of the considerations in promotions, demotions and layoffs.

Continuity of an employee's service will not be broken by absence for the following reasons, and his/her length of service will accrue for the period of such absence:

Absence by reason of industrial disability;

Authorized absence without pay for less than 30 days in a calendar year; or,

Authorized absence without pay in excess of 30 days in a calendar year with prior permission of the General Manager; or,

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Absences governed by applicable state and/or federal laws such as military or National Guard service.

Former employees who are re-hired may have some or all of their previous service continued depending on the employee's status at separation, reason for separation and length of separation.

2.05 Employee Status

Nepotism:

It is the policy of the Authority that no employees may be hired, promoted or directly supervised by a person who is related by blood or marriage within the third degree to the employee.

"Relation by blood or marriage within the third degree" includes spouse, domestic partner, parent, mother-in-law, father-in-law, step-parent, children, domestic partner children, son-in-law, daughter-in-law, step-child, brother, brother-in-law, step-brother, sister, sister-in-law, step-sister, grandparent, grandchild, uncle, aunt, nephew, niece, great-grand-child and great-grand-parent.

Classifications:

All employees are classified as **probationary** for a period of six (6) months from the date of hire. **Exempt** employees are those who are not required by law to be paid overtime.

Non-exempt employees must, by law, receive overtime pay. Employees are further classified as **regular** or **temporary** and **part-time** or **full-time**. Regular employees are those who have been hired to fill a permanent position. Temporary employees are those who have been hired to a position for a pre-determined period of time. Part-time employees are those who normally work less than forty (40) hours per week. Full-time employees are those who normally work forty (40) or more hours per week.

3. Compensation

This section only applies to non-exempt employees:

3.01 Hours of Work & Overtime:

A workweek is defined to consist of seven (7) consecutive calendar days out of which there are five (5) eight (8) hour workdays.

Overtime is defined as time worked by non-exempt employees in excess of 40 hours in a workweek. Leave time does not count toward hours worked for calculating overtime pay except for hours worked on a designated holiday when it falls within that workweek. Designated holidays (Section #4.04) count eight (8) hours toward the forty (40) in a work week required before overtime is paid, and hours worked on a designated holiday are paid in addition to the eight (8) hours of holiday pay.

Overtime will be compensated at a rate of one and one-half times the employee's current hourly rate. Documentation supporting the need for overtime must be submitted to the employee's supervisor. Acceptable documentation includes work orders or written explanation of the need for overtime signed by the supervisor.

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Overtime must be authorized by the employee's direct supervisor. Overtime should be pre-authorized when the need for it is known in advance, but will be authorized after the fact in the case of emergency repairs or maintenance to the Authority's facilities.

3.02 Work Schedules and On-Call Status:

A work schedule shall be maintained by the General Manager whereby operations employees shall be assigned, on a rotational basis, to be "on-call" on weekends and holidays to perform routine system checks. "On-call" employees are responsible for responding to emergencies. Emergency repair needs will be immediately reported to the supervisor who will authorize the overtime and assign additional employees as needed.

When an employee is on-call, he/she shall be provided a push-to-talk phone which will provide notification in the event of an emergency repair/maintenance work need. The on-call phone shall be kept in the on-call employee's immediate possession during the entire on-call period. Notification of an emergency-repair/ maintenance job may also be given verbally, in person or telephonically by the employee's supervisor.

When an employee is on-call, he/she shall be free to utilize his/her time as desired, but must remain within the general Authority area, going no farther than thirty (30) minutes travel time away from any of the Authority's facilities.

If an on-call employee is called out by her/his supervisor, the employee shall be paid for a minimum of two hours. If additional calls come in during that two-hour time-frame, they will be paid for the two hours plus the additional time worked. On-call employees shall notify their supervisor when each assigned task is complete. The on-call supervisor shall document and ensure hours worked including contacting customers, and shall coordinate the scheduling to maximize the use of the two-hour minimum on-call timeframe.

Any deviation from the policies stated in this section must be authorized by the Operations Manager.

3.03 Time Clock:

All non-exempt employees are required to punch in and out on the time clock to document their hours worked. No one else may punch an employee's time card. Anyone found to have requested someone else to punch their time card without management approval, and the employee doing so without management approval, are subject to immediate termination of employment or other severe sanctions to be imposed by the General Manager. No time worked will be credited unless punched in on the timecard.

If the employee forgets to punch the clock, the time entry may be handwritten on the timecard, but will be credited only if the handwritten entry is initialed by the employee's supervisor or Finance Manager.

Non-exempt employees shall not punch in more than five (5) minutes prior to the beginning of their assigned work-day and no more than five (5) minutes after the end of the assigned work-day unless approved by management.

All timecard are due on the Tuesday following the end of the pay period and must be turned in to the Pay Roll Specialist no later than 1:00 p.m. along with documentation for overtime.

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3.04 Pay Periods:

The salaries or wages of all Authority employees shall be paid bi-weekly by direct deposit. A pay period consists of two workweeks beginning on a Wednesday and ending on a Tuesday. Pay date will be the Friday immediately following the end of the pay period.

In the event a payday falls on one of the holidays listed in section 4.04, "Holidays", the immediately previous working day shall become the payday.

3.05 Advancement of Salaries or Wages:

The Authority may not, by law, grant advancement of salaries or wages to any employees.

3.06 Compensation:

This policy shall apply to all Authority employees. Employees may receive an annual increase in salaries or wages based on their performance during the year and the financial status of the Authority. Employees may receive bonuses at the discretion of the General Manager based on an achievement and the financial status of the Authority.

Compensation at Hiring: Salaries or wages will be negotiated at the time of hire.

New employees and re-hired former employees may be considered for a merit increase upon completion of the probationary period (2.05 Classifications). Thereafter, salary or wage increases will be linked to an annual evaluation and the salary budget.

3.07 Merit Increase:

Performance Evaluation Required: The General Manager may authorize a merit increase for a probationary employee only after evaluating the employee's performance and determining that it is satisfactory. This determination shall be noted on a performance evaluation form to be placed in the employee's file, with a copy given to the employee.

4. LEAVE

4.01 Annual & Sick Leave:

This policy shall apply to regular and probationary employees in all classifications. Years of service with the founding entities shall count for employees in place as of November 3, 2010. Part-time employees scheduled to work less twenty-four (24) hours per week are not eligible for benefits. Part-time employees scheduled to work at least twenty-four (24) and less than thirty-two (32) hours per week shall accrue leave at fifty percent (50%) of the full-time rate. Part-time employees scheduled to work at least thirty-two (32) but less than forty (40) hours per week shall accrue leave at seventy-five percent (75%) of the full-time rate.

Upon death of an eligible employee, compensation for eligible unused accumulated leave shall be payable to the employee's estate.

Full-time employees shall accrue annual leave and sick leave according to the following schedule on an annual basis:

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- (a) During the first five years of continuous work, 10 days annual, 10 days sick (3.07 hours per pay period);
- (b) Six through ten years of service, 15 days annual, 15 days sick (4.62 hours per pay period);
- (c) After ten years of service, one additional day of paid annual leave for each additional year of service not to exceed a total of 30 days annual leave.

Employees who have completed their probationary period may take their accrued annual leave all at once, or gradually, with their supervisor's prior written approval. Requests for annual leave should be submitted at least one pay period prior to allow for scheduling, and priority will be given to the earlier request in case of conflict.

A maximum of forty (40) hours of annual leave may be carried forward after the last pay period in December. Annual leave shall not be used before it is accrued and must be authorized before it is taken except when authorized by the General Manager in cases of medical or personal crisis after all other leave included donated leave has been exhausted. Employees shall schedule at least forty (40) hours of leave annually.

At termination of employment for any reason, the Authority shall compensate the employee for his/her accumulated annual leave at his/her straight time rate of pay at the time of termination.

The Authority will not require an employee to take annual leave in lieu of sick leave during periods of illness. However, the employee may elect to take annual leave or leave without pay in case of extended illness where sick leave has been fully used. All other forms of leave must be used prior to donated leave.

If a holiday falls on a workday during an employee's leave period, that day shall be considered as a paid holiday and not leave time.

4.02 Sick Leave:

A maximum of forty (40) hours of sick leave may be carried forward after the last pay period in December. Sick leave shall not be used before it is accrued, and employees should notify their supervisor in advance to the extent feasible in order to avoid disruptions in work schedules when using sick leave. Failure to notify may result in denial of leave.

At termination of employment for any reason, the Authority shall compensate the employee for his/her accumulated sick leave at his/her straight time rate of pay at the time of termination.

The Authority will not require an employee to take annual leave in lieu of sick leave during periods of illness. However, the employee may elect to take annual leave or leave without pay in case of extended illness where sick leave has been fully used. All other forms of leave must be used prior to donated leave.

Sick leave benefits will not be for absences on authorized holidays or other non-scheduled work days.

In order to receive compensation while on sick leave, the employee shall notify his/her supervisor prior to the time for beginning the regular work day, or as soon thereafter as practical.

If absence from duty by reason of illness occurs, satisfactory evidence may be required by the General Manager.

4.03 Donated Leave:

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Employees may donate their annual or sick leave to another employee at their discretion provided that the recipient has met the requirements of Sections 4.01 and 4.02 and that the donor retains at least forty (40) accumulated hours.

4.04 Holidays:

This policy shall apply to all Authority employees.

The following days shall be recognized and observed as paid holidays:

- New Years Day;
- Martin Luther King, Jr.'s Birthday;
- President's Day;
- Memorial Day;
- Independence Day;
- Labor Day;
- Columbus Day;
- Veteran's Day;
- Thanksgiving Day and the follow day;
- Christmas Day

Whenever a holiday falls on Saturday, the preceding Friday shall be observed as the holiday. Whenever a holiday falls on Sunday, the following Monday shall be observed as the holiday.

When an employee is taking an authorized leave with pay when a holiday occurs, said holiday shall not be charged against said leave with pay.

4.05 Jury Duty:

This policy shall apply to employees in all classifications.

An employee summoned for jury duty will immediately notify his/her immediate supervisor and the General Manager.

While serving on a jury, an employee will be given a paid leave of absence for the duration of said jury duty. Said leave of absence is conditional upon the employee returning to work upon dismissal each day to complete his/her remaining normal workday. Should an employee choose not to return to work, he/she must notify his/her immediate supervisor to arrange for leave.

4.06 Military:

Pursuant to the provisions of Section 28-15-1 NMSA 1978, any employee who has left or leaves a position he has held (other than a temporary or emergency status position) to enter the armed forces of the United States, national guard or organized reserve, who makes application for reemployment within ninety days after their service ends, shall be deemed to meet all the requirements of the Authority Employee Policies and shall be restored to such position or to a position of like seniority, status and pay.

4.07 Bereavement:

This policy shall apply to employees in all classifications.

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In the event of a death in the immediate family, an employee may be granted a paid leave of absence not to exceed five (5) days. This is in addition to regular sick leave and annual leave. Verification may be required by the General Manager.

"Immediate family" is defined as being spouse, parents, children, siblings, grandparents, grandchildren, father-in-law, mother-in-law, sister-in-law, brother-in-law or any other person who is a legal dependent of the employee.

4.08 Parental Leave:

This policy shall apply to employees in all classifications.

Employees shall coordinate maternity/paternity leave with their immediate supervisor for the use of any and/or all available leave(s) or leave without pay up to a maximum job-protected period of six (6) weeks. Requests for additional leave beyond the six (6) weeks may be granted at the discretion of the General Manager.

4.09 Personal Day:

This policy shall apply to employees in all classifications.

Employees who have completed their probationary period shall be entitled to one paid personal day per calendar year. Personal day must be scheduled under the same procedures outline in section 4.01 Annual & Sick Leave. Personal days must be taken within the calendar year and may not be accumulated and shall not be paid upon separation.

4.10 Administrative Leave:

This policy shall apply to employees in all classifications.

The Authority may authorize an Administrative Leave for an employee with or without pay for up to five (5) consecutive work days when it is in the best interest of the Authority to do so. Administrative Leave in excess of five (5) consecutive work days requires written prior approval of the General Manager.

4.11 Leave Without Pay:

This policy shall apply to employees in all classifications.

Any employee who does not otherwise have sufficient accrued leave may make a written request for an unpaid leave of absence for personal reasons for up to a maximum of three (3) consecutive weeks, which will be considered by management and granted at their discretion. Such written request must state the purpose of the request and the anticipated length of the absence. When returning from a voluntary leave of absence without pay, the Authority will make every effort to place the employee in a job of comparable status and pay, but there is no guarantee a job will be available. During a voluntary leave of absence, group health insurance will continue at the employee's expense.

4.12 Voting:

This policy shall apply to employees in all classifications.

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During a **general** election, under state law, if the employee's work day begins less than two (2) hours after the polls are open and ends less than two (2) hours before the polls close employees may be allowed up to two (2) hours administrative leave with pay to vote. For example, if the poll closes at 7:00 p.m., because our work day ends at 5:00 for full time employees, then you may not take leave to vote as you have two hours before the polls close. Any employee requesting such leave must fill out a paid leave request and get it to his/her supervisor at least three (3) days in advance of the election, to allow adequate time to make arrangements for full coverage.

5. Policy Against Harassment

5.01 Violence in the workplace policy:

It is the policy of the Authority that workplace violence by its employees is prohibited.

Prohibited workplace behavior includes intimidation; verbal threats; physical assault; vandalism; arson; sabotage; the unauthorized display, possession or use of weapons on Authority property; jokes or comments regarding violent acts which are *reasonably* perceived to be a threat; or any other behavior reasonably perceived to be a threat of imminent harm against an employee or member of the general public.

It is the responsibility of all employees who witness or are the subject of the behaviors prohibited by this policy to report the incident(s) to their immediate supervisor unless the supervisor is the one exhibiting the prohibited behavior, in which case the employee shall report the behavior to the next highest person within the Authority organization.

It is the responsibility of the supervisor receiving the complaint to conduct an investigation of the incident(s) and to initiate appropriate action to abate the prohibited behavior. The supervisor shall prepare a written response to the employee(s) reporting the incident(s). This response shall include acknowledgement of the employee(s) complaint; a description of the investigation conducted; and the action that was initiated to abate the prohibited behavior. Employees engaging in any behavior prohibited by this policy may be subject to evaluation, counseling or mediation; arrest and prosecution; and/or disciplinary action up to and including termination from Authority employment.

5.02 Harassment/Sexual Harassment Policy:

The Authority is committed to providing a work environment free from all forms of harassment. Harassment is verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, gender, nation origin, ancestry, age, disability, medical condition or sexual orientation; and that has the purpose or effect of unreasonably interfering with an individual's work performance; or otherwise adversely affects an individual's employment opportunities or ability to obtain services. Harassment based on any of the forgoing statuses is a form of discrimination, which is unlawful under local, state and federal civil rights laws. This policy applies to all forms of harassment, including sexual harassment.

The Authority **WILL NOT TOLERATE OR CONDONE HARASSMENT IN ANY FORM FROM ANY EMPLOYEE REGARDLESS OF HIS/HER EMPLOYMENT STATUS, NOR FROM A PROVIDER OF SERVICES WHO IS UNDER CONTRACT WITH THE AUTHORITY.** All employees, supervisors and managers are responsible for maintaining a work environment free of any form of harassment and will be held fully accountable in complying with this policy and taking appropriate measures to insure that such conduct does not occur. Applicants for employment are entitled to employment consideration without being subjected to sexual or other forms of harassment. ***ANY EMPLOYEE FOUND TO HAVE ENGAGED IN PROHIBITED HARASSMENT WILL BE SUBJECT TO DISCIPLINARY ACTION, UP TO AND INCLUDING TERMINATION.***

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Title VII of the Civil Rights Act of 1964, in conjunction with the Equal Employment Opportunity Commission's guidelines for defining sexual harassment prohibits unwelcome sexual advances, request for sexual favors, and verbal expression or physical conduct of a sexual nature.

Sexual harassment is defined as any unwelcome sexual advances, requests for sexually motivated physical contact, or other verbal expression or physical conduct or communication of a sexual nature when: Submission to that conduct or communication is made a term or condition, either explicitly or implicitly, of obtaining employment or services; or submission to or rejection of that conduct or communication by an individual is used as a factor in decisions affecting that individual's employment or obtain services or that conduct or communication has the purpose or effect of unreasonably interfering with an individual's employment or obtaining services or creating an intimidating, hostile or offensive environment in which to work or obtain services.

The following criteria will be looked at to determine if sexual harassment exists:

1. The frequency of the conduct. A single instance of an unwelcome sexually explicit comment or request for a date may not constitute a hostile environment, but a barrage of such comments or requests could.
2. The severity of the conduct. A single instance of physically threatening conduct or public humiliation of someone, based on the person's sex could create a hostile environment if it is severe enough. Grabbing an employee's breasts, even once, could well be considered severe, for example. But a single offensive utterance is less likely to be viewed by a court as creating a hostile environment.
3. Whether the conduct unreasonably interferes with work performance. A person is not required to have a nervous breakdown to make a valid hostile environment claim. It is enough that the conduct "unreasonably interferes" with work performance.

Unwelcome verbal or physical conduct, which does not rise to the level of sexual harassment, may be a violation of other Authority policies and is prohibited.

It is not possible to list all circumstances that might constitute sexual harassment. In general, sexual harassment encompasses any sexual conduct which causes others discomfort, embarrassment, or humiliation, or any harassing conduct, sexually related or otherwise, directed toward an individual because of that individual's sex. **ALL EMPLOYEES OF THE AUTHORITY HAVE THE RIGHT TO AN EQUITABLE WORKING ENVIRONMENT FREE OF HARASSMENT/SEXUAL HARASSMENT.**

6. VEHICLE USE

6.01 Use of Authority Vehicles:

Authority vehicles should be used by Authority employees to conduct their official duties. Some staff positions including on-call positions are permitted to park Authority vehicles overnight at their home.

An Authority employee holding a valid New Mexico driver's may be permitted to use an Authority vehicle in furtherance of official Authority business. A Valid New Mexico Driver's License does not include provisional, limited, any court order restricted or administrative license or permit.

An Authority employee driving a "commercial motor vehicle" must possess a valid New Mexico commercial driver's license (CDL).

Authority drivers shall ensure that the vehicle registration and proof of insurance is located in the glove compartment of any vehicle they operate.

An Authority employee who receives a traffic or parking citation while in an Authority vehicle must report the citation to their immediate supervisor and shall be personally responsible for the citation or ticket. The improper,

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careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, may result in discontinued use of Authority vehicles and may result in disciplinary action up to and including termination.

An employee must receive prior approval from his/her supervisor for all out-of-state travel in an Authority vehicle.

All drivers and occupants of Authority vehicles shall wear seat belts. Violation of this law may result in loss of Authority vehicle privileges.

No employee shall operate an Authority vehicle while under the influence of intoxicating alcohol, controlled substances, or drugs. No employee shall transport alcohol, whether in open or unopened containers, or illegal drugs of any type in an Authority vehicle. No employee shall operate an Authority vehicle when impaired by a legal drug that may render them incapable of operating a motor vehicle in a safe or responsible manner. Employees are responsible for consulting with their physicians concerning possible impairment caused by prescription or over-the-counter medications they may be taking.

No Authority employee shall smoke or use smokeless tobacco products in an Authority vehicle.

No employee shall possess a weapon in an Authority vehicle.

Authorized drivers must turn off the ignition, close all windows, and lock the doors and trunk of an Authority vehicle whenever the Authority vehicle is left unattended. Employees who lose keys or incur locksmith charges for keys locked in vehicles shall be responsible for those costs.

An authorized driver shall notify law enforcement as soon as possible of any auto accident he or she has in an Authority vehicle. The authorized driver shall notify their supervisor of the accident as soon as possible. The supervisor shall travel to the site of the accident if possible and shall notify the Authority Finance Manager who will contact the insurance company.

Authorized drivers involved in an accident are subject to drug and alcohol testing and may be required to attend a defensive driving course at their own expense.

If it is determined by law enforcement that an Authority employee is at fault in an accident due to the improper, careless, negligent, destructive or unsafe use or operation of equipment or vehicles, the employee may be held responsible for expenses, including deductibles, not covered by insurance and may be subject to disciplinary action up to and including termination.

6.02 Use of Personal Vehicles:

Authority employees may use their personal vehicles if no Authority vehicles are available, with prior written approval by their supervisor for official use.

When an employee is authorized to use his/her personal vehicle in the performance of Authority's work, he/she shall be reimbursed for the cost of said use on the basis of total miles driven as documented in a mileage log showing destinations and odometer readings and at the rate specified in the State of New Mexico Mileage and Per diem Act in effect at the time of said usage.

Proof of insurance coverage for collision, personal injury, and property damage shall be required by the Authority of any employee using a personal vehicle in the performance of Authority's work.

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7. CREDIT CARD POLICY

The Board of Directors adopted Policy 2011-2 at its March 2, 2011 meeting. That policy is attached as Appendix A and made part of this Employee Policy Manual. It includes a form to be completed by each employee who is authorized to use an Authority credit card.

8. UNIFORMS POLICY

Field operations staff are required to dress in Authority issued attire while on duty. Office personnel are required to dress appropriately for the office setting in either the logo shirts issued to them or in business attire. It is the responsibility of each employee to use judgment and common sense in selecting clothing that fits with the function of his/her position while performing their duties and meeting with customers and members of the public. The Purchasing Specialist shall be responsible for tracking the issuance of uniforms, boots and logo-wear to employees. If employees need or desire additional Authority attire over the budgeted price or number items, they may purchase them at their own expense through the Purchasing Specialist.

8.01 Field Staff:

Field operations staff shall be issued five sets of uniforms per year consisting of work shirts and jeans with three sets to be issued in July, two sets to be issued in January, plus one pair of steel-toed work boots per year to be issued in July and a jacket to be issued every two years in October. Newly hired field staff will be issued steel-toed boots and two shirts upon hire and uniforms upon completion of the probationary period. Field staff members are encouraged to wear an Authority logo hat for outdoor work and shall obtain permission from their supervisor for use of non-Authority-issued hats and clothing.

8.02 Office Staff:

Office staff shall be issued two Authority logo shirts per year and a light jacket every two years.

8.03 Management Staff:

Management staff shall be issued logo-wear as appropriate to the needs of their position, but should not exceed the budgeted amount or quantity.

9. PURCHASING POLICY

The Authority shall follow all of the requirements of the New Mexico Procurement Code. Whenever advantageous, the Authority shall take advantage of State Purchasing contracts. Authority purchases shall be made through and tracked by the Purchasing Specialist except when it is necessary or advantageous to make use of an Authority credit card.

10. TRAVEL POLICY

The Authority shall adhere to the requirement of the New Mexico Mileage & Per Diem Act NMSA 1978 10-8-4. Travel should be booked through the Purchasing Specialist with as much advanced notice as possible and must be authorized by the General Manager.

11. CELL PHONE, OFFICE PHONE AND PERSONAL CALLS POLICY

11.01 Cell Phone Safety:

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Refraining from using cell phones in a hand-held position while operating Authority vehicles and equipment will lower the employee's risk of causing or becoming involved in an accident. If use of a cell phone is necessary while driving an Authority vehicle, hands-free cell phone accessories shall be used in areas where required by law.

Cell phones equipped with cameras shall not be used in situations where any individual may have an expectation of privacy. This includes but is not limited to restrooms, locker rooms and training rooms.

11.02 Authority Issued Cell Phones:

The Authority recognizes that certain job functions require that an employee be accessible when away from the office or during times outside scheduled working hours. For this reason, the Authority will provide cell phones to select employees.

Authority cell phones may be assigned to employees provided at least one of the following two criteria is met:

1. The job function of the employee requires considerable time outside of their assigned office or work area and it is important to the Authority that they are accessible during those times,
2. The job function of the employee requires them to be accessible outside of scheduled or normal working hours.

Simple convenience is not a criterion for cell phone need. It is the responsibility of the General Manager to make the determination whether an Authority cell phone is warranted and the type of cell phone plan that is required.

Misuse or inappropriate use of Authority cell phones as determined by management shall be grounds for revocation of Authority cell phone privileges and other disciplinary action.

11.03 Use of Personal Cell Phones:

Personal cellular telephones may be used by employees during hours of work for essential personal calls, or for an occasional personal business call.

Essential personal calls are defined as calls of minimal duration and frequency that are urgent in nature and cannot be made at another time or from a different telephone. Examples of essential personal calls are calls to arrange for care of a child or other family emergency, to alert a family member of an unexpected delay due to a change in work schedule, or to arrange for transportation or service in the event of car trouble, etc.

To the extent possible, personal cellular telephone usage should be confined to rest and lunch breaks, and in locations such that the conversation is not disrupting to other employees or Authority business.

Misuse or inappropriate use of personal cell phones as determined by management shall be grounds for revocation of personal cell phone privileges at work and other disciplinary action.

11.04 Personal Calls on Office Phones:

Office phones may be used by employees during hours of work for essential personal calls, or for an occasional personal business call.

Essential personal calls are defined as calls of minimal duration and frequency that are urgent in nature and cannot be made at another time or from a different telephone. Examples of essential personal calls are calls to arrange

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for care of a child or other family emergency, to alert a family member of an unexpected delay due to a change in work schedule, or to arrange for transportation or service in the event of car trouble, etc.

To the extent possible, personal telephone usage should be confined to rest and lunch breaks, and in locations such that the conversation is not disrupting to other employees or Authority business.

Misuse or inappropriate use of Authority office phones as determined by management shall be grounds for revocation of Authority office phone privileges for personal calls and other disciplinary action.

12. Email, Internet, Computers and Passwords

Employees who violate any of the policies set forth may be subject to disciplinary action up to and including termination.

12.01 Email:

Employees are provided with Authority E-mail accounts and shall regularly read and respond to e-mails. In general, E-mail correspondence should be short, concise and withstand the scrutiny of public disclosure.

1. All E-mail made or received by any employee from their Authority email account is subject to the public records laws.
 - A. All E-mail messages are the property of the Authority
 - B. Jokes, sent and/or forwarded, even to other Authority employees, are not considered Authority business.
 - C. Harassing or obscene messages are strictly prohibited and will result in discipline.
2. As a matter of general policy, the Authority will not regularly read employees' e-mail messages. However, the Authority reserves the right to access messages, and employees should be aware that there is no guarantee of privacy for their Authority e-mail account.

12.02 Internet:

Employees have an obligation to use their Internet access in a responsible and informed way, conforming to network etiquette, customs and courtesies, and representing the Authority in a positive manner.

Employees shall use the Internet for business and work-related communication only. All other usage is prohibited.

Messages transferred via the Internet are public information. Employees are responsible and accountable for communications on the Internet.

It is prohibited to download anything from the internet except downloads which are work-related documents used in performance of work duties.

12.03 Computers:

Computer equipment is to be used only for the purpose for which it is assigned and is not to be used for non-Authority business.

Users shall not install any applications onto an Authority computer without permission from the General Manager. The Authority adheres to all applicable software copyright policies and will not install software without a license.

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All outside media received from third parties must be checked for viruses.

12.04 Passwords:

Passwords and User IDs for access to Authority e-mail, website, computers, phones, door access, software and any other equipment will be assigned to employees and may not be changed by employees. Requests for change of password can be submitted to the employee's supervisor. Unauthorized use of other employees IDs or passwords is strictly prohibited. Employees are responsible to remember and safeguard their assigned passwords and IDs, and if an employee finds it necessary to record his/her passwords and/or IDs, they should be kept in a secure location.

13. Training:

Authorized training is considered to be part of the employees' work week and attendance is mandatory. Employees with specialized licenses or certifications shall make arrangements with their supervisor for attendance and compensation for required training.

13.01 Water & Wastewater Operators:

Certified Operators are responsible for maintaining their certification at the level required by their position with the Authority, and failure to do so may result in loss of position and/or termination of employment. The Authority will make every effort to ensure that certified operators attend training to maintain their current certification (at least 30 credit hours every 3 years).

Operators must submit a request sixty (60) days in advance to attend training to their supervisor in order to allow for scheduling and job coverage.

The Authority shall pay applicable fees for a maximum of two certification examinations per level or additional license for obtaining a higher level of certification or additional certification (i.e. Wastewater in addition to Water). A request and completed application form must be submitted at least forty-five (45) days prior to the exam.

13.02 All Other Training:

The Authority encourages and shall authorize and provide opportunities for continuing education and training for its staff members related to their employment.

14. Employee Benefits:

The Authority has chosen to provide Leave and Paid Holidays (Section 4), Health Insurance, and a Retirement Plan, and encourages employee participation. Insurance coverage and retirement contributions may vary from year to year, and other types of insurance may be made available at the employee's expense. Benefits to Authority employees are provided voluntary by the Authority, and may be altered or terminated at the Authority's discretion.

15. Employee Evaluations:

Each employee shall receive an annual evaluation. Evaluations shall be performed toward the end of the calendar year, not based on length of employment. Evaluations shall be used for determination of continued employment and compensation. A standardized evaluation form will be utilized. The General Manager's evaluation will be performed by the Board of Directors, all others will be done by management.

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16. Termination of Employment:

Upon termination of employment with the Authority for any reason, all Authority equipment, supplies and keys in the employee's possession must be returned to his/her supervisor, and the cost of any unreturned items may be deducted from the final pay. The final pay will be issued as a check, not an electronic deposit, and should be picked up at the office by the employee.

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APPENDIX A

2011-02 Board Policy Regarding Use of Authority-Issued Credit Cards

The Authority will issue credit cards to certain employees/board members for use in their jobs; this policy sets out the acceptable and unacceptable uses of such credit cards. Use of Authority-issued credit cards is a privilege, which the Authority may withdraw in the event of serious or repeated abuse.

The board is responsible for granting credit card privileges to its members as necessary to carry out board duties. The General Manager is responsible for granting credit card privileges to staff and revoking the credit card privileges of any staff or board member who fails to comply with this policy.

Any credit card the Authority issues to an employee/board member must be used for business purposes only, in conjunction with their job duties and documented by receipts for each purchase. Receipts shall be promptly turned in to the General Manager or his/her designee. Repeated failure to provide receipts for purchases shall result in suspension or revocation of credit card privileges.

Employees/board members with such credit cards shall not use them for any non-business, non-essential purpose, i.e., for any personal purchase or any other transaction that is not authorized or needed to carry out their duties. Employees/board members must pay for personal purchases with their own funds or personal credit cards. The Authority will not regard expenses for one's own business-related use, such as lodging and meals while on authority-approved business trips, as personal purchases, so long as such expenses are consistent with the Authority's travel and expense reimbursement policy.

If any board member uses a credit card for personal purchases in violation of this policy, that person's credit card privileges shall be immediately suspended and may not be reinstated except by board action after the cost of such purchase(s) is repaid to the Authority.

If any employee uses a credit card for personal purchases in violation of this policy, the cost of such purchase(s) will be considered an advance of future wages payable to that employee, and will be recovered in full from the employee's next paycheck; any balance remaining will be deducted in full from subsequent paychecks until the wage advance is fully repaid.

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In addition to financial responsibility and liability for wage deductions, any purchases an employee makes with an Authority credit card in violation of this policy will result in disciplinary action, up to and possibly including termination of employment, depending upon the severity and repeat nature of the offense.

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2011-02 Policy Regarding Use of Authority-Issued Credit Cards

Agreement for Wage Deductions Associated with Improper Use of Authority-Issued Credit Cards

I, _____, hereby certify that I understand and agree to abide by the Authority's policy regarding use of Authority-issued credit cards, a copy of which I have received, and which has been explained to me. I agree that if I make any personal purchases in violation of that policy, the amount of such purchases is an advance of future wages payable to me, that the Authority may deduct that amount from my next paycheck(s).

Signature of Employee Date

Employees Name-Printed

Authority Representative Date

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APPENDIX B

Request for Authorization of Outside Employment Form



LOWER RIO GRANDE
Public Water Works Authority

**Request for Prior Approval to Engage in Outside LRGPWWA
Employment or Enterprise**

Instructions: Submit this form to the General Manager for approval/disapproval.

I have read and understand section 2.03 of the LRGPWWA Employee Policy Manual and submit the following information concerning my proposed outside LRGPWWA employment or enterprise. *Additionally, I am aware that if I change job position or duties with the LRGPWWA or the nature of my outside employment changes, I must request re-approval of this request for outside employment.*

Information on Proposed Outside Employer

Name of Proposed Employer: _____

Address of Proposed Employer: _____

Phone number: _____

Outside Employment Working Hours Proposed: _____

Describe nature of work or enterprise in which you will be engaged: _____

Employee Signature and Date _____

Print Name _____

Authorization

Approved Disapproved

Comments: _____

General Manager's Signature and Date

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APPENDIX C

Employee Evaluation Form



Employee Evaluation Form

EMPLOYEE NAME (FIRST, MI, LAST): _____

EMPLOYEE ID #: _____ **JOB TITLE:** _____

DEPARTMENT: _____

PERIOD OF EVALUATION: From: _____ **To:** _____

PART I - INSTRUCTIONS TO RATER

Listed below are five performance factors, seven behavioral traits, and five supervisory factors that are important in the performance of the employee's job. Performance factors and behavioral traits must be utilized for all employees. The supervisor factors should be utilized only for employees with supervisory responsibilities. **NOTE: A rating of Unacceptable (1), Needs Improvement (2) or Superior (5) requires comments.** The "overall performance" evaluation should reflect the employee's total performance, including the performance factors as related to the employee's responsibilities and duties as set forth in the job description, behavioral traits and supervisory factors, if applicable.

MARKING INSTRUCTIONS	<p>1. The supervisor should indicate the employee's performance by using check box next to the appropriate level of performance.</p>
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The following rating scale guide is being provided to assist the evaluator in assigning the most appropriate measurement of the employees' performance factors, behavioral traits and supervisory factors.

- 1 = UNACCEPTABLE** - Consistently fails to meet job requirements; performance clearly below minimum requirements. Immediate improvement required to maintain employment.
- 2 = NEEDS IMPROVEMENT** – Occasionally fails to meet job requirements; performance must improve to meet expectations of position.
- 3 = MEETS EXPECTATIONS** – Able to perform 100% of job duties satisfactorily. Normal guidance and supervision are required.
- 4 = EXCEEDS EXPECTATIONS** – Frequently exceeds job requirements; all planned objectives were achieved above the established standards and accomplishments were made in unexpected areas as well.
- 5 = SUPERIOR** – Consistently exceeds job requirements; this is the highest level of performance that can be attained.

PART II - PERFORMANCE FACTORS

Knowledge, Skills, Abilities – Consider the degree to which the employee exhibits the required level of job knowledge and/or skills to perform the job and this employee's use of established techniques, materials and equipment as they relate to performance.

Unacceptable Superior
 1 2 3 4 5

Comments: _____

1. Quality of Work – Does the employee complete assignments meeting quality standards? Consider accuracy, neatness, thoroughness and adherence to standards and safety rules.

Unacceptable Superior
 1 2 3 4 5

Comments: _____

2. Quantity of Work – Consider the results of this employee's efforts. Does the employee demonstrate the ability to manage several responsibilities simultaneously; perform work in a productive and timely manner; meet work schedules?

Unacceptable Superior
 1 2 3 4 5

Comments: _____

3. Work Habits – To what extent does the employee display a positive, cooperative attitude toward work assignments and requirements? Consider compliance with established work rules and organizational policies.

Unacceptable Superior
 1 2 3 4 5

Comments: _____

4. Communication – Consider job related effectiveness in dealing with others. Does the employee express ideas clearly both orally and in writing, listen well and respond appropriately?

Unacceptable Superior
 1 2 3 4 5

Comments: _____

PART III - BEHAVIORAL TRAITS

1. Dependability – Consider the amount of time spent directing this employee. Does the employee monitor projects and exercise follow-through; adhere to time frames; is on time for meetings and appointments; and responds appropriately to instructions and procedures?

Unacceptable Superior
 1 2 3 4 5

Comments: _____

2. Cooperation – How well does the employee work with co-workers and supervisors as a contributing team member? Does the employee demonstrate consideration of others; maintain rapport with others; help others willingly?

Unacceptable Superior
 1 2 3 4 5

Comments: _____

3. Initiative – Consider how well the employee seeks and assumes greater responsibility, monitors projects independently, and follows through appropriately.

Unacceptable Superior
 1 2 3 4 5

Comments: _____

4. Adaptability – Consider the ease with which the employee adjusts to any change in duties, procedures, supervisors or work environment. How well does the employee accept new ideas and approaches to work, respond appropriately to constructive criticism and to suggestions for work improvement?

Unacceptable Superior
 1 2 3 4 5

Comments: _____

5. Judgment – Consider how well the employee effectively analyzes problems, determines appropriate action for solutions, and exhibits timely and decisive action; thinks logically.

Unacceptable Superior
 1 2 3 4 5

Comments: _____

6. Attendance – Consider number of absences, use of annual and sick leave in accordance with LRGPWWA employee policy manual.

Unacceptable Acceptable

Comments: _____

7. Punctuality – Consider work arrival and departure in accordance LRGPWWA employee policy manual.

Unacceptable Acceptable

Comments: _____

PART IV - SUPERVISORY FACTORS (IF APPLICABLE)

1. Leadership – Consider how well the employee demonstrates effective supervisory abilities; gains respect and cooperation; inspires and motivates subordinates; directs work group toward common goal.

Unacceptable Superior N/A
 1 2 3 4 5

Comments: _____

2. Delegation – How well does the employee demonstrate the ability to direct others in accomplishing work; effectively select and motivate staff; define assignments; oversee the work of subordinates?

Unacceptable Superior N/A
 1 2 3 4 5

Comments: _____

3. Planning and Organizing – Consider how well the employee plans and organizes work; coordinates with others, and establishes appropriate priorities; anticipates future needs; carries out assignments effectively.

Unacceptable Superior N/A
 1 2 3 4 5

Comments: _____

4. Administration – How well does the employee perform day-to-day administrative tasks; manage time; administer policies and implement procedures; maintain appropriate contact with supervisor and utilize funds, staff or equipment?

Unacceptable Superior N/A
 1 2 3 4 5

Comments: _____

5. Personnel Management – Consider how well the employee serves as a role model; provides guidance and opportunities to their staff for their development and advancement; resolves work-related employee problems; assists subordinates in accomplishing their work-related objectives. Does the employee communicate well with subordinates in a clear, concise, accurate, and timely manner and make useful suggestions?

Unacceptable Superior N/A
 1 2 3 4 5

Comments: _____

PART V – REVIEW OF GOALS/OBJECTIVES/SPECIAL ASSIGNMENTS FOR THE PAST YEAR

Where goals, objectives, projects, special assignments, etc. have been clearly established, progress of these tasks should be evaluated. List and evaluate progress made on major pre-determined goals, objectives, projects, and special assignments by marking the appropriate box. The “Comments” space may be used for satisfactory progress but must be used for unsatisfactory progress. Attach additional sheets if necessary.

1. Goal/Objective/Project/Special Assignment

Accomplished or Satisfactory Progress

Unsatisfactory Progress (See “Comments” Below)

2. Goal/Objective/Project/Special Assignment

Accomplished or Satisfactory Progress

Unsatisfactory Progress (See “Comments” Below)

3. Goal/Objective/Project/Special Assignment

Accomplished or Satisfactory Progress

Unsatisfactory Progress (See “Comments” Below)

4. Goal/Objective/Project/Special Assignment

Accomplished or Satisfactory Progress

Unsatisfactory Progress (See “Comments” Below)

PART VI - OVERALL PERFORMANCE

Please use this space to describe the overall performance rating. The overall rating should be a reflection of the performance factors, behavioral traits and supervisory factors.

Unacceptable Superior
 1 2 3 4 5

Comments: _____

SIGNATURES

Supervisor: _____ Date: _____

Supervisor's Name (print): _____

General Manager: _____ Date: _____

Comments: _____

PART VII - TO THE EMPLOYEE:

I have been advised of my performance ratings. I have discussed the contents of this review with my supervisor. My signature does not necessarily imply agreement. My comments are as follows (optional) (attach additional sheets if necessary):

Signature: _____ Date: _____

APPENDIX 1: ESTABLISHMENT OF GOALS/OBJECTIVES/SPECIAL ASSIGNMENTS FOR THE COMING YEAR (IF APPLICABLE)

List below the goals, objectives, projects, or special assignments which should be continued and/or completed in the coming year. It is understood that these goals, objectives, etc. are subject to adjustment or change as situations and priorities change. This section should be detached and kept in departmental files so that it can be updated as the situation warrants and so that it can be used to assist the rater at the end of the next evaluation period. Attach a copy of this completed form to the performance evaluation.

GOALS/OBJECTIVES/PROJECT/SPECIAL ASSIGNMENTS

1. _____

2. _____

3. _____

4. _____

Supervisor's Signature: _____

Date: _____

Employee's Signature: _____

Date: _____

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LEAVE REQUEST FORM

Date _____ Employee No. _____ Dept. _____

Name _____

Date(s) Requested Leave: _____

If half - day, is it AM _____ or PM _____ From: _____ to _____

Hours Requested: _____ Return Date: _____

Check leave requested: ___ Annual (Vacation) ___ Sick ___ Personal Day
 ___ Maternity ___ Military ___ Leave without Pay

Brief explanation (IF NEEDED)

Employee
Signature: _____ **Date** _____

Immediate
Supervisor: _____ **Date** _____

APPROVAL

_____ Date _____
Martin G. Lopez, General Manager

FOR PAYROLL USE

Effective Payroll Period Ending _____

Annual (Vacation) _____ Sick _____ Personal Day _____

LWOP _____ Military _____ Maternity (LWOP) _____

Posted: _____ Comments _____

Vehicles to be removed from service:

#1	Lrg#7	98 Ford	plate G81925	Vin# 1FTZF1727WKB85518 old Berino truck
#2	Lrg#12	02 Chevy	plate G81941	Vin# 1GBHC240X2E141901 Water truck
#3	Lrg#13	98 Chevy	plate G81935	Vin# 1GCHC39JWFO28455 Dually
#4	Lrg# 16	97 Chevy	plate G81940	Vin# 1GBHC34R3VFO53448 Sewer truck
#5	Lrg#1	99 Dodge	plate G81927	Vin# iB7HF16Y5XS305691 4 x 4

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
RESOLUTION NO. 2012-8**

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO WATER TRUST BOARD AND THE NEW MEXICO FINANCE AUTHORITY (THE "LENDERS/GRANTORS") AND THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY (THE "BORROWER/GRANTEE"), IN THE AMOUNT OF FOUR MILLION THREE HUNDRED SEVENTY-ONE THOUSAND SIX HUNDRED THIRTY DOLLARS (\$4,371,630), EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF WATER UTILITY SYSTEM TRANSMISSION AND DISTRIBUTION UPGRADES FOR THE MESQUITE AREA AND THE BERINO AREA, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR PAYMENT OF THE LOAN AMOUNT SOLELY FROM PLEDGED REVENUES; CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

Capitalized terms used in the following preambles have the same meaning as defined in this Resolution unless the context requires otherwise.

WHEREAS, the Borrower/Grantee is a legally and regularly created, established, organized and existing regional public water works authority under the general laws of the State of New Mexico and more specifically, Section 73-26-1 NMSA 1978; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts granted and loaned pursuant to the Loan/Grant Agreement, that the Loan/Grant Amount, together with other moneys available to the Borrower/Grantee, is sufficient to complete the Project, and that it is in the best interest of the Borrower/Grantee and the public it represents that the Loan/Grant Agreement be executed and delivered and that the funding of the Project take place by executing and delivering the Loan/Grant Agreement; and

WHEREAS, the Governing Body has determined that it may lawfully enter into the Loan/Grant Agreement, accept the Loan/Grant Amount and be bound to the obligations and by the restrictions thereunder; and

WHEREAS, the Loan/Grant Agreement shall not constitute a general obligation of the

Borrower/Grantee, the Water Trust Board or the Finance Authority or a debt or pledge of the faith and credit of the Borrower/Grantee, the Water Trust Board, the Finance Authority or the State; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the Secretary this Resolution and the form of the Loan/Grant Agreement which is incorporated by reference and considered to be a part hereof; and

WHEREAS, the Governing Body hereby determines that (i) the Additional Funding Amount is now available to the Borrower/Grantee to complete the Project; or (ii) that the Governing Body will take such steps as are necessary to obtain the Additional Funding Amount within six (6) months after the Closing Date; and

WHEREAS, the Borrower/Grantee acknowledges that, in the event that it is unable to provide the Additional Funding Amount within six (6) months after the Closing Date, the Loan/Grant Agreement shall, at the option of the Water Trust Board and the Finance Authority, terminate and be of no further force or effect; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use of the Loan/Grant Amount for the purposes described, and according to the restrictions set forth, in the Loan/Grant Agreement; (ii) the availability of other moneys necessary and sufficient, together with the Loan/Grant Amount, to complete the Project; and (iii) the authorization, execution and delivery of the Loan/Grant Agreement which are required to have been obtained by the date of this Resolution, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY, NEW MEXICO:

Section 1. Definitions. As used in this Resolution, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

“Act” means the Water Project Finance Act, Sections 72-4A-1 through 72-4A-10, NMSA 1978, as amended and supplemented.

“Additional Funding Amount” means the amount to be provided by the Borrower/Grantee which, in combination with the Loan/Grant Amount, is sufficient to complete the Project or to provide matching funds needed to complete the Project. The Additional Funding Amount is eight hundred seventy-four thousand three hundred twenty-six dollars (\$874,326).

“Administrative Fee” means an amount equal to one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee.

“Authorized Officers” means the the Chairman and the Secretary of the Board of Directors and the General Manager of the Borrower/Grantee.

“Board Rules” means Section 19.25.10 NMAC, as supplemented and amended.

“Borrower/Grantee” means the Lower Rio Grande Public Water Works Authority in Doña Ana County, New Mexico.

“Closing Date” means the date of execution, delivery and funding of the Loan/Grant Agreement.

“Completion Date” means the date of final payment of the cost of the Project.

“Expense Account” means the account established pursuant to this Resolution and held by the Finance Authority to pay the Expenses incurred by the Lenders/Grantors in connection with the Loan/Grant Agreement and the Loan/Grant.

“Expenses” means the costs of originating and administering the Loan/Grant, including legal fees to the extent allowed by the Act, the Board Rules and applicable policies of the Water Trust Board.

“Finance Authority” means the New Mexico Finance Authority.

“Generally Accepted Accounting Principles” means the officially established accounting principles applicable to the Borrower/Grantee consisting of the statements, determinations and other official pronouncements of the Government Accounting Standards Board, Financial Accounting Standards Board, Federal Accounting Standards Board or other principle-setting body acceptable to the Lenders/Grantors establishing accounting principles applicable to the Borrower/Grantee.

“Governing Body” means the Board of Directors of the Borrower/Grantee, or any future successor governing body of the Borrower/Grantee.

“Grant” or “Grant Amount” means the amount provided to the Borrower/Grantee as a grant pursuant to the Loan/Grant Agreement for the purpose of funding the Project, and is three million nine hundred thirty-four thousand four hundred sixty-seven dollars (\$3,934,467).

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to this entire Resolution and not solely to the particular section or paragraph of this Resolution in which such word is used.

“Lenders/Grantors” means the Water Trust Board and the Finance Authority.

“Loan” or “Loan Amount” means the amount provided to the Borrower/Grantee as a loan pursuant to the Loan/Grant Agreement for the purpose of funding the Project, and is four hundred thirty-seven thousand one hundred sixty-three dollars (\$437,163).

“Loan/Grant” or “Loan/Grant Amount” means the combined amount partially provided to the Borrower/Grantee as the Grant Amount and partially borrowed by the Borrower/Grantee as the Loan Amount pursuant to the Loan/Grant Agreement for the purpose of funding the Project.

“Loan/Grant Agreement” means the Water Project Fund Loan/Grant Agreement entered into by and between the Borrower/Grantee, the Water Trust Board and the Finance Authority as authorized by this Resolution.

“NMAC” means the New Mexico Administrative Code.

“NMSA 1978” means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented.

“Pledged Revenues” means the revenues of the Borrower/Grantee pledged to the payment of the Loan Amount and Administrative Fees pursuant to this Resolution and the Loan/Grant Agreement and described in the Term Sheet.

“Project” means the project described in the Term Sheet.

“Project Account” means the auditable book account in the name of the Borrower/Grantee established pursuant to this Resolution and held by the Finance Authority for deposit of the Loan/Grant Amount, as shown in the Term Sheet, for disbursement to the Borrower/Grantee for payment of the costs of the Project.

“Qualifying Water Project” means a water project for (i) storage, conveyance or delivery of water to end-users; (ii) implementation of the federal Endangered Species Act of 1973 collaborative programs; (iii) restoration and management of watersheds; (iv) flood prevention or (v) conservation, recycling, treatment or reuse of water as provided by law; and which has been approved by the state legislature pursuant to Section 72-4A-9(B), NMSA 1978, as amended and supplemented.

“Resolution” means this Resolution as supplemented or amended from time to time.

“State” means the State of New Mexico.

“Term Sheet” means Exhibit “A” attached to the Loan/Grant Agreement.

“Useful Life” means the structural and material design life of the Project.

“Water Project Fund” means the fund of the same name created pursuant to Section 72-4A-9, NMSA 1978, and held and administered by the Finance Authority.

“Water Trust Board” or “WTB” means the water trust board created and established pursuant to the Act.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Borrower/Grantee and officers of the Borrower/Grantee directed toward the acquisition and completion of the Project and the execution and delivery of the Loan/Grant Agreement shall be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of the Project and the Loan/Grant Agreement. The acquisition and completion of the Project and the method of funding the Project through execution and delivery of the Loan/Grant Agreement are hereby authorized and ordered. The Project is for the benefit and use of the Borrower/Grantee and the public whom it serves.

Section 4. Findings. The Governing Body hereby declares that it has considered all relevant information and data and hereby makes the following findings:

A. The Project is needed to meet the needs of the Borrower/Grantee and the public whom it serves.

B. Moneys available and on hand for the Project from all sources other than the Loan/Grant are not sufficient to defray the cost of acquiring the Project but, together with the Loan/Grant Amount, are sufficient to complete the Project.

C. The Project and the execution and delivery of the Loan/Grant Agreement pursuant to the Act to provide funds for the financing of the Project are necessary and in the interest of the public health, safety, and welfare of the public served by the Borrower/Grantee.

D. The Borrower/Grantee will acquire and complete the Project with the proceeds of the Loan/Grant, and except as otherwise expressly provided by the Loan/Grant Agreement, will utilize, operate and maintain the Project for the duration of its Useful Life, which is not less than twenty (20) years, as required by Section 72-4A-7(A)(1), NMSA 1978.

E. Together with the Loan/Grant Amount, the Additional Funding Amount is now available to the Borrower/Grantee, or is expected to become available to the Borrower/Grantee within six (6) months after the Closing Date, and, in combination with the Loan/Grant Amount, will be sufficient to complete the Project and pay Expenses.

F. The Lenders/Grantors shall maintain on behalf of the Borrower/Grantee a separate Project account or Project accounts and financial records in accordance with Generally Accepted Accounting Principles during the construction or implementation of the Project.

G. The Borrower/Grantee has, or will acquire by the Closing Date as required by the Loan/Grant Agreement, title to or easements or rights of way on the real property upon which the Project is being constructed or located.

Section 5. Loan/Grant Agreement—Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the constituent public served by the Borrower/Grantee and acquiring and completing the Project, it is hereby declared necessary that the Borrower/Grantee execute and deliver the Loan/Grant Agreement evidencing the Borrower/Grantee's acceptance of the Grant Amount of three million nine hundred thirty-four thousand four hundred sixty-seven dollars (\$3,934,467) and borrowing the Loan Amount of four hundred thirty-seven thousand one hundred sixty-three dollars (\$437,163) to be utilized solely for the purpose of completing the Project and paying Expenses, and solely in the manner and according to the restrictions set forth in the Loan/Grant Agreement, the execution and delivery of which are hereby authorized. The Borrower/Grantee shall use the Loan/Grant Amount to finance the acquisition and completion of the Project and to pay Expenses.

B. Detail. The Loan/Grant Agreement shall be in substantially the form of the Loan/Grant Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Grant shall be in the amount of three million nine hundred thirty-four thousand four hundred sixty-seven dollars (\$3,934,467) and the Loan shall be in the amount of four hundred thirty-seven thousand one hundred sixty-three dollars (\$437,163). Interest on the Loan Amount shall be zero percent (0%) per annum of the unpaid principal balance of the Loan Amount, and the Administrative Fee shall be one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee.

Section 6. Approval of Loan/Grant Agreement. The form of the Loan/Grant Agreement as presented at the meeting of the Governing Body at which this Resolution was adopted, is hereby approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan/Grant Agreement with such changes, insertions and omissions as may be approved by such individual Authorized Officers, and the Secretary is hereby authorized to attest the Loan/Grant Agreement. The execution of the Loan/Grant Agreement shall be conclusive evidence of such approval.

Section 7. Security. The Loan Amount shall be solely secured by the pledge of the Pledged Revenues herein made and as set forth in the Loan/Grant Agreement.

Section 8. Disposition of Proceeds: Completion of the Project.

A. Project Account and Expense Account. The Borrower/Grantee hereby consents to creation of the Project Account and the Expense Account by the Finance Authority

and approves of the deposit of the Loan/Grant Amount in those accounts as shown in the Term Sheet. Until the Completion Date, the money in the Project Account shall be used and paid out solely for the purpose of acquiring the Project in compliance with applicable law and the provisions of the Loan/Grant Agreement.

B. Completion of the Project. The Borrower/Grantee shall proceed to complete the Project with all due diligence. Upon the Completion Date, the Borrower/Grantee shall execute a certificate stating that completion of and payment for the Project has been completed. Following the Completion Date, any balance remaining in the Project Account shall be transferred and deposited into the Water Project Fund or otherwise distributed as provided in the Loan/Grant Agreement.

C. Water Trust Board and Finance Authority Not Responsible. Neither the Water Trust Board nor the Finance Authority shall in any manner be responsible for the application or disposal by the Borrower/Grantee or by its officers of the funds derived from the Loan/Grant Agreement or of any other funds held by or made available to the Borrower/Grantee in connection with the Project.

Section 9. Payment of Loan Amount. Pursuant to the Loan/Grant Agreement, the Borrower/Grantee shall pay the Loan Amount directly to the Finance Authority as provided in the Loan/Grant Agreement in an amount sufficient to pay principal and other amounts due under the Loan/Grant Agreement and to cure any deficiencies in the payment of the Loan Amount or other amounts due under the Loan/Grant Agreement.

Section 10. Lien on Pledged Revenues. Pursuant to the Loan/Grant Agreement, the Loan/Grant Agreement constitutes an irrevocable lien (but not an exclusive lien) upon the Pledged Revenues to the extent of the Loan Amount, which lien shall be subordinate to any lien on the Pledged Revenues existing on the Closing Date and, further, shall be subordinate to all other indebtedness secured or that may in the future be secured by the Pledged Revenues, except, however, that the lien shall be on parity with any other lien, present or future, for the repayment of any other loan provided to the Borrower/Grantee by the Lenders/Grantors pursuant to the Act.

Section 11. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Loan/Grant Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Resolution and the Loan/Grant Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution and the Loan/Grant Agreement including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Loan/Grant Agreement.

Section 12. Amendment of Resolution. This Resolution after its adoption may be amended without receipt by the Borrower/Grantee of any additional consideration, but only with the prior written consent of the Water Trust Board and the Finance Authority.

Section 13. Resolution Irrepealable. After the Loan/Grant Agreement has been executed and delivered, this Resolution shall be and remain irrepealable until all obligations due under the Loan/Grant Agreement shall be fully discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. Repealer Clause. All bylaws, orders, ordinances, resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 16. Effective Date. Upon due adoption of this Resolution, it shall be recorded in the book of the Borrower/Grantee kept for that purpose, authenticated by the signatures of the Chairman and Secretary of the Borrower/Grantee, and this Resolution shall be in full force and effect thereafter, in accordance with law; provided, however, that if recording is not required for the effectiveness of this Resolution, this Resolution shall be effective upon adoption of this Resolution by the Governing Body.

Section 17. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Resolution shall be published in substantially the following form:

[Remainder of page intentionally left blank.]

[Form of Summary of Resolution for Publication]

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
Notice of Adoption of Resolution**

Notice is hereby given of the title and of a general summary of the subject matter contained in Resolution No. 2012-8, duly adopted and approved by the Board of Directors of the Lower Rio Grande Public Water Works Authority on December 7, 2011. A complete copy of the Resolution is available for public inspection during normal and regular business hours in the office of the Lower Rio Grande Public Water Works Authority, at 325 Holguin Road, Vado, New Mexico 88072.

The title of the Resolution is:

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
RESOLUTION NO. 2012-8**

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO WATER TRUST BOARD AND THE NEW MEXICO FINANCE AUTHORITY (THE "LENDERS/GRANTORS") AND THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY (THE "BORROWER/GRANTEE"), IN THE AMOUNT OF FOUR MILLION THREE HUNDRED SEVENTY-ONE THOUSAND SIX HUNDRED THIRTY DOLLARS (\$4,371,630), EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF WATER UTILITY SYSTEM TRANSMISSION AND DISTRIBUTION UPGRADES FOR THE MESQUITE AREA AND THE BERINO AREA, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR PAYMENT OF THE LOAN AMOUNT SOLELY FROM PLEDGED REVENUES; CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

A general summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with Section 6-14-6, NMSA 1978.

[End of Form of Summary for Publication]

PASSED, APPROVED AND ADOPTED THIS 7TH DAY OF DECEMBER, 2011.

LOWER RIO GRANDE PUBLIC WATER
WORKS AUTHORITY

By _____
Robert Nieto, Chairman

ATTEST:

By _____
Santos Ruiz,
Secretary

[Remainder of page intentionally left blank.]

Governing Body Member _____ then moved adoption of the foregoing Resolution, duly seconded by Governing Body Member _____.

The motion to adopt the Resolution, upon being put to a vote, was passed and adopted on the following recorded vote:

Those Voting Aye:

Those Voting Nay:

Those Absent:

_____ () Members of the Governing Body having voted in favor of the motion, the Chairman declared the motion carried and the Resolution adopted, whereupon the Chairman and Secretary signed the Resolution upon the records of the minutes of the Governing Body.

After consideration of matters not relating to the Resolution, the meeting upon motion duly made, seconded and carried, was adjourned.

LOWER RIO GRANDE PUBLIC WATER
WORKS AUTHORITY

By _____
Robert Nieto, Chairman

ATTEST:

By _____
Santos Ruiz, Secretary

STATE OF NEW MEXICO)
) ss.
COUNTY OF DOÑA ANA)

I, Santos Ruiz, the duly qualified and acting Secretary of the Lower Rio Grande Public Water Works Authority (the "Borrower/Grantee"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board of Directors of the Borrower/Grantee (the "Governing Body"), had and taken at a duly called regular meeting held at the Borrower/Grantee's Vado office, 325 Holguin Road, Vado, New Mexico, on December 7, 2011 at the hour of 9:00 a.m., insofar as the same relate to the adoption of Resolution No. 2012-8 and the execution and delivery of the proposed Loan/Grant Agreement, a copy of which is set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

2. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

3. Notice of the meeting was given in compliance with the permitted methods of giving notice of meetings of the Governing Body as required by the Borrower/Grantee's open meetings standards in effect on the date of the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of January, 2012.

LOWER RIO GRANDE PUBLIC
WATER WORKS AUTHORITY

By _____
Santos Ruiz,
Secretary

EXHIBIT "A"

Notice of Meeting



NEW MEXICO HIGH INTENSITY DRUG TRAFFICKING AREA

2450 Lakeside Dr. Bldg. A, Las Cruces, NM 88007
PH (575) 541-7501 Fax (575) 541-7510

June 10, 2011

Mr. Jim Burleson
New Mexico Sheriff's and Police Association
P.O. Box 37068
Albuquerque, NM 87176

Dear Mr. Burleson:

The Office of National Drug Control Policy is awarding funds to the NM HIDTA Program to support various HIDTA Initiatives. Your fiduciary was awarded the funds as outlined in the attached grant award and supplement to support the Strategy of the HIDTA program. The grant award was issued March 11, 2011 at 42% of your fiduciaries approved FY 2011 amount and the supplemental award May 31, 2011 making up the remaining 58%. This award was issued beginning January 1, 2011 and ends December 31, 2012. The State and Local NM HIDTA Initiatives are expected to begin spending these FY 2011 funds July 1, 2011 and should have expended all or most of the awarded funds by June 30, 2012. The enclosed grant award, supplement and application should be completed and returned to the **NM HIDTA Director's Office as soon as possible as not to delay issuance of funds.**

Detailed information is provided in the cover letter from ONDCP and a request is made that you send the signed Award and Special Conditions to Miami. *However I am asking that you return this paperwork to our office; once received, our office will then forward this information.* This is being done in order to ensure that the NM Director's Office has the same documentation as the Miami Assistance Center.

If you have any questions please contact our office at (575) 541-7503 for assistance.

Sincerely,

Ernesto "Ernie" Ortiz
Director, Southwest Border HIDTA-New Mexico Region

Attachments

JMAR / MSAR

6/13 - orig mailed to
Burleson



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF NATIONAL DRUG CONTROL POLICY
Washington, D.C. 20503

March 11, 2011

Mr. Jim Burleson
New Mexico Sheriff's and Police Association
P.O. Box 37068
Albuquerque, NM 87176

Dear Mr. Burleson:

We are pleased to inform you that your request for funding from the High Intensity Drug Trafficking Areas (HIDTA) Program has been approved, and a grant (Grant Number G11SN0015A) has been awarded in the amount of \$544,835. This grant will support initiatives designed to implement the Strategy proposed by the Executive Board of the SWB - New Mexico HIDTA and approved by the Office of National Drug Control Policy (ONDCP).

The original Grant Agreement, including certain Special Conditions, is enclosed. By accepting this grant, you assume the administrative and financial responsibilities outlined in the enclosed Grant Conditions, including the timely submission of all financial and programmatic reports, the resolution of audit findings, and the maintenance of a minimum level of cash-on-hand. Should your organization not adhere to these terms and conditions, ONDCP may terminate the grant for cause or take other administrative action.

If you accept this award, please sign both the Grant Agreement and the Grant Conditions and return to:

Finance Unit
National HIDTA Assistance Center
11200 NW 20th Street, Suite 100
Miami, FL 33172
(305) 715-7600
Or via email to your respective NHAC accountant.

Please keep the original copy of the Grant Agreement and Grant Conditions for your file. If you have any questions pertaining to this grant award, please contact Jaime Vega at (202) 395-6790.

Sincerely,

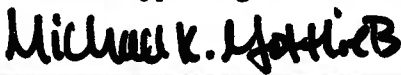
A handwritten signature in black ink that reads "Michael K. Gottlieb".

Michael K. Gottlieb
Acting National HIDTA Director

Enclosures

**Executive Office of the President
Office of National Drug Control Policy**

Grant Agreement

1. Recipient Name and Address Mr. Jim Burleson New Mexico Sheriff's and Police Association P.O. Box 37068 Albuquerque, NM 87176		4. Award Number: G11SN0015A	
		5. Grant Period: From 01/01/2011 to 12/31/2012	
1A. Recipient IRS/Vendor No.: 1850164926A1	6. Date: 3/11/2011	7. Action <input checked="" type="checkbox"/> Initial Supplemental	
Subrecipient Name and Address	8. Supplement Number		
2A. Subrecipient IRS/Vendor No.:	9. Previous Award Amount:		
3. Project Title Multiple	10. Amount of This Award:		\$544,835
	11. Total Award:		\$544,835
12. Consistent with Public Law 111-322, the Continuing Appropriations Act, 2011, this document provides a total budget and spending ceiling as reflected in Block 10 of the Grant Award document, which represents funding at the rate of 42% of the fiscal year 2010 funding level. Accordingly, the sum of all budgets cannot exceed the award amount reflected in Block 10 of the Grant Award document. The Office of National Drug Control Policy acknowledges that the aforementioned funding level is below the stated budget requirements; however, additional funding cannot be made available until enacted through public law.			
13. Statutory Authority for Grant: Public Law 111-322			
AGENCY APPROVAL		RECIPIENT ACCEPTANCE	
14. Typed Name and Title of Approving Official Michael K. Gottlieb Acting National HIDTA Director		15. Typed Name and Title of Authorized Official Jim Burleson New Mexico Sheriff's and Police Association	
16. Signature of Approving ONDCP Official 		17. Signature of Authorized Recipient/Date	
AGENCY USE ONLY			
18. Accounting Classification Code DUNS: 168823854 EIN: 1850164926A1		19. HIDTA AWARD OND10B3SE1112 OND2000000 OC4101	

GRANT CONDITIONS

A. General Provisions

1. This grant is subject to:

- OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Government; or, if applicable, OMB Circular A-21, Cost Principles for Educational Institutions;
- OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments; or, if applicable, OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations;
- OMB Circular A-133, Audits of States, Local Governments and Non-Profit Institutions;
- Government-wide Debarment and Suspension (Non procurement), codified at 21 CFR § 1401 et. seq.;
- Government-wide Requirements for Drug-Free Workplace (Grants), codified at 21 CFR § 1401 et. seq.;
- New Restrictions on Lobbying, codified at 18 USC § 1903 and 31 USC § 1352;
- Nondiscrimination in Federally Assisted Programs and Equal Opportunity Plans requirements are codified at USC, Title VI (42 USC § 2000d et seq.); and
- Immigration and Naturalization Service Employment Eligibility Verification Form (I-9).

2. Audits conducted pursuant to OMB Circular A-133, "Audits of State and Local Governments", must be submitted no later than nine (9) months after the close of the grantee's audited fiscal year. A copy of the audit report and management letter must be sent to:

EOP/ONDCP

Attention: Michael Reles
GSD/RDF (202) 395-6608

Anacostia Naval Annex
Bldg 410/Door 123
250 Murray Lane, SW
Washington, DC 20509

or:

mreles@ondcp.eop.gov

3. Grantees are required to submit Federal Financial Reports (FFR) to the Department of Health and Human Services, Division of Payment Management (HHS/DPM). Other reporting requirements are specified in the HIDTA Program Policy and Budget Guidance.
4. The recipient gives the awarding agency or the Government Accountability Office, through any authorized representative, access to, and the right to examine, all paper or electronic records related to the grant.
5. Recipients of HIDTA funds are not agents of ONDCP. Accordingly, the HIDTA, its fiscal agent(s), HIDTA employees, HIDTA contractors, as well as state, local, and federal HIDTA participants, either on a collective basis or on a personal level, shall not hold themselves out as being part of, or representing, the Executive Office of the President or ONDCP.

B. Special Conditions HIDTA Grants

The following special conditions are incorporated into each award document.

1. This grant is awarded for the initiative(s) named above. Variation from the description of activities approved by ONDCP and/or from the budget attached to this letter must comply with the reprogramming requirements as set forth in ONDCP's HIDTA Program Policy and Budget Guidance.
2. This award is subject to the requirements in ONDCP's HIDTA Program Policy and Budget Guidance.
3. No HIDTA funds shall be used to supplant state or local funds that would otherwise be made available for the same purposes.
4. The requirements of 28 CFR Part 23, which pertain to information collection and management of criminal intelligence systems, shall apply to any such systems supported by this award.
5. Special accounting and control procedures must govern the use and handling of HIDTA Program funds for confidential expenditures; i.e. the purchase of information, evidence, and services for undercover operations. Those procedures are described in Section 6-12 of the HIDTA Program Policy and Budget Guidance.
6. The grant recipient agrees to account for and use program income in accordance with the "Common Rule" and the HIDTA Program Policy and Budget Guidance. Asset forfeiture proceeds generated by the HIDTA-funded initiatives shall not be considered as program income earned by HIDTA grantees.

7. Property acquired with these HIDTA grant funds is to be used for activities of the SWB - New Mexico HIDTA. If your agency acquires property with these funds and then ceases to participate in the HIDTA, this equipment must be made available to the HIDTA's Executive Board for use by other HIDTA participants.
8. All law enforcement entities that receive funds from this grant must report all methamphetamine laboratory seizure data to the National Clandestine Laboratory Database/National Seizure System at the El Paso Intelligence Center.

C. Payment Basis

1. A request for Advance or Reimbursement shall be made using the HHS/DPM system (www.dpm.psc.gov). Copies of invoices or payroll registers must accompany the payment confirmation number to provide documentation for the reimbursement request. Requests for advances must be accompanied by details specifying the need for the advance. Documentation of how the advance was spent must be submitted within 21 days before another advance or reimbursement will be approved.
2. The HIDTAs, or their respective grantees, must utilize the HIDTA program Financial Management System's (FMS) Disbursement module each time they submit a disbursement request to the NHAC. Requests for payment in the DPM system will not be approved unless the required disbursements have been entered into the FMS. Payments will be made via Electronic Fund Transfer to the award recipient's bank account. The bank must be FDIC insured. The account must be interest bearing.
3. Except for interest earned on advances of funds exempt under the Intergovernmental Cooperation Act (31 U.S.C. 6501 et seq.) and the Indian Self-Determination Act (23 U.S.C. 450), grantees and subgrantees shall promptly, but at least quarterly, remit interest earned on advances to HHS/DPM at the address provided below. When submitting your checks, please provide a detailed explanation which should include: reason for check (remittance of interest earned on HIDTA advance payments), check number, grantee name, grant number, interest period covered, and contact name and number.

Ms. Janet Fowler
Division of Payment Management
Department of Health and Human Services

Via U.S. Postal Mail:
P.O. Box 6021
Rockville, MD 20852

Via FedEx:
7700 Wisconsin Avenue
10th Floor
Bethesda, MD 20814