

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
MINUTES - REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, April 18, 2012 at the Vado Office, 325 Holguin Road

NOTE: Minutes are a DRAFT until approved and 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, and Director Rosaura Pargas. Secretary Santos Ruiz arrived late. Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Projects Manager Karen Nichols, Operations Manager Mike Lopez and HR/Payroll Specialist Connie Garcilazo. Also present were Matt Dyer and Tiffany Bloom from South Central Council of Governments (SCCOG). With a quorum established, the meeting was called to order by Mr. Nieto at 9:12am {:22}

- II. **Approval of agenda:** Mr. Holguin made a motion to approve the agenda, Ms. Pargas seconded, and the motion carried on a vote of 3-0. {:35}

- III. **Approval of Minutes of 3/21/12:** Minutes are attached. This item was postponed until Mr. Ruiz arrived because Ms. Pargas was not present at the 3/21/12 meeting, then postponed to the next meeting because Mr. Holguin had to leave the meeting early. {1:27}

- IV. **Guest Presentations:** None

- 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 {2:04}

- VI. **General Manager’s Reports:**
 - A. **Management Report:** Mr. Lopez written report was included in the board packet (attached), and he reviewed it with the board. He also noted that he had received a letter from the new mayor of Anthony (attached), and will respond informing him that we cannot supply as-built plans due to Homeland Security regulations, but can provide ‘stick-drawings’. {13:48}

 - B. **Finance Report**
 1. **FY-12 3rd Quarter Financial Statement** – Ms. Jackson review the financial statement (attached) with the board. Mr. Holguin made a motion to approve the FY-2012 third quarter financial report, and Ms. Pargas seconded. The motion carried on a vote of 3-0. {16:10}

Ms. Jackson also notified the board that credit card payments are available at the Mesquite office and will be made available at the Berino Office at a later date.

 2. **Change in Office Hours to 8:00 – 5:00 – for approval:** Ms. Jackson discussed the proposed change with the board, explaining that it would reduce expenses and solve some staffing issues. Ms. Pargas made a motion to approve the change in Berino and Mesquite office hours starting May 1st 2012, and Mr. Holguin seconded. The motion carried on a vote of 3-0. {22:44}

 - C. **Projects Report:** Ms. Nichols written report was in the board packet (attached) and she presented it to the Board.

1. **Inspector for La Mesa Well Project:** Ms. Nichols explained that the engineer did not yet have a recommendation for an inspector for this project because the person they had in mind took another job. There was some discussion of the need to approve the engineer's recommendation, and a motion was made by Ms. Pargas to authorize Mr. Martin Lopez to review and approve the engineer's recommendation for the inspector for La Mesa Well Project, Mr. Ruiz seconded motion and it carried on a vote of 3-0. {44:04}
 2. **Contract for Administrative Services w/SCCOG for CDBG Planning Grant – PER:** Ms. Bloom discussed the contract (attached) and fee for administrative services with the board. Ms. Pargas made a motion and Mr. Ruiz seconded to approve contract for Administrative Services with South Central Council of Government for CDBG Planning Grant. Motion carried on a vote of 3-0. {46:05}
- D. **Operations Report:** Mr. Mike Lopez presented his report to the board and informed the board that Javier, Ramon, Jose, Miguel and Steven obtained higher water and wastewater certification levels. {57:59}
1. **Joint Resolution FY2012-02 with Butterfield Park for extension of the Interagency O&M Agreement:** Mr. Mike Lopez and Mr. Martin Lopez discussed the Agreement (attached) with the board, explaining that Butterfield Park has been unable to recruit a new operator and that they have been very pleased with our services. Ms. Pargas made a motion to approve extension of the Interagency O&M Agreement for one year, Mr. Ruiz seconded motion and it carried on a vote of 3-0. {58:52}

VII. Unfinished Business:

- A. **Policy for Resolution of complaints against GM –** A motion was made by Mr. Holguin and seconded by Mr. Ruiz to give direction to attorney to update personnel policy to state that board will select a committee of five people to do the actual investigation and make a recommendation back to the board. After some discussion, the motion carried on a vote of 4-0. {42:17}

VIII. New Business:

- A. **Options & costs for additional disconnection notice:** Mr. Lopez presented different options and costs (attached) to the board. Ms. Pargas made a motion to table this item indefinitely, and Mr. Ruiz seconded. After some discussion to clarify the costs involved, the motion carried on a vote of 3-0. {1:13:40}
- B. **FY2012-11 Signature Authority Resolution:** Mr. Martin Lopez explained that this resolution is a requirement for obtaining a title policy which is necessary in order to close on our USDA Rural Development funding. Ms. Pargas made a motion to adopt Resolution FY2012-11 and to authorize Mr. Martin Lopez as signatory for project funding purposes. Mr. Ruiz seconded motion and it carried on a vote of 3-0. {1:16:09}

IX. Other discussion and agenda items for next meeting: Next month's meeting will be on 5/16/12 at 9:00 a.m. at the Vado Office. {1:22:26}

X. Adjourn: A motion made by Ms. Pargas to adjourn the meeting. Mr. Ruiz seconded, the motion carried on a vote of 3-0, and Mr. Nieto declared the meeting adjourned at 10:35 a.m.

Date Minutes Approved: _____

Directors Present:

Chairman, Roberto M. Nieto

Vice- Chairman, John Holguin

Secretary, Santos Ruiz

Director, Rosaura Pargas

Absent
Director, Blanca Martinez

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
SIGN IN SHEET - REGULAR BOARD OF DIRECTORS MEETING
9:00 a.m. Wednesday, April 18, 2012 at the Vado Office, 325 Holguin Road

The sign-in sheet for this meeting is missing. Those present at the meeting were:

Roberto "Marty" Nieto, Board Chairman
John Holguin, Vice-chairman
Santos Ruiz, Secretary
Rosaura Pargas, Director
Martin Lopez, General Manager
Karen Nichols, Projects Manager
Mike Lopez, Operations Manager
Kathi Jackson, Finance Manager
Connie Garcilazo, HR & Payroll Specialist
Tiffany Goolsby, South Central Council of Governments
Matt Dyer, Parkhill, Smith & Cooper

There is a digital recording of the meeting in addition to the minutes.

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

MEETING NOTICE & AGENDA - REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, April 18, 2012 at the Vado Office, 325 Holguin Road

Agendas are final 24 hours prior to the meeting and may be obtained at any LRG PWWA 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 3/21/12
- IV. Guest Presentations:
- 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
 1. FY-12 3rd Quarter Financial Statement – for approval
 2. Change in Office Hours to 8:00 – 5:00 – for approval
 - C. Projects Report
 1. Inspector for La Mesa Well Project
 2. Contract for Administrative Services w/SCCOG for CDBG Planning Grant – PER
 - D. Operations Report
 1. Joint Resolution FY2012-02 with Butterfield Park for extension of the Interagency O&M Agreement
- VII. Unfinished Business:
 - A. Policy for Resolution of complaints against GM – give direction to attorney
- VIII. New Business:
 - A. Options & costs for additional disconnection notice
 - B. FY2012-11 Signature Authority Resolution
- IX. Other discussion and agenda items for next meeting 5/16/12
- 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 LRG PWWA 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 señas, 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 LRG PWWA 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, March 21, 2012 at the Vado Office, 325 Holguin Road

NOTE: Minutes are a DRAFT until they are approved and 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, and Secretary Santos Ruiz. Absent were Directors Rosaura Pargas and Blanca Martinez. Staff members present were General Manager Martin Lopez, Operations Manager Mike Lopez, Projects Manager Karen Nichols, and HR/Payroll Specialist Connie Garcilazo. Also present were Espie Holguin, Matt Dyer, Marcy Trujillo, and Dean Lucky. With quorum established the meeting was called to order by Mr. Nieto at 9:11am. {:21}
- II. **Approval of agenda:** Mr. Holguin made a motion to approve the agenda, Mr. Ruiz seconded, and the motion carried on a vote of 3-0. {:50}
- III. **Approval of Minutes of 2/15/12:** Mr. Holguin made a motion and Mr. Ruiz seconded to approve the minutes dated 2/15/12 (attached). The motion carried on a vote of 3-0. {3:20}
- IV. **Guest Presentations: Matt Dyer of Parkhill, Smith & Cooper presentation on SCADA and electrical system design relative to water/wastewater applications.** Mr. Dyer Mr. Trujillo and Mr. Lucky gave a presentation (attached) regarding Electrical and SCADA System among other services offered by their company. {40:35}
- 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:**
Mr. Lopez presented a letter (attached) from a customer Orlando Jimenez and his concern regarding water service disconnection. Additional disconnect notices and associated cost will be explored and presented next month board meeting. Mr. Lopez also provided copies (attached) of the El Paso Electric Company disconnection procedures from their website. {51:50}
- VI. **General Manager's Reports:**
 - A. **Management Report:** Mr. Martin Lopez's written report was in the board packet (attached) and he presented it to the Board of Directors. {1:02:39}
 - B. **Finance Report:** Ms. Jackson not present due to training. Mr. Lopez informed the board that credit card services should be up and running in the Mesquite and Berino offices and stated that income and expenses for the month of February broke even. {1:03:20}
 - C. **Projects Report:** Ms. Nichols written report was in the board packet (attached) and she reviewed it with the Board. {1:21:38}
 - D. **Operations Report:** Mr. Mike Lopez's written report was in the board packet (attached) and he reviewed with the Board. Mr. Lopez informed the board that the SWAT lab at NMSU which has been handling our microbiological testing will be closing in June and the water samples will be picked up from a lab located in Ruidoso. {1:29:30}

VII. Unfinished Business:

A. Rate Study

- 1. Report on Public Hearing:** A list (attached) of questions and concerns from customers who attended public hearing and responses from Mr. Lopez and Ms. Nichols were included in the board packet. Mr. Lopez reviewed the Powerpoint presentation from the Public Hearing, and Ms. Nichols noted that all deliverables have been received from Medius, Inc., Annette Morales' company which coordinated the hearing. She said that Ms. Morales' son was going to break up the video from the hearing into two or three segments that can be posted on YouTube, and when he gets that done, she will get a link posted on our website or embed the videos if possible. {1:44:40}
- 2. Implementation:** After considering comments from the public, and in order to satisfy the requirements of Rural Development, Mr. Holguin made a motion and Mr. Ruiz seconded to implement water rate increase effective April 1st 2012. Motion carried on a vote of 3-0. {1:49:00}

B. Disposal of old Berino tank

Mr. Lopez informed the Board that two proposals were received and both are for same amount Romero Recycling and Luis Castro. Romero Recycling will additionally pay taxes cost and Insurance information was provided. Mr. Lopez already authorized at previous meeting to make a decision will contact Romero Recycling. {1:52:21}

- C. Election Policy:** Mr. Lopez reviewed the draft policy with the board and informed them that the attorney had already reviewed and revised it. Mr. Ruiz made a motion to adopt the election policy, it was seconded by Mr. Holguin and carried on a vote of 3-0. {1:57:45}

VIII. New Business

- A. Joint Resolution FY2012-01: O&M Interagency Agreement Amendment w/ La Union MDS&WA:** Mr. Ruiz made a motion to extend Operations and Maintenance contract with La Union for one more year, Mr. Holguin seconded the motion and it carried on a vote of 3-0. {2:00:00}

- B. Authorization to apply to Colonias Infrastructure Trust Fund for Mesquite Wastewater Project & Surface Water Treatment Facility Design Project:** Mr. Holguin made a motion to approve submitting applications for Colonias Infrastructure Program Grants for the Mesquite Wastewater Project and the Surface Water Treatment Facility Design Project. Mr. Ruiz seconded motion, and it carried on a vote of 3-0. {2:03:20}

- C. Engineers Tabulation & Recommendation for Bid Award/La Mesa Well Project**
Mr. Holguin made a motion to accept the Engineers Tabulation & Recommendation for Bid Award for the La Mesa Well Project and award the contract to Burn Construction contingent upon USDA Rural Development concurrence. Mr. Ruiz seconded, and the motion carried on a vote of 3-0. {2:06:44}

IX. Other discussion and agenda items for next meeting 4/18/12: Items mentioned for inclusion in the next agenda included seeking a meeting with Governor, approval for attorney to draft an amendment to the personnel policies regarding the handling of complaints against the General Manager, and options and costs of providing additional disconnection notices. {2:06:44}

X. Adjourn

Mr. Holguin made a motion to adjourn the meeting, it was seconded by Mr. Ruiz and carried on a vote of 3-0. Mr. Nieto declared the meeting adjourned at 11:25 a.m.

Date Minutes Approved: _____

LRGPWWA Directors Present:

Chairman, Roberto M. Nieto

Vice- Chairman, John Holguin

Secretary, Santos Ruiz

Absent
Director, Rosaura Pargas

Absent
Director, Blanca Martinez

LRG PWWA
Manager's Report
April 18, 2012

- 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
- Alto de Flores: Is requesting the possible use “rent” of an Authority office room for board
- Request from the City of Anthony for Authority infrastructure within city limits
- Valle Del Rio water system has contacted us about selling their system to Authority
- Meetings/Trainings
 - DAC to discuss Mesquite Recreation Center, today at 2:00 at County
 - Mesquite Sewer Pre-Con meeting April 23rd at 2 pm at Berino Office
 - Butterfield Park and Organ Community Merger meeting April 24, 7 pm (Butterfield Park Community Center)
 - NM Water Trust Board meeting April 25 in Santa Fe
 - NMFA Board meeting April 27
 - Colonias Board May 1, Alamogordo 7:30 am
 - Butterfield Park and Organ Community Merger meeting May 2, 7 pm (Butterfield Park Community Center)

- Butterfield Park Membership merger meeting
May 8, 6:30 pm
- I will attending the NMWWA Northern School
May 13-14 returning May 15th
- RD (Berino-Del Cerro/Mesquite LOC project)
meeting May 15 at 1:30 pm, Mesquite office



City of Anthony

320 Lincoln St. / P.O. Box 2663

Anthony, New Mexico 88021

(575) 882-2983 Office / (575) 882-2978 Fax

Arnulfo Castañeda
Mayor

Diane Murillo, Mayor Pro-tem
Betty Gonzalez, Trustee
James G. Scott, Trustee
Pilar Madrid, Trustee

April 11, 2012

Martin Lopez, General Manager
Lower Rio Grande Public Water Works Authority
325 Holguin Road Box C
Vado, NM 88072

Dear Mr. Lopez,

As the newly elected Mayor for the City of Anthony, New Mexico, I would like to take this opportunity to introduce myself. My name is Arnulfo Castañeda.

My responsibilities as Mayor include working with local agencies such as the Lower Rio Grande Public Water Works Authority. I have had the opportunity to meet many of the leaders of organizations that are key partners in the function of not only the city but the county. At your convenience, I would like to set up a date to meet with you.

I understand that LRGA has water production and delivery infrastructure within our city limits. The city would like to request an "as-built" map that indicates the exact location of such lines to better comprehend the existing infrastructure of the water system.

Should you have any question, please feel free to call me at (575) 882-2983.

Sincerely,

Arnulfo Castañeda
Mayor

UNITED STATES DEPARTMENT OF AGRICULTURE
STATEMENT OF BUDGET, INCOME AND EQUITY

Schedule I

Name LowerRioGrandePublicWaterWorksAuthority	Address 325 Holguin Vado, NM 88072
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(1) OPERATING INCOME	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET BEG 07-01-2011 END 06-30-2012 (3)	For the 01-01-2012 Months Ended 03-31-2012		
			CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
			Actual Data		
			Current Quarter (4)	Year To Date (5)	
1. Water Revenue	1,065,814	1,653,226	252,817	975,906	677,320
2. Sewer Revenue	57,445	63,100	16,368	54,777	8,323
3. _____					0
4. _____					0
5. Miscellaneous					0
6. Less: Allowances and Deductions					0
7. Total Operating Income (Add lines 1 through 6)	1,123,259	1,716,326	269,185	1,030,683	685,643
OPERATING EXPENSES					
8. Salaries, Labor	429,162	769,226	150,338	534,800	234,426
9. Accounting, Legal	172,102	129,900	74,535	207,875	-77,975
10. Taxes, Insurance	207,485	440,000	87,748	232,803	207,197
11. Utilities	235,863	308,700	66,398	208,531	100,169
12. Supplies	229,052	241,000	52,725	201,102	39,898
13. Lab, Chemicals	16,667	25,200	4,383	13,460	11,740
14. _____					0
15. Interest					0
16. Depreciation	393,495	525,000	130,195	360,186	164,814
17. Total Operating Expense (Add Lines 8 through 16)	1,683,826	2,439,026	566,322	1,758,757	680,269
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	-560,567	-722,700	-297,137	-728,074	5,374
NONOPERATING INCOME					
19. Water	41,035	194,000	75,015	352,567	-158,567
20. Sewer	2,648	3,700	1,132	3,542	158
21. Total Nonoperating Income (Add 19 and 20)	43,683	197,700	76,147	356,109	-158,409
22. NET INCOME (LOSS) (Add lines 18 and 21)	-516,884	-525,000	-220,990	-371,965	-153,035
23. Equity Beginning of Period					0
24. _____					0
25. _____					0
26. Equity End of Period (Add lines 22 through 25)	-516,884	-525,000	-220,990	-371,965	-153,035

Budget and Annual Report Approved by Governing Body	Quarterly Reports Certified Correct
_____ Secretary	_____ Date
_____ Appropriate Official	_____ Date

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 2-1/2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

LRGPWWA
Profit & Loss
 January through March 2012

	Jan - Mar 12
Ordinary Income/Expense	
Income	
Interest	31.81
Non-Operating Revenue	
Copy/Fax	152.80
Other Income	5,355.47
Total Non-Operating Revenue	5,508.27
Operating Revenue	
Activation & Connection Fees	8,350.00
Contract Services	9,873.60
Installation Fees	765.17
Membership Fees	850.00
Monthly Services	252,816.38
Monthly Services-Sewer	16,368.19
Other Income	520.50
Penalties-Sewer	1,131.72
Penalties-Water	38,544.89
Returned Check Fees	175.00
Total Operating Revenue	329,395.45
Other Types of Income	
Miscellaneous Revenue	10,299.28
Total Other Types of Income	10,299.28
Total Income	345,234.81
Cost of Goods Sold	
Cost of Goods Sold	-97.00
Total COGS	-97.00
Gross Profit	345,331.81
Expense	
Accounting, Auditing, Legal	
Accounting Fees	6,182.27
Bad Debts	42,654.36
Bank Service Charges	630.17
Engineering Fees	3,042.74
Government Penalties & Interest	4,434.24
Interest Expense	18.05
Legal Fees	8,294.61
Licenses & Fees	178.89
Permit Fees	5,025.00
Postage-Billing	1,884.56
Postage-Other	945.00
Training	745.34
Travel	
Lodging Per Diem	283.34
Meals Per Diem	216.05
Total Travel	499.39
Total Accounting, Auditing, Legal	74,534.62
Depreciation Expense	
Sewer	6,618.66
Water	123,576.54
Total Depreciation Expense	130,195.20
Lab, Chemicals	
Chemicals	3,354.43
Laboratory Fees	1,028.24
Total Lab, Chemicals	4,382.67
Salaries	
Accrued Leave	6,373.82

2:16 PM
04/03/12
Accrual Basis

LRGPWWA
Profit & Loss
January through March 2012

	Jan - Mar 12
Administrative Labor	51,810.00
Clerical Labor	32,372.25
Contract Labor	406.17
Operations Labor	59,375.97
Total Salaries	150,338.21
Supplies	
Cell Phone	6,088.76
Computer Maintenance	10,572.99
Kitchen & Cleaning Supplies	105.09
Materials & Supplies	26,949.51
Office Supplies	4,052.36
Printing and Copying	1,721.70
Telephone	2,581.73
Uniforms-Employee	653.01
Total Supplies	52,725.15
Taxes, Liability, Insurance	
401K 10% Company Contribution	12,872.15
Employee Benefits-401K Contrib	4,995.83
Insurance-Dental	1,418.68
Insurance-General Liability	28,325.00
Insurance-Health	18,460.27
Insurance-Vision	0.00
Payroll Taxes-Federal Unemploy	744.68
Payroll Taxes-Medicare	2,325.82
Payroll Taxes-Social Security	9,944.85
Payroll Taxes-State Unemploy	2,245.60
Payroll Taxes-Worker's Comp Fee	3,646.30
State Taxes	0.00
Water Conservation Fee	2,768.82
Total Taxes, Liability, Insurance	87,748.00
Utilities	
Automobile Repairs & Maint.	6,103.58
Electricity-Office	981.73
Electricity-Operations	35,908.30
Fuel	16,988.30
Garbage Service	457.90
Locates	416.87
Maint. & Repairs-Infrastructure	170.00
Maint. & Repairs-Office	4,059.73
Natural Gas	505.79
Security/Alarm	628.95
Wastewater	176.40
Total Utilities	66,397.55
Total Expense	566,321.40
Net Ordinary Income	-220,989.59
Other Income/Expense	
Other Expense	
Ask My Accountant	0.00
Total Other Expense	0.00
Net Other Income	0.00
Net Income	-220,989.59

LRGPWWA
Profit & Loss
 July 2011 through March 2012

	Jul '11 - Mar 12
Ordinary Income/Expense	.
Income	
Grant Income	50,463.28
Interest	313.01
Investments	
Interest-Savings, Short-term CD	144.48
Total Investments	144.48
Meter Relocation	2,400.00
Non-Operating Revenue	
Copy/Fax	235.70
Other Income	8,961.64
Total Non-Operating Revenue	9,197.34
Operating Revenue	
Activation & Connection Fees	10,720.00
Contract Services	26,976.29
Impact Fees	4,800.00
Installation Fees	10,124.91
Late Fees	2,240.00
Membership Fees	1,200.00
Monthly Services	975,905.70
Monthly Services-Sewer	54,777.25
Other Income	3,023.66
Penalties-Sewer	3,542.34
Penalties-Water	118,536.17
Returned Check Fees	420.00
Total Operating Revenue	1,212,266.32
Other Types of Income	
Miscellaneous Revenue	119,125.92
Total Other Types of Income	119,125.92
Total Income	1,393,910.35
Cost of Goods Sold	
Cost of Goods Sold	7,118.42
Total COGS	7,118.42
Gross Profit	1,386,791.93
Expense	
Accounting, Auditing, Legal	
Accounting Fees	17,099.85
Bad Debts	42,654.36
Bank Service Charges	1,866.77
Cash Short/Over	-72.72
Dues and Subscriptions	1,231.00
Engineering Fees	69,223.44
Government Penalties & Interest	9,386.73
Interest Expense	13,794.65
Legal Fees	21,341.87
Legal Notices	612.07
Licenses & Fees	248.89
Loan Interest	6,762.10
Meals	73.09
Permit Fees	8,863.00
Postage-Billing	6,686.33
Postage-Other	2,966.66
Professional Fees-Other	3,972.00
Tank Site Lease	100.86
Training	1,885.34
Travel	
Lodging Per Diem	2,640.73
Meals Per Diem	1,434.19
Mileage/Parking Per Diem	52.67

LRGPWWA
Profit & Loss
 July 2011 through March 2012

	Jul '11 - Mar 12
Travel - Other	80.00
Total Travel	4,207.59
Total Accounting, Auditing, Legal	212,903.88
Depreciation Expense	
Sewer	19,855.98
Water	340,330.06
Total Depreciation Expense	360,186.04
Lab, Chemicals	
Chemicals	11,613.25
Laboratory Fees	1,821.07
Lab, Chemicals - Other	26.00
Total Lab, Chemicals	13,460.32
Salaries	
Accrued Leave	38,940.78
Administrative Labor	171,479.23
Clerical Labor	111,161.38
Contract Labor	1,243.65
Merit	5,377.44
Operations Labor	206,496.23
Total Salaries	534,698.71
Supplies	
Cell Phone	15,660.98
Computer Maintenance	44,291.69
Internet	1,452.00
Kitchen & Cleaning Supplies	399.82
Materials & Supplies	116,696.67
Office Supplies	8,133.48
Printing and Copying	2,692.83
Telephone	6,587.58
Uniforms-Employee	3,337.25
Supplies - Other	1,849.34
Total Supplies	201,101.64
Taxes, Liability, Insurance	
401K 10% Company Contribution	44,106.30
Employee Benefits-401K Contrib	16,124.98
GRT	3,503.97
Insurance-Dental	4,718.42
Insurance-General Liability	45,586.00
Insurance-Health	55,202.94
Insurance-Life,Disability	-41.28
Insurance-Vision	0.00
Insurance - Liability, D and O	16,326.00
Payroll Taxes-Federal Unemploym	755.51
Payroll Taxes-Medicare	2,722.11
Payroll Taxes-Social Security	15,162.78
Payroll Taxes-State Unemploymen	2,668.95
Payroll Taxes-Worker's Comp Fee	10,205.90
State Taxes	338.77
Water Conservation Fee	10,494.06
Total Taxes, Liability, Insurance	227,875.41
Utilities	
Automobile Repairs & Maint.	17,021.35
Electricity-Office	981.73
Electricity-Operations	105,944.90
Equipment Rental	257.56
Fuel	46,776.18
Garbage Service	1,254.70
Locates	2,010.92
Maint. & Repairs-Infrastructure	22,436.08

LRGPWWA
Profit & Loss
July 2011 through March 2012

	<u>Jul '11 - Mar 12</u>
Maint. & Repairs-Office	5,660.25
Maintenance & Repairs-Other	2,738.48
Natural Gas	826.66
Security/Alarm	2,136.88
Wastewater	485.10
Total Utilities	<u>208,530.79</u>
Total Expense	<u>1,758,756.79</u>
Net Ordinary Income	-371,964.86
Other Income/Expense	
Other Expense	
Ask My Accountant	0.00
Total Other Expense	<u>0.00</u>
Net Other Income	<u>0.00</u>
Net Income	<u><u>-371,964.86</u></u>

LRGPWWA
Balance Sheet
 As of March 31, 2012

Mar 31, 12

ASSETS	
Current Assets	
Checking/Savings	
Berino/Mesquite Water Project	-59,283.82
Citizens Bank CD	11,344.48
Citizens Bank LRGPWWA	10,431.52
Citizens Bank LRGPWWA-Refundabl	-13,970.04
LowerRio2-Loan Reserve Acct	42,487.77
LRGPWWA DEBT SERVICE PAYOFF	28,319.85
LRGPWWA La Mesa Water Project	396.46
LRGPWWA Mesquite Sewer Project	499.43
LRGPWWA Reserve Account	
Alto Interconnection Reserve	5,000.00
Annual Debt Service Reserve	120,000.00
Gas Chlorination Reserve	16,000.00
Meters & Backflow Replacement	15,000.00
Operations & Maintenance Reserv	-130,168.56
Project Development Reserve	-86,994.94
SCADA Reserve	50,000.00
Storage Tank Rehab Reserve	8,000.00
Vehichle Replacement Reserve	35,000.00
Water Rights Reserve	-18,100.00
Well Parts Reserve	30,000.00
LRGPWWA Reserve Account - Other	5,009.37
Total LRGPWWA Reserve Account	48,745.87
Total Checking/Savings	68,971.52
Accounts Receivable	
A/R-Contract Services	19,960.44
Total Accounts Receivable	19,960.44
Other Current Assets	
A/R	
A/R-Water & Sewer Cycle 1	126,613.24
A/R Water & Sewer Berino	32,676.04
A/R Water & Sewer Mesquite	1,974.04
A/R Water Desert Sands	40,063.64
Total A/R	201,326.96
A/R-Other	-118,344.88
Construction In Progress	
Brazito Sewer Extension	24,353.82
Del Cerro/Mesquite Phase IV	147,808.43
Total Construction In Progress	172,162.25
Employee Advances	-468.58
Inventory Asset	361.90
Petty Cash	1,026.03
Prepaid Rent-Tank Site Lease	7,967.85
Reimbursable Expenses Paid	109,655.36
Returned Checks	1,414.65
Undeposited Funds	200.00
Total Other Current Assets	375,301.54
Total Current Assets	464,233.50
Fixed Assets	
Accumulated Depreciation	-5,163,058.61
Building	
La Mesa Office Building	157,441.69
Building - Other	775,419.36
Total Building	932,861.05
Constr in Prog-Water System DS	1,868,697.26
Furniture and Equipment	593,061.10

LRGPWWA
Balance Sheet
 As of March 31, 2012

	Mar 31, 12
Land	121,869.38
Land Improvements	13,187.60
Software	19,988.36
Vehicles	189,440.00
Water & Sewer System	13,211,045.89
Total Fixed Assets	11,787,092.03
Other Assets	
Berino/Del Cerro Water Project	55,140.82
Mesquite Sewer Project	16,929.31
Water Rights	9,199,171.20
Total Other Assets	9,271,241.33
TOTAL ASSETS	21,522,566.86
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
A/P- Water/Sewer Phase I & II	103,394.61
A/P Operating	25,535.95
Total Accounts Payable	128,930.56
Credit Cards	
Capital One	-191.17
Capital One-La Mesa	-2,106.23
Chevron/Texaco	41.00
Citizens Bank VISA	
Office Card	1,072.76
Total Citizens Bank VISA	1,072.76
Home Depot	-289.63
Total Credit Cards	-1,473.27
Other Current Liabilities	
*Direct Deposit Liabilities	-1,729.05
Customer Deposits	
Hydrant Meter Deposits	15,777.30
Renter Deposits	25,576.72
Customer Deposits - Other	-15,323.93
Total Customer Deposits	26,030.09
DAC Trash Coupons	4,247.30
Disability Insurance (AFLAC)	250.30
Gross Receipts Tax	9,317.95
Payroll Liabilities	
Blue Cross Dental	2,523.31
Federal	
Income Tax Withholding	21,307.54
Medicare	843.27
Social Security	2,545.46
Unemployment	744.68
Total Federal	25,440.95
Lovelace Health Payable	-11,927.94
Retirement	
401K 10% Annual Contribution	15,242.70
EE Contributions/ER Matching	-165.09
Employee Loans	-122.56
Total Retirement	14,955.05
State	
Income Tax Withholding	3,093.85
Unemployment	9,924.41
Total State	13,018.26

LRGPWWA
Balance Sheet
As of March 31, 2012

	<u>Mar 31, 12</u>
Workers' Comp Fee Employee	504.40
Payroll Liabilities - Other	3,619.54
Total Payroll Liabilities	48,133.57
Plan/Blueprint Deposits	1,600.00
Total Other Current Liabilities	87,850.16
Total Current Liabilities	215,307.45
Long Term Liabilities	
NMFA-LOWERRIO2	764,802.10
NMFA Trucks Desert Sands	36,884.84
RIP 88-12R La Mesa	55,578.42
Total Long Term Liabilities	857,265.36
Total Liabilities	1,072,572.81
Equity	
Contributed Equity	
Berino	5,330,273.61
Desert Sands	5,682,548.17
La Mesa	3,455,890.29
Mesquite	6,346,046.74
Vado	617,278.68
Total Contributed Equity	21,432,037.49
Opening Balance Equity	500.00
Unrestricted Net Assets	-610,578.58
Net Income	-371,964.86
Total Equity	20,449,994.05
TOTAL LIABILITIES & EQUITY	21,522,566.86

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
4/18/12 BOARD OF DIRECTORS MEETING
PROJECTS REPORT**

Authority Construction Projects:

LRG-11-01 - La Mesa Water System Improvements – Molzen Corbin – Bid Stage – RD - \$2,040,346: Bid opening was 3/1/12, contingent award to Burn Construction at last meeting, pending RD concurrence.

LRG: 11-02.1 -Mesquite Wastewater Project – Gannett Fleming– BID Stage - \$7,262,081: RD had issues with contract documents because forms were not current and questions about the additional cost. This was addressed by the engineer to RD satisfaction, a Change Order was initiated to update the forms, and we are still awaiting closing instructions. Application is has been submitted to the CITF for the unfunded bid lots. Title binder was issued, and it required two Release of Mortgage forms to be corrected by RD and the Signatory Authority Resolution on today’s agenda. Pre-bid Conference is scheduled for 2 pm on 4/23/12 at Vado office.

LRG-11-02.2 - Authority/Brazito Sewer Project – Vencor – Planning Stage – CDBG/SAP: Met w/engineer on 2/13/12, they will have environmental reports and sewer model complete by mid-April.

LRG-11-03 – Interconnect & Looping Project – Additional phases pending new PER.

LRG-11-03.4 Mesquite/Brazito Water Emergency Water Interconnect & Supplemental Wells – Planning/Funding: Vencor has a preliminary map and has developed a project budget. Funding application has been submitted to NAD Bank/BECC CAP.

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: WTB Quarterly Report was submitted. WTB portion should is nearly ready to bid. Plans & specs for RD portion of project were submitted to RD, NMED-CPB & DWB and DAC. NMED-CPB returned the plans & specs because of issues with NMFA paying for their review. Also, RD did not require their review in LOC. Next teleconference with RD is 5/8/12. Expected completion date for the LOC notebook is well before the August deadline.

LRG-11-05 – Surface Water Treatment Plant – Design phase - PER (approved) & EID (approved 11/18/11) completed by CE&M, USDA-RD NOI published 7/9/11, public meeting 7/20/11. WTB application received legislative authorization; Capital Outlay was vetoed by the governor. Presented the project to the Water Trust Board on 3/28/12. Met with Mr. Esslinger & Ms. Singleman at EBID to discuss SWUA issues, then with Mr. Martinez of Doña Ana MDWCA, and will follow up.

LRG-12-03 – Authority-Alto de Las Flores Interconnect – planning - supplemental well applications for LRGPWWA & ADLFMDWCA have been submitted to NM-OSE, application has been submitted to NM-DFA for 2009 & 2010 Colonias Initiative Surplus Funds. These applications are being reviewed with CITF.

Authority PERs/EAs/40 Yr. Water Plan:

LRG-12-01 – Authority PER – prelim. planning: CDBG Planning Grant Application \$50,000 awarded 1/9/12. Grant Agreement has been executed, authorization to use funds has been received, ESA is under negotiation.

Forty-Year Water Plan – CE&M – complete: pending NM-OSE comments/approval.

Return Flow Credit Plan – CE&M – GF – Pending Review: Drafted and submitted to Ms. Thacker at local NM-OSE 12/21/11.

Radio Read Meters – in-house – SRF Fund: Project Interest Form for funding request of \$595,000 was approved at 25% subsidized + 25% grant = 50% grant, 50% loan at 0%. FM supplied additional financial information requested by NMFA. We were advised by Leandro Cordova at NMFA that loan forgiveness has been increased to 75%, will be on NMFA Agenda for 4/27/12.

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. Still pending as-builts from Smithco and O&M manual from Gannett. No change from last report.

LRG MDWA Projects:

Castillo Rd - La Mesa/Mesquite Interconnect – CE&M – construction incomplete: Bridge crossing pipe has been replaced and passed pressure test. Contractor has provided as-builts for NM-DOT permit, and final invoice has been paid. This project is complete.

La Mesa Building (jointly funded by La Mesa & LGRMDWA) – Molzin Corbin – under construction - NMED - SAP08-3099, Colonias 09-3118: 12 pay requests have been submitted, 11 have been paid. Walk-thru for substantial completion was held 4/12/12, punch-lists have been compiled. CO #3 is being prepared to add a light fixture for the sign, panic buttons to the alarm system, a video security system, phone system, equipment to establish an intranet/LAN, and adjust the furniture allowance. Nearly all submittals are complete. Furniture will be in by completion date. Contractor seems to have resolved (with our help) payment/non-performance issues with a subcontractor. Amendment #5 to engineering contract is under negotiation to reduce it by \$2,910 for items in original contract that were less than budget or not performed.

Other projects:

Website: Board Minutes Page is up to date. Rate Hearing videos have been added to the site.

EBID Surface Water Treatment Plant – Will be setting up a meeting with Dr. Cadena to discuss.

Application for NMED Sustainability Award – submitted 4/12/12

EXHIBIT 3-B

CONTRACT FOR ADMINISTRATIVE SERVICES

Project Lower Rio Grande Public Water Works Authority (LRGPWWA) PER, Environmental Documents, and Hydraulic Model for Water System Improvements

Contract N°. _____ Project N°. 11-C-NR-I-06-G-103



Distribution to:

- Owner
- Planner
- Project Representative
- Funding Agency
- Other

Community Development Block Grant Program

This Agreement entered into this ____ day of _____, 20____, by and between

the **“Grantee”**

and the **“Consultant”**

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LRGPWWA
325 Holguin Road, Box C
Vado, NM 88072
(575) 571-3628

South Central Council of Governments
P.O. Box 1072
Elephant Butte, NM 87935
(575) 744-0039

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[This document was prepared to be used with Community Development Block Grant and state funded projects. This document has important legal consequences; consultation with an Attorney is encouraged with respect to its completion or modification]

PART I -- AGREEMENT

This Agreement for professional services is by and between The Lower Rio Grande Public Water Works Authority (LRGPWWA), (hereinafter called the "Grantee" or "Owner") and South Central Council of Governments a corporation organized under the laws of the State of New Mexico, (hereinafter called the "Consultant").

WITNESSETH THAT:

WHEREAS, Grantee has entered into an agreement with the State of New Mexico for the implementation of the Community Development Block Grant (CDBG) Program pursuant to Title 1 of the Housing and Community Development Act of 1974; and,
WHEREAS, Grantee desires to engage Consultant to render certain administrative services in connection with its CDBG Program;

NOW, THEREFORE, the parties do mutually agree as follows:

1. Employment of Consultant

Grantee agrees to engage Consultant, and Consultant agrees to satisfactorily perform the following scope of services:

2. Scope of Services

- A. With the assistance of the grantee, help conduct public hearings. This includes, but is not limited to, tasks such as assisting with public hearings, preparing public notices, and documenting citizen input.
- B. Prepare Environmental Review Record for all activities. Responsibilities include making a recommendation to the local governing body as to a finding of the level of impact, preparation of all required public notices, preparation of the Request for Release of Funds, and obtaining adequate backup documentation. For activities which are not exempt from environmental assessments, an environmental assessment will be prepared. For activities which are exempt or categorically excluded from environmental assessments, a written Finding of Exemption will be prepared, which should identify the project or activity, and under which category of exemption it falls. Documentation of compliance with the requirements of historic preservation, flood plains and wetlands, and other applicable authorities must be included.
- C. Coordinate requests for payment with the grantee to insure consistency with the letter of credit procedures established for the CDBG program.

- D. Insure that the grantee has an acceptable financial management system for the CDBG program. An acceptable system includes, but is not limited to, cash receipts and disbursement journal and accompanying ledgers, and should conform to generally accepted principles of municipal accounting.
- E. Establish grantee project files. These must be maintained in compliance with all applicable state, local and federal regulations. Monitor project files throughout the program to insure they are complete and that all necessary documentation is being retained in the grantee's files.
- F. If applicable, assist grantee in complying with regulations governing land acquisition (real property, easements, rights of way, donation of property, etc.).
- G. Obtain contractor and subcontractor clearances from the state.
- H. Check weekly payrolls to insure compliance with wage decisions. Conduct on-site interviews and compare the results with appropriate payrolls.
- I. Monitor construction to insure compliance with Equal Opportunity and Labor Standards Provisions.
- J. Make progress inspections and certify partial payment requests.
- K. Accompany design professional on final inspection and issue a final certificate of payment.
- L. Prepare close-out documents to include Project Completion Report, Final Wage Compliance Report, and Certificates of Completion.

Services in each of the task areas above shall be performed at the direction of the Director, Department of Community Development, or his designated representative.

3. Time of Performance

The Consultant shall commence work on April 1, 2012, and shall continue providing services in the sequence appropriate to Grantee's CDBG project. All services shall be completed no later than twenty four months from the date of this Agreement.

4. Access to Information

It is agreed that all available information, data, reports, records and maps shall be furnished to Consultant by Grantee and its agencies. No charge will be made to Consultant for such information, and Grantee and its agencies will cooperate with Consultant to facilitate the performance of the work described in this Agreement.

5. Compensation and Method of Payment

The maximum amount of compensation and reimbursement to be paid hereunder shall not exceed **Four (4) quarterly installments of \$1,250.00 (\$5,000 total)** for all services, including travel,

per diem and other expenses. Final payment, or twenty-five percent (25%) of the total contract amount shall be retained by Grantee until formal closeout of the project by the state. For payments due, Consultant shall submit quarterly invoices to Grantee for costs incurred in that period.

6. Ownership of Documents

All documents and data produced are the property of the Grantee. Consultant may retain reproducible copies.

7. Indemnification

Consultant shall comply with the requirements of all applicable laws, rules, and regulations, and shall assume full responsibility for payment of federal, state, and local taxes or contributions imposed or required under Social Security, Workman's Compensation, and income tax laws. Consultant shall hold Grantee harmless with respect to any damages, expenses, or claims arising from or in connection with any negligent acts, errors or omissions performed by Consultant under this Agreement. This shall not be construed as a limitation of Consultant's liability under this Agreement, or as otherwise provided by law.

8. Expert Testimony

Grantee agrees to pay for additional staff time, at the contract hourly billing rates, plus expenses at cost, that might be required for expert testimony or court appearances, including preparation time and legal costs that might arise because of Consultant's involvement in this assignment, whether subpoenaed by the Grantee or any other party.

9. Terms and Conditions

This Agreement is subject to the provisions titled "Part II, Federal Terms and Conditions for Professional Services" consisting of six (6) pages, attached hereto and incorporated herein by reference.

10. Address for Notices and Communications

Grantee: <u>LRGPWWA</u>	Consultant: <u>South Central Council of Governments</u>
<u>325 Holguin Road, Box C</u>	<u>P.O. Box 1072 or 600 Hwy 195 Suite D</u>
<u>Vado, NM 88072</u>	<u>Elephant Butte, NM 87935</u>
<u>(575)571-3628</u>	<u>(575) 744-0039</u>

11. Captions

Each paragraph of this Agreement has been supplied with a caption only to serve as a guide to the contents. The caption does not control the meaning of a paragraph or in any way determine its interpretation or application.

ATTEST:

Grantee: LRGPWWA

Santos Ruiz - Secretary

Roberto M. Nieto – Chairman

Consultant: South Central Council of Governments

By: _____

Title: _____

Date: _____

PART II
FEDERAL TERMS AND CONDITIONS FOR PROFESSIONAL SERVICES

State administered Community Development Block Grant monies are federal funds. Section 13-1-30B NMSA 1978 of the Procurement Code stipulates: "When a procurement involves the expenditure of federal funds, the procurement shall be conducted in accordance with mandatory applicable federal law and regulations. When mandatory applicable federal law or regulations are inconsistent with the provisions of the Procurement Code, compliance with federal law or regulations shall be compliance with the Procurement Code." The applicable governing federal procurement standards are defined in OMB Circular A-102, Attachment O. When federal and state procurement policies are different, the more restrictive policies apply so long as they are consistent with Circular A-102 standards.

1. **Termination of Contract for Cause** - If, through any cause, the Consultant shall fail to fulfill in timely and proper manner his obligations under this Contract, or if the Consultant shall violate any of the covenants, agreements, or stipulations of this Contract, the Owner shall there-upon have the right to terminate this Contract by giving written notice to the Consultant of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys and reports prepared by the Consultant under this Contract shall, at the option of the Owner, become its property and the Consultant shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

Notwithstanding the above, the Consultant shall not be relieved of liability to the Owner damages sustained by the Owner by virtue of any breach of the Contract by the Consultant, and the Owner may withhold any payments to the Consultant for the purpose of set-off until such time as the exact amount of damages due the Owner from the Consultant is determined.

2. **Termination for Convenience of the Owner** - The Owner may terminate this contract at any time by giving at least ten (10) days notice in writing to the Consultant. If the Contract is terminated by the Owner as provided herein, the Consultant will be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the Consultant, paragraph 1 hereof relative to termination shall apply.
3. **Changes** - The Owner may, from time to time, request changes in the scope of the services of the Consultant to be performed hereunder. Such changes, including any increase or decrease in the amount of the Consultant compensation, which are mutually agreed upon by and between the Owner and the Consultant, shall be incorporated in written amendments to this contract.
4. **Personnel** -
 - a. The Consultant represents that he has, or will secure at his own expense, all personnel required in performing the services under this Contract. Such

- personnel shall not be employees of or have any contractual relationship with the Owner.
- b. All of the services required hereunder will be performed by the Consultant or under his supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state and local law to perform such services.
 - c. None of the work or services covered by this contract shall be subcontracted without the prior written approval of the Owner. Any work or services subcontracted hereunder be specified by written contract or agreement and shall be subject to each provision of this Contract.
5. **Assignability** - The Consultant shall not assign any interest on this Contract, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the Owner thereto: Provided, however, that claims for money by the Consultant from the Owner under the Contract may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the Owner.
 6. **Reports and Information** - The Consultant, at such times and in such forms as the Owner may require, shall furnish the Owner such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.
 7. **Records and Audits** - The Consultant shall maintain accounts and records, including personnel, property and financial records, adequate to identify and account for all costs pertaining to the Contract and such other records as may be deemed necessary by the Owner and to assure proper accounting for all project funds, both federal and non-federal shares. These records will be made available for audit purposes to the Owner or any authorized representative, and will be retained for six (6) years after the expiration of this Contract unless permission to destroy them is granted by the Owner and the funding agency.
 8. **Findings Confidential** - All of the reports, information, data, etc., prepared or assembled by the Consultant under this Contract are confidential and the Consultant agrees that they shall **not** be made available to any individual or organization without the prior written approval of the Owner.
 9. **Copyright** - No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Consultant.
 10. **Compliance with Local Laws** - The Consultant shall comply with all applicable laws, ordinances and codes of the State and the Owner, and the Consultant shall save the Owner harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Contract.

11. **Equal Employment Opportunity** - During the performance of this Contract, the Consultant agrees as follows:
- a. The Consultant will not discriminate against any employee or applicant for employment because of race, creed, sex, color or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, sex, color or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Owners setting forth the provisions of this non-discrimination clause.
 - b. The Consultant will, in all solicitation or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, or national origin.
 - c. The Consultant will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
 - d. The Consultant will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
 - e. The Consultant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the Owner's representative, the funding agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
 - f. In the event of the Consultant's non-compliance with the equal opportunity clauses of this Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the Consultant may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
 - g. The Consultant will include the provisions of paragraphs (a) through (g) in

every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Consultant will take such action with respect to any subcontract or purchase order as the Owners's representative may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that in the event the Consultant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Owner, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.

12. **Civil Rights Act of 1964** - Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

13. **Section 109 of the Housing and Community Development Act of 1974**

No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

14. **"Section 3" Compliance in the Provision of Training, Employment and Business Opportunities**

- a. The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
- b. The parties to this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- c. The Consultant will send to each labor organization or representative or workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this

Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

- d. The Consultant will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135. The Consultant will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
 - e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued hereunder prior to the execution of the contract, shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors and assigns to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided, and to such sanctions as are specified by 24 CFR Part 135.
15. **Interest of Members of the Owner** - No member of the governing body of the Owner and no other officer, employee, or agent of the Owner who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this contract; and the Consultant shall take appropriate steps to assure compliance.
 16. **Interest of other Local Public Officials** - No member of the governing body of the Owner and no other public official of the Owner, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract; and the Consultant shall take appropriate steps to assure compliance.
 17. **Interest of Consultant and Employees** - The Consultant covenants that he presently has no interest and shall not acquire interest, direct or indirect, in the study area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The Consultant further covenants that in the performance of this Contract, no person having any such interest shall be employed.
 18. **Access to Records** - The State funding (grantor) agency, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Engineer which are directly pertinent to this specific contract, for the purpose of audits, examinations, and making excerpts and

transcriptions.

All records connected with this contract will be maintained in a central location by the Owner and will be maintained for a period of six (6) years from the official date of close-out of the grant.

Lower Rio Grande PWWA

Operators Report

April 18, 2012

System Problems and Repairs.

- Backflow inspections are current.(Mesquite District)
- Sewer tank inspections are current.(Mesquite District)
- No major problems with the Lower Rio Grande system.
- 3 new services in the Berino district.
- 4 new services in the Desert Aire.
- 2 new services in La Union.
- 2 new services in the Mesquite district.
- We had a Main Line leak on Shrode Rd. in Berino.
- We had 2 main line breaks in Butterfield Park.
- We assisted Vencor's surveyor's pot hole the water lines from stern and Hwy 228 south to Gonzales dairy.
- Smithco construction broke a 4" main line in front of the new general dollar.
- On April 16th at 5:00 pm we received a call to a main line water break on 10 Fern Ct.
- Water operator's obtaining higher water/wastewater levels.
- Martin and I had a meeting with the county in refrence to hot patches.

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

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.

**Butterfield Park MDWCA and the Lower Rio Grande Public Water
Works Authority
O&M Interagency Agreement Amendment
Joint Resolution FY2012-02**

Whereas, the Butterfield Park MDWCA and the Lower Rio Grande Public Water Works Authority, agree to amend the current Operation and Maintenance Interagency Agreement, and

Whereas, the amendment of the current Operation and Maintenance Interagency Agreement shall be to extend for one (1) year, with the possibility of extension for three (3) additional years on a year-by-year basis for a total of four (4) years which can be terminated as outlined in the Agreement, and

Whereas, the Butterfield Park MDWCA and the Lower Rio Grande Public Water Works Authority, agree to comply with the provisions of the current Operation and Maintenance Interagency Agreement, and

Therefore, be it resolved, that Both Boards of Directors adopt and pass Joint Resolution FY2012-02 to amend by extension the O&M Interagency Agreement officially approved on 4/10/12, and _____.

PASSED, APPROVED, AND ADOPTED: 4/10/12 and _____.

Butterfield Park MDWCA



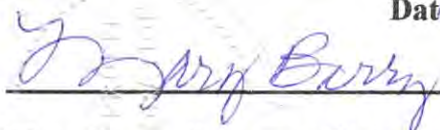
Alree Sweat, President

Lower Rio Grande PWWA

Roberto M. Nieto, Chairman

ATTEST

4/10/12
Date



Mary Berry, Secretary/Treasurer

ATTEST

Date

Santos Ruiz, Secretary



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road

Vado, New Mexico 88072

(575) 571-3628

lrgauthority.org

Task	Time	Cost
Run edit list in CUSI (Billings System) (Employee time + Payroll taxes & Fringes X Time)	1.5 hours	\$30.38
20 accounts		\$1.52
50 accounts (Average)		\$0.61

Notification

Phone call (number needs to be on file-2 times)	10 minutes	\$1.74 (staff)
Text (number needs to be on file-2 times)	10 minutes	\$1.74 (staff)

Mail

Notice Generation/Creation: 10 minutes per Account=\$1.73
 Postage/\$.45; Certified/\$2.95 and Return Receipt/\$2.35=\$5.75
 Delivery \$0.33 (15 minutes per account) at \$10.35 per hour
 Fuel \$0.55/mile X 5 miles=\$2.75
 Insurance \$12,000.00 for 19 vehicles or \$631.58/365 days=\$1.73/day or \$0.22 for 1 hour

Door Hangers

depends on location

Staff Notice \$10.35 Generation/Creation: 10 minutes per Account=\$1.73

Staff Delivery \$10.35 X 2 hours=\$20.70/20 accounts=\$1.04

Staff Delivery \$10.35 (Average) X 4 hours=\$41.40/50 accounts=\$0.83

Fuel \$0.55/mile X 50 miles=\$27.50/20 accounts=\$1.38

Fuel \$0.55/mile X 100 miles=\$55.00/50 accounts=\$1.10

Insurance \$12,000.00 for 19 vehicles or \$631.58/365 days=\$1.73/day or \$0.43 for 2 hours

Insurance \$12,000.00 for 19 vehicles or \$631.58/365 days=\$1.73/day or \$0.87 for 4 hours

# of Accounts	Cost/Account	Cost/System	Method
1	\$31.12	\$31.12	Phone
1	\$31.12	\$31.12	Text
1	\$41.16	\$41.16	Mail
1	\$42.90	\$42.90	Door Hanger (30 minutes, 10 miles)
20	\$1.48	\$29.60	Phone
20	\$1.48	\$29.60	Text
20	\$24.14	\$482.77	Mail
20	\$5.65	\$113.03	Door Hanger (2 hours, 50 miles)
50	\$2.35	\$117.50	Phone
50	\$2.35	\$117.50	Text
50	\$8.43	\$421.22	Mail
50	\$4.29	\$214.27	Door Hanger (4 hours, 100 miles)



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road

Vado, New Mexico 88072

(575) 571-3628

lrgauthority.org

March 23, 2012

Orlando Jimenez
308 St. Valentine
La Mesa, NM 88044

RE: Response to March 19, 2012 Correspondence

Mr. Jimenez:

In response to your request pertaining to disconnection I wanted to inform you that the Board has tasked staff to determine the cost of implementing your suggestions or variation of your suggestions. Staff will report back to the Board at the April 18th meeting for their consideration and possible action.

Feel free to contract me at (575) 571-3628 for any additional information.

Regards,

Martin Lopez, General Manager

Lower Rio Grande Public Water Works Authority



www.LRGauthority.org

LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C

Vado, New Mexico 88072

(575) 571-3628

RESOLUTION NUMBER FY2012-11

GRANTING SIGNATORY AUTHORITY FOR AGREEMENTS AND

CONTRACTS

WHEREAS, the Lower Rio Grande Public Water Works Authority is a political subdivision of the State of New Mexico established under NMSA 1978 73-26-1; and

WHEREAS, the Lower Rio Grande Public Water Works Authority is empowered to enter into agreements and contracts under NMSA 1978 73-26-1(F);

NOW THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY that any officer of the Board of Directors holding the office of Vice-chair or above has the authority to execute any and all agreements and contracts on behalf of the Lower Rio Grande Public Water Works Authority.

PASSED, APPROVED, AND ADOPTED this 18th day of April, 2012 on a vote of ____ in favor, ____ opposed and ____ absent.

(Seal)

GOVERNING BODY

By: _____
Roberto Nieto, Board Chairman

ATTEST:

Santos Ruiz, Secretary