

# LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

## Minutes—REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, October 15, 2014 at our Vado Office, 325 Holguin Rd.

Please note: Minutes are in DRAFT form until approved by the Board.

- I. Sign-in sheet and agenda are attached. Directors present were Vice-Chairman John Holguin (District 4), Director Cali Tellez (District 3), Director Mike McMullen (District 6) and Director Furman Smith (District 7). Absent were Chairman Robert “Marty” Nieto (District 5), Secretary Santos Ruiz (District 2) and Director Arturo Terrazas (District 1). Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Operations Manager, Mike Lopez, Projects Manager Karen Nichols and Adm Asst. Joan Ferguson. Also present was Matt Dyer (PSC). With a quorum established, the meeting was called to order by Mr. Holguin at 9:30 am.
- II. **Pledge of Allegiance** {0:49}
- III. **Motion to approve the Agenda** Mr. Smith made a motion to approve the agenda. Mr. Tellez seconded the motion and it passed 4–0. {2:19}
- IV. **Motion to approve the Minutes of September 17, 2014 Regular Board Meeting** Postponed due to lack of a quorum. {2:22}
- V. **Guest Presentations—none** {2:30}
- VI. **Public Input—15 minutes total allotted for this item, 3 minutes time limit per person—none** {3:06}
- VII. **Managers’ Reports**
  - A. **General Manager** Mr. Martin Lopez submitted his report and stood for questions.

Three employees have been hired for operations and one for clerical. They are permanent but on probation. They seem to be working well. {5:30}
  - B. **Operations** Mr. Mike Lopez submitted his report and stood for questions.

Mr. Smith asked about the work on the SCADA in Organ. Timber Line is doing a good job but the pace of work is not acceptable. Additionally, they are working out of Albuquerque. Because of the logistics, Timber Line has been asking LRG water operators to do physical installations which causes a potential breach of warranty. Mr. Smith then asked if it wouldn’t be worth having a SCADA technician on staff and if all the SCADA was compatible. Mr. Mike Lopez has been considering in-depth training for himself and his assistant. Mr. Martin Lopez pointed out that part of the capital outlay the Authority has received is for a SCADA project. Mr. Dyer pointed out that his firm had an electrical engineer on staff that handles SCADA and offered to give a presentation to operations staff concerning SCADA.

The new La Mesa tank at well 12 has blisters in the paint on the floor of the tank that were not visible during the warranty inspection because the tank had not been fully drained and cleaned. It is no longer covered by the warranty. The cathodic protection was turned on after the warranty inspection. It will cost about \$1,000 for the tank company to perform the necessary repairs.

Alto de los Flores (with whom LRG has an O&M contract) has received three deficiencies on the latest Sanitary Survey, two of which will be disputed. Their previous Sanitary Survey when they under contract with the county had 13 deficiencies primarily because of lack of maintenance on their tanks. {20:42}
  - C. **Finance** Ms. Kathi Jackson submitted her report and stood for questions.

During the first quarter \$125,000 was added to reserves and the Authority started making a \$8,000 per month loan payment.

There has been growth of \$3.5 million in the past year

Mr. Tellez said he hadn't received a bill this month. There have been post office issues.

***Recording software failed at this point and the recording starts over***

The new employee is working well.

Finance will be applying for new funding from State Auditor. It would be unlikely that any funding would be awarded but Ms. Jackson will apply regardless.

Contract with Tyler for new software is pending. It was originally thought that once LRG started using the Tyler software, customer records would be lost but Doña Ana MDWCA has discovered a way to migrate customer records from Continental (the current software) to the Tyler software which will make the transition less complicated. {2:26}

**D. Projects** Ms. Karen Nichols submitted her report and stood for questions.

Mr. Martin Lopez commended Ms. Karen Nichols and Ms. Kathi Jackson on their work putting together the application package and accounting for Mesquite-Brazito Sewer project.

Mr. Tellez asked about the Veteran's Rd. project. The monies for that will be approved in today's approval of the capital outlay funds.

Mr. Tellez asked about the Open Meetings Act & Inspection of Public Records Act training. It was on Sept 23 and conducted by the AG's office. It was free and informative. {7:22}

**VIII. Unfinished Business**

**A. Motion to reaffirm water rates schedule as proposed the General Manager and adopted by the Board on January 15, 2014** Last month a customer noticed that the minutes for the January meeting where the new rates were adopted indicated that the rates would change over three years and omitted that they were to change every six months. RCAC had done a rate study and proposal. After input at public meetings, the GM had adapted RCAC's proposal so that it would not be implemented all at once but over three years every six months. His proposal is in the January board documents. Mr. Smith made a motion to reaffirm water rates schedule as proposed by the General Manager which was a 10% increase over 3 years every 6 months and adopted by the Board on January 15, 2014. Mr. McMullen seconded the motion and it passed 4-0. {12:24}

**B. Motion to rescind Board action taken on September 20, 2014 terminating membership of Pablo Ramirez, Account 6879** After the board's action at September's meeting, Mr. Ramirez approached the General Mgr. He had sold the property in question and the sale had not been recorded with the County. As a result, Mr. Ramirez had not been removed from the membership rolls. He paid the outstanding balance and the \$50 to deactivate the meter. Mr. Tellez made a motion to rescind Board action taken on September 20, 2014 terminating membership of Pablo Ramirez, Account 6879. Mr. Smith seconded the motion and it passed 4-0. {13:20}

**IX. New Business**

**A. Motion to adopt Resolution 2015-05 SCCOG Membership renewal** Mr. Tellez made a motion to adopt Resolution 2015-05 SCCOG Membership renewal and to designate Ms. Kathi Jackson as representative and Mr. Nieto as alternate. Mr. Smith seconded the motion and it passed 4-0. {14:54}

**B. Motion to adopt Resolution 2015-06 Authorizations for Special Appropriation Project #14-1619-STB** Resolutions 2015-06-08 are for capital outlays of \$30,000 for the Mesquite-Brazito sewer project, \$130,000 for SCADA and \$152,150 for the Veteran's Rd water line extension. These outlays are grants. Ms. Nichols pointed out that all three of the aforementioned resolutions appoint Mr. Martin Lopez and herself as official representatives. Mr. Smith made a motion to adopt Resolution 2015-06 Authorizations for Special Appropriation Project #14-1619-STB, Resolution 2015-07 Authorizations for Special Appropriation Project #14-1617-STB and Resolution 2015-08 Authorizations for Special Appropriation Project #14-1616-STB. Mr. McMullen seconded the motion and it passed 4-0. {18:04}

- C. **Motion to adopt Resolution 2015-07 Authorizations for Special Appropriation Project #14-1617-STB**  
See item IX.B.
- D. **Motion to adopt Resolution 2015-08 Authorizations for Special Appropriation Project #14-1616-STB**  
See item IX.B.
- E. **Motion to adopt Resolution 2015-09 Board to Obtain RD Loan for Mesquite-Brazito Sewer Project** The amount of the loan is \$357,000. The grant component is \$7.6 million. Mr. Vasquez is out of town and the document will be corrected to note his absence. Mr. Smith made a motion to adopt Resolution 2015-09 (as corrected) Board to obtain RD Loan for Mesquite-Brazito Sewer Project. Mr. McMullen seconded the motion and it carried 4–0. {21:43}
- F. **Motion to adopt Resolution 2015-10 Authorization for USDA-RD funds for Mesquite-Brazito Sewer Project** Mr. McMullen made a motion to adopt Resolution 2015-10 Authorization for USDA-RD funds for Mesquite-Brazito Sewer Project. Mr. Smith seconded the motion and it carried 4–0. {22:16}
- G. **Motion to adopt Resolution 2015-11 1st Quarter Budget Report for Fiscal Year 2015** Mr. Tellez made a motion to adopt Resolution 2015-11 1st Quarter Budget Report for Fiscal Year 2015. Mr. Smith seconded the motion and it carried 4–0. {23:34}
- H. **End-of-year celebration plans** The GM asked for permission to plan an end-of-the-year staff training and celebration. The committee will change and it will be a more formal event than last year. Mr. Tellez would like to distribute gift cards as a token of appreciation to the staff. Mr. Tellez moved to give the GM permission to plan an end-of-the-year staff training and celebration. Mr. Smith seconded the motion and it carried 4–0. {28:35}
- X. **Other discussion and agenda items for next meeting, 9:30 a.m. November 12, 2014 at the Vado Office:**
  - A. Resolutions & Closing Documents for all three 2014 Colonias Infrastructure grant/loan awards.
  - B. DAC revised sewer contract for approval
  - C. Possibility of billing software contract for approval
  - D. Amendment engineering services for water treatment PER for approval
  - E. Finalize staff training/celebration {33:53}
- XI. **Adjourn** Mr. Tellez made a motion to adjourn. Mr. Smith seconded the motion and it carried 4–0. The meeting closed at 10:30.

**Date approved: November 12, 2014**

ABSENT

Roberto Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)

ABSENT

Santos Ruiz, Secretary (District 2)

ABSENT

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Arturo Terrazas, Director (District 1)

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Carlos Tellez, Director (District 3)

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Michael McMullen, Director (District 6)

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Furman Smith, Director (District 7)



# Lower Rio Grande Public Water Works Authority

Sign In Sheet Page 1 of     

Date: Oct 15, 2014

Time: 9:30

Places: VADO

Event: Regular Meeting

Signature	Print Name, Title, Company or Agency Represented	Contact Information	Email Address
<i>Jermain Smith</i>	FURMAN SMITH LRGFWWA	382-5982	SMITHF@LRA.MT.COM
<i>Mike McMullen</i>	MIKE MCMULLEN	970-302-7852	
<i>John Holsuin</i>	John Holsuin	575-635-9007	j.holsuin@g-cup
<i>Carol Zeigler</i>	Carol Zeigler	525-233-4140	
<i>Kathie Jackson</i>	Kathie Jackson Finance Manager	(575) 640-4330	Kathie.jackson@lrgfwwa.org
<i>Mike Lopez</i>	Mike Lopez LRGFWWA	(575) 635-3921	mlopez@lrgfwwa.org
<i>Karen Nichols</i>	Project Manager	915 203 2057	karen.nichols@lrgfwwa.org
<i>Math Dyer</i>	Math Dyer, Principal	575-644-6854	mdyer@team-psc.com
<i>Martin G Lopez</i>		575 571-3021	martin.g.lopez@lrgfwwa.org
<i>Jan T Ferguson</i>	LRGFWWA	575-233-5742, x123	Jan.Ferguson@lrgfwwa.org

# LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

## Meeting Notice & Agenda—REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, October 15, 2014 at our Vado Office, 325 Holguin Rd.

Agendas are final 72 hours prior to the meeting and may be obtained at any LRGPWWA Office—call 575-233-5742 for information

- I. Call to Order, Roll Call to Establish Quorum: District #1 (Mr. Terrazas)\_\_\_\_, #2 (Mr. Ruiz)\_\_\_\_, #3 (Mr. Tellez)\_\_\_\_, #4 (Mr. Holguin)\_\_\_\_, #5 (Mr. Nieto)\_\_\_\_, #6 (Mr. McMullen)\_\_\_\_, & #7 (Mr. Smith)\_\_\_\_
- II. Pledge of Allegiance
- III. Motion to approve the Agenda
- IV. Motion to approve the Minutes of September 17, 2014 Regular Board Meeting
- V. Guest Presentations—none
- VI. Public Input—15 minutes total allotted for this item, 3 minutes time limit per person
- VII. Managers' Reports
  - A. General Manager
  - B. Operations
  - C. Finance
  - D. Projects
- VIII. Unfinished Business
  - A. Motion to reaffirm water rates schedule as proposed the General Manager and adopted by the Board on January 15, 2014
  - B. Motion to rescind Board action taken on September 20, 2014 terminating membership of Pablo Ramirez, Account 6879
- IX. New Business
  - A. Motion to adopt Resolution 2015-05 SCCOG Membership renewal
  - B. Motion to adopt Resolution 2015-06 Authorizations for Special Appropriation Project #14-1619-STB
  - C. Motion to adopt Resolution 2015-07 Authorizations for Special Appropriation Project #14-1617-STB
  - D. Motion to adopt Resolution 2015-08 Authorizations for Special Appropriation Project #14-1616-STB
  - E. Motion to adopt Resolution 2015-09 Board to Obtain RD Loan for Mesquite-Brazito Sewer Project
  - F. Motion to adopt Resolution 2015-10 Authorization for USDA-RD funds for Mesquite-Brazito Sewer Project
  - G. Motion to adopt Resolution 2015-11 1st Quarter Budget Report for Fiscal Year 2015
  - H. End-of-year celebration plans
- X. Other discussion and agenda items for next meeting, 9:30 a.m. November 12, 2014 at the Vado Office: Resolutions & Closing Documents for all three 2014 Colonias Infrastructure grant/loan awards
- XI. 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 LRGPWWA office at 575-233-5742, PO Box 2646, Anthony NM 88021 OR 215 Bryant St., Mesquite NM 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 LRGPWWA, 575-233-5742, PO Box 2646, Anthony NM 88021 O 215 Bryant St., Mesquite NM 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

## DRAFT Minutes, REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, September 17, 2014 at our Berino Office, 1150 Berino Rd.

NOTE: Minutes are in DRAFT form until approved by the Board of Directors

- I. **Call to Order, Roll Call to Establish Quorum:** District 1 (Mr. Terrazas) Absent, 2 (Mr. Ruiz) Present, 3 (Mr. Tellez) Present, 4 (Mr. Holguin) Present (arrived at 9:45 am), 5 (Mr. Nieto) Present, 6 (Mr. McMullen) Present, & 7 (Mr. Smith) Absent. Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Operations Manager Mike Lopez, Projects Manager Karen Nichols and Adm. Asst. Joan Ferguson. Also present were Matt Dyer from PCS and Ricardo Venega, member. With a quorum established the meeting was called to order by Mr. Nieto at 9:34 am.
- II. **Pledge of Allegiance** {0:20}
- III. **Approval of Agenda**
  - A. **Current Agenda** Mr. Tellez moved to approve the current agenda. Mr. McMullen seconded it and it passed 4-0. {1:23}
  - B. **August 20, 2014 Cancelled Regular Board of Directors Meeting** Mr. Tellez moved to approve the agenda of the August 20, 2014 regular meeting which was cancelled due to a lack of quorum. Mr. McMullen seconded the motion and it passed 4-0.
- IV. **Approval of Minutes**
  - A. **July 16, 2014, Regular Meeting** Mr. Tellez moved to postpone approving the minutes until the October meeting because of a lack of quorum. Mr. McMullen seconded the motion and it passed 4-0. {4:15} Mr. Holguin's (late) arrival constituted a quorum and the Board voted on this item before they went into closed session. Mr. Tellez moved to approve the minutes of the July 16, 2014 Regular Meeting. Mr. Holguin seconded the motion and it passed 3-0. {49:50}
  - B. **July 29, 2014, Special Meeting** Mr. Tellez moved to postpone approving the minutes until the October meeting because of a lack of quorum. Mr. McMullen seconded the motion. And it passed 4-0. {4:40} Mr. Holguin's (late) arrive constituted a quorum and the Board voted on this item before they went into closed session. Mr. Tellez moved to approve the minutes of the July 29, 2014 Special Meeting. Mr. Holguin seconded the motion and it passed 3-0. {50:35}
- V. **Guest Presentations—none** {4:45}
- VI. **Public Input—15 minutes total allotted for this item, 3 minutes time limit per person** The General Manager, Mr. Martin Lopez received a phone call from a member who was concerned about the rate increases. She expressed three concerns: 1) There should have been flyers sent out because she and her neighbors do not subscribe to the newspapers (the LC Sun-News and the LC Bulletin) where the Authority posts notices; 2) the minutes state that the increase would be over three years but not every six months; and 3) she would like an independent rate study. Mr. Lopez was not able to get her name or address but she said that she and her neighbors would be able to attend the October 15 regular board meeting. {8:31}
- VII. **Managers' Reports**
  - A. **General Manager** Mr. Martin Lopez submitted a written report and stood for questions. Payment for the FEMA funds should arrive in three to four weeks. It is anticipated to be around \$6,700.00

Mr. Holguin inquired about the NMPRC Pipeline Safety Bureau violation. The line had not been noted on the maps and had been broken by a LRG operator. It was a 2-inch line. No fines are involved.

Mr. Tellez asked for an update on the first aid classes. Mr. Martin Lopez has made inquiries with the Red Cross and other agencies but thinks that having the Water Association sponsor the classes would work well because other water operators could take advantage of it.

Concerning the Brazito Loan at 4.25% that was recently paid off, Mr. Tellez asked what sort of rate the LRG receives. It is usually 0–3%. {13:22}

**B. Finance** Ms. Kathi Jackson submitted a written report and stood for questions.

Ms. Jackson reports that the budget is in good order. It is the beginning of the second quarter. She warned the board that there may be a finding on the current (ongoing) audit. It would not be a material finding and it concerns a reporting issue with the Berino MDWA State appropriation to develop what is now their portion of the Berino/Mesquite-Del Cerro Water System Project. The Berino bookkeeping firm accounted for the monies but did not properly classify those monies as project funds. These issues have been part of a long term and ongoing effort to reconcile project funds from the old mutual domestics. The auditor expects to be finished by September 19 and the audit is due December 1. Mr. Tellez asked to be kept up to date on the issue.

Mr. Tellez asked about a budget item for training and asked if there were any more training session that were planned for staff. There is a line item for training, travel and per diem that Ms. Jackson estimates to be \$10,000. In the future, management is planning on having instructors come to the office. {20:54}

**C. Projects** Ms. Karen Nichols submitted a written report and stood for questions.

Mr. Tellez asked about the scholarships to the NM Infrastructure Finance Conference. Mr. Martin Lopez reminded him that he had asked a couple months ago if any of the board were interested in attending the conference and all declined. The Conference offers scholarships to cover the cost of the conference itself. The LRG has received scholarships for the past two or three years so we may not receive anything this year.

Mr. Holguin asked to be briefed on the Veteran's Rd. project. There has been no grant closing and so there can really be no estimate on a timeline. {25:24}

**D. Operations** Mr. Mike Lopez submitted a written report and stood for questions.

The pump at the well in Butterfield Park is broken beyond repair and Mr. Mike Lopez is waiting on quotes. Currently, there is a used pump in use at that well. He will be sending the pump back to the manufacturer for testing because it had reached the end of its warranty period directly before its failure.

Mr. Tellez asked about the decline in production for the previous month (see attached production report). Mr. Lopez explained that it was due to temperature changes and members not having to use their coolers as frequently.

Operations is anticipating a hard winter and is preparing for it.

The leak on Rosario and Bowman was due to a leaking ball valve. The valve was removed and line capped. {30:46}

**VIII. Unfinished Business**

**IX. New Business**

- A. Inspection of Public Record Request Re: NMED-CPB/NMFA MOU—for approval** Management has become aware that under the Memorandum of Understanding between NM Environment Dept-Construction Programs Bureau and NM Finance Authority whereby NMED-CPB reviews project documents for NMFA, that NMFA is paying NMED-CPB for the service. Management is requesting the board's approval to send inspection of public record requests to 1) to ascertain the amount that is being charged NMFA to review project documents for Grant/Loan #223-WTB and #252-WTB and 2) NMFA to request



how much is being paid NMED-CPB to review the same project documents for them. Mr. Tellez made a motion to approve letters to NMED AND MNFA to request an inspection of public records. Mr. Holguin seconded the motion and it carried 5–0. {34:27}

- B. Termination of memberships for delinquent accounts—for approval** Management is asking to terminate memberships for members with delinquent accounts (see attached list) where it has been determined that the accounts will not be paid. The attached accounts have already been written off as bad debt. Mr. Holguin moved to approve the list of delinquent accounts to be terminated. Mr. Tellez seconded the motion and it passed 5–0. Mr. Tellez asked if the Boyer’s shut-off would be a problem. It appears that the house is vacant, so there should not be any problems. {37:24}
- C. Corrected FY14 4th Quarter Budget Report—for approval** The format of a line item had been incorrectly entered and NMDFA-Budget Department requested this correction. Mr. Holguin moved to approve the correction FY 2014 4<sup>th</sup> Quarter Budget Report. Mr. Tellez seconded and the vote carried 5–0. {39:06}
- D. Resolution FY2015-04 Corrected FY14 4<sup>th</sup> Quarter Report—for adoption** Mr. Holguin moved to approve Resolution FY2015-04 Correction FY 14 4<sup>th</sup> Quarter Report. Mr. Tellez seconded the motion and with no discussion, the motion passed 5–0. {39:58}
- E. RFP Committee recommendation for selection of billing-accounting software/information technology project** The attachments document the composition of the selection committee, the selection process and their scores for the written proposals as well as the final scores following the presentations. Mr. Holguin moved to approve the selection committee recommendation for the billing-accounting software/information technology project. Mr. Ruiz seconded the motion and it passed 5–0. {45:06}
- F. Authorization to fill another Water Operator Position** There is an additional water operator leaving (for family reasons) and Mr. Martin Lopez is requesting to replace him. Mr. Tellez moved to authorize hiring another water operator. Mr. Holguin seconded the motion and it passed 5–0. {47:47}

**The board returned to approve the minutes at this point in the meeting.**

- X. Motion to convene in Closed Session pursuant to NMSA 1978 Section 10-15-1(H)(7) threatened or pending litigation—ROLL CALL VOTE** Mr. McMullen made a motion to convene in closed session pursuant to NMSA 1978 Section 10-15-1(H)(7) threatened or pending litigation. Mr. Tellez seconded the motion. The roll call vote was as follows: Mr. Nieto, aye; Mr. Holguin, aye; Mr. Ruiz, aye; Mr. Tellez, aye; Mr. McMullen, aye. The ayes carried 5–0 and the meeting was closed at 10:27 am. {55:40}
  - A. Motion to resume the Open Meeting** Mr. Tellez made a motion to resume the open meeting. Mr. Holguin seconded the motion. The motion carried 5–0 and the meeting was resumed at 10:33 am.
  - B. Statement by the Chair confirming that only items listed in the motion were discussed and no action was taken.** Mr. Nieto confirmed that only threatened or pending litigation was discussed and no action was taken. {52:50}
- XI. Other discussion and agenda items for next meeting, 9:30 a.m. October 15, 2014 at the Vado Office: NM Attorney General’s AGO Road Show - OMA & IPRA Compliance presentation 9:30 am on Tuesday, 9/26/14 at the NM Farm & Ranch Museum**
  - A.** Reaffirm & clarify adoption of new water rates in January
  - B.** DAC proposed franchise fee for pipes on right-of-way
  - C.** Should know final cost for Vado exit
  - D.** The auction for the trucks will be Friday, September 20, 2014 at 10 am.
  - E.** Discuss end-of-year event planning.

**XII. Adjourn** Mr. Holguin moved to adjourn the meeting. Mr. Tellez seconded the motion and it passed 5–0. The meeting adjourned at 10:37am.

**Minutes approved October 15, 2014**

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Roberto Nieto, Chairman (District 5)

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John Holguin, Vice-Chairman (District 4)

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Santos Ruiz, Secretary (District 2)

**Absent**

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Arturo Terrazas, Director (District 1)

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Carlos Tellez, Director (District 3)

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Michael McMullen, Director (District 6)

**Absent**

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Furman Smith, Director (District 7)

**LRGPWWA**  
**Manager's Report**  
**October 15, 2014**

- Transfer of Assets from Associations
  - Berino RD Mortgage Release prior to merger needs to be recorded at DAC; awaiting documents from RD
  - Organ: Tierra Alta Drive transfer of facilities-Attorney to create deed
- FEMA (Berino Office) awaiting payment
- Auction took place September 19, 2014 at Berino office all vehicles sold to the only bidder for \$1,000.00
- Working with DAC to update Sewer Contract-pending legal review prior to consideration by Board and County Commission
- Obtaining estimate to remodel Mesquite office-2<sup>nd</sup> cashier window possibly other items, will request approval once cost is determined
- Both the New Mexico Finance Authority and the New Mexico Environment Department have provided the documentation requested by Inspection of Public Records Request for projects funded by NMFA and reviewed by NMED CPB (in the process of reviewing)
- Completed 2013 Water/Sewer User Rate survey for NMED
- McAnally Abatement meeting October 21<sup>st</sup> at 6 at Berino Immaculate Conception Church 205 San Benito Road
- Possible Policy Changes-charge additional minimum for illegal/multiple connections until customer purchases new service and standard charge for larger meters (excluding permits, etc.)
- WRII State Water Conference in Santa Fe on November 18-19th
- New Employees
  - Delmy Garcia (Billing/Collections Clerk)-Mesquite
  - Mario Jacquez (Labor)-Brazito
  - Guadalupe Valois Jr. (Labor)-Berino
  - Marcos Martinez (Labor)-La Mesa

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY  
PROJECTS REPORT – 10/15/14 BOARD OF DIRECTORS MEETING**

**Authority Construction Projects:**

**LRG: 11-02.1 -Mesquite Wastewater Project – Gannett Fleming– CONSTRUCTION Stage – Layne Southwest - RD \$7,262,081, CITF \$1,670,257:** Construction was substantially complete at the end of February. The contractor continues to address outstanding issues. We are withholding final payment until the issues have been addressed and a final inspection can be completed. We completed the final inspection of the services on 6/12. There were substantial remaining issues, so the contractor agreed to complete the work and request future approval. The contractor has submitted some of the missing closeout documents, and has assigned a (another) new project manager to expedite the remaining items. The new project manager is in touch with the engineer at least weekly and seems to be making some progress. SMA has completed the record drawings and O&M Manuals and will be producing the final documents in the coming weeks. Still.

**LRG-11-02.2 – Mesquite-Brazito Sewer Project – Vencor – Pre-Design/Funding Application Stage – NMFA PG/SAP funded Planning, \$30k 2014 SAP, \$540,608 2014 CITF (10% Loan), RD Application approved:** USDA-RD issued a Letter of Conditions on 9/26/14 for an \$8,027,800.00 funding package consisting of a 40-year RUS loan of \$357,000.00 at 3.250% interest and grant funds totaling \$7,670,800.00 from both the RUS and Colonias Programs. We have submitted a Letter of Intent to Meet Conditions and a Request for Obligation of funds which was revised on 9/29/14 to reflect the final grant amounts from the regular RUS Grant (\$1,194,919.00) and Colonias Grants (\$6,356,474.00 and \$119,407.00). Resolution for the SAP funding is on today's agenda, closing documents for the CITF funds will be on the November agenda.

**LRG-11-03 – Interconnect & Looping Project – see 12-01 Authority PER**

**LRG-11-04 – Berino/ Mesquite-Del Cerro Water System Project WTB #223 – Vencor – Construction Stage - Smithco – RD - \$5,420,147/WTB - \$4,371,630:** Second progress meeting was held on 10/1/14, first pay application for \$1.9 million submitted by contractor was approved by NMED-CPB on 9/26, but no approval documents were sent to us until we requested them from NMFA on 10/1 when the funds were transferred to our bank account. NMED-CPB did not respond to the invitation or attend the meeting. Second pay application has been rejected by the engineer several times and is still pending. Contractor has completed the pipeline on Stern Drive and bore at NM 228 and is making excellent progress. Resolution for 2014 SAP funds is on today's agenda.

**LRG-11-05 – Surface Water Treatment Plant WTB #252– Bohannon Huston - Design stage - \$750,000 WTB – 10% Loan 10% Match –** Final Draft report has been reviewed and commented on by Authority. Final draft PER amendment has been reviewed and commented on by NMED-CPB. Based on those comments additional evaluation was requested to justify the project. Proposed amendment #2 to the Engineering Services Agreement has been forwarded to NMED-CPB for review and will be on the November agenda.

**Authority PERs/EAs/40 Yr. Water Plan, Equipment:**

**LRG-12-01 – Authority Water System Improvements PER 2013 – Vencor – Planning Stage - CDBG Planning Grant \$50,000, NMFA Planning Grant \$37,500 & \$12,500 Local Match:** PER is a complete, planning grant have both closed.

**Forty-Year Water Plan – CE&M – complete – needs update for new mergers:** pending NM-OSE comments/approval.

**LRG-13-02 – System-wide Information Technology Standardization - \$175,000 NM STB:** Monthly reporting is up to date. RFP selection documentation was submitted to NMED-CPB on 9/17/14 for billing software purchase. Contract Proposal has been received from Tyler Technologies, reviewed by our attorney and submitted to NMED-CPB for review/approval. Resolution approving the Grant agreement for 2014 Capital Outlay and appointing Official Representatives is on today's agenda. These funds will be used for a SCADA project.

**LRG-13-03 – Water System Purchase Project – for RFP – Planning Stage - \$37,500 NMFA Planning Grant – on DWSRLF Priority List:** Appraisal has been received and is under review at NM Taxation & Revenue Department. Engineering Evaluation was approved by NMED-CPB on 9/8/14. Will submit closing checklist to NMFA as soon as Tax & Rev approval is received in order to schedule a closing date, hopefully the next board meeting date.

#### **Individual MDWCA Projects:**

**LRG-12-04 - Organ Water & Sewer Project – Bohannon Huston – Construction Phase – Morrow - \$2,990,382 RD Colonias Grant, \$101,000 RD Loan:** Timberline Electric programmers are still working through some two issues with SCADA internal problems remotely. Final Construction meeting with USDA RD was held 7/23/14. Close-out documents have been received from Morrow. Operations Manager met with the engineer on-site on 9/10/14 and contacted Timber Line. Some of the SCADA issues were resolved, but others remain to be addressed.

**LRG-13-01 – Brazito Water System Improvements – Souder, Miller & Associates. – Design Phase - \$523,354 NM CITF Grant, \$58,150 Loan, \$58,150 Match Requirement, 2014 CITF \$157,986 (10% loan):** The permit for EBID has been approved pending Right of Use permit signature from Lower Rio Grande PWWA and a permit fee for the amount of \$3,166.67. The revised plan sets has been submitted to NMDOT and DAC for permits. NMDOT comments included removal of aerial photography from the plan views. DAC comments included an additional (3) fire hydrants along East Organ Road. SMA has placed (1) fire hydrant along South Main Street and (2) fire hydrants along East Organ Road as recommended by Lower Rio Grande PWWA. In a meeting with Mr. Dan Sambrano of DAC on September 17, 2014 to discuss the fire hydrants location, he verbally approved the plans. The DAC permit will cost \$942.50 to process. Ms. Cross with NMED-Drinking Water Bureau has not completed her review of the plan set. SMA left a message to check the status of the review plans on Friday, October 3, 2014. Closing documents for the 2014 CITF funds will be on the November agenda.

#### **Other projects:**

**USDA-RD Transfer & Assumption Application Packages:** Application packages for Butterfield Park, Organ & Brazito were submitted 1/7/13 and are still under review at RD at national level. Updated financial information was requested and has been provided. Hopefully, now that their deadline for obligation funds is passed, RD will finalize these.

**Infrastructure Capital Improvements Plan 2016-2020:** Complete and posted on our website.

**Documents Retention & Destruction** – Sorting of old association documents for storage or destruction is ongoing, and staff is implementing approved retention/destruction schedules for LRGPWWA documents. Two more containers were sent out for shredding in the past month. Desert Sands, La Mesa, Vado, Berino and Brazito files have all been sorted and stored or destroyed. Mesquite records are currently being processed.

**Website and Email** – Notices and Board Minutes pages are current. Operations page and Consumer Education page have been added to the site. Other updates are ongoing.

**Training** – I attended the NM AGO's workshop on the OMA & IPRA on 9/23/14.

**Lower Rio Grande Water Users Organization** – nothing new to report

**RCAC Work Group on Regional Authority Legislation** – Draft legislation was presented to the Water & Natural Resources Committee on October 7th. Unfortunately, the focus was mainly on the issues between some Picacho Hills residents (also on the agenda) and Doña Ana MDWCA.

**Funding Applications Pending:**

- Three 2014 Colonias Infrastructure Trust Fund applications have been approved for funding with a 10% loan component, closing is scheduled for the November agenda:
  - Mesquite-Brazito Sewer Project - \$540,608 total
  - Waterline Extension Project – Design Build (includes Veterans Rd., Bosque area & Berino/Mesquite-Del Cerro shortfall) - \$882,430 total
  - Waterline Extension Project – Brazito (funding shortfall from 2012 CITF Project) - \$157,896 total
  
- Grant Agreements for three 2014 Capital Outlay (SAP) appropriations have been received and Resolutions are on today's agenda:
  - Mesquite Brazito Sewer Project \$30,000
  - Information Technology Project \$130,000
  - Waterline Extensions in Berino area \$152,150

**LRGPWWA**  
**Profit & Loss**  
 September 2014

	Sep 14	Jul - Sep 14
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
Credit Card Fees	915.72	2,696.14
Interest	32.59	114.70
<b>Non-Operating Revenue</b>		
Copy/Fax	10.25	211.75
Other Income	5,166.85	9,409.98
Tower Rent	0.00	400.00
<b>Total Non-Operating Revenue</b>	5,177.10	10,021.73
<b>Operating Revenue</b>		
Activation & Connection Fees	3,180.00	10,710.00
Contract Services	1,606.54	6,254.20
Impact Fees	1,600.00	5,550.00
Installation Fees	500.00	6,087.42
Membership Fees	510.00	1,100.00
Monthly Services	172,440.93	612,904.68
Monthly Services-Sewer	12,261.01	40,916.79
Other Income	0.00	750.00
Penalties-Sewer	397.59	1,364.56
Penalties-Water	5,330.30	16,641.89
Returned Check Fees	305.00	675.00
Tampering Fee/Line Breaks	0.00	500.00
<b>Total Operating Revenue</b>	198,131.37	703,454.54
Other Types of Income	0.00	100.00
Professional Fees-Other	2,791.51	7,980.04
<b>Total Income</b>	207,048.29	724,367.15
<b>Cost of Goods Sold</b>		
Cost of Goods Sold	0.00	-504.04
<b>Total COGS</b>	0.00	-504.04
<b>Gross Profit</b>	207,048.29	724,871.19
<b>Expense</b>		
Accounting, Auditing, Legal		
Advertising	0.00	370.47
Audit	0.00	7,824.60
Bad Debts	-1,166.50	-1,755.02
Bank Service Charges	794.78	2,223.28
Cash Short/Over	0.00	-159.23
Dues and Subscriptions	0.00	500.00
Legal Fees	985.47	2,030.72
Meals	159.22	209.05
Permit Fees	0.00	2,766.67
Postage	645.63	4,446.73
Professional Fees-Other	0.00	210.48
Retirement Account Fees	187.50	187.50
Training	31.48	984.61
<b>Total Accounting, Auditing, Legal</b>	1,637.58	19,839.86
Debit Service		
Interest paid to NMFA	0.00	5,886.03
Interest paid to USDA	10,592.24	33,488.72
<b>Total Debit Service</b>	10,592.24	39,374.75
Depreciation Expense		
Sewer	5,693.51	17,080.53
Water	57,567.70	172,703.10
<b>Total Depreciation Expense</b>	63,261.21	189,783.63

**LRGPWWA**  
**Profit & Loss**  
**September 2014**

	Sep 14	Jul - Sep 14
<b>Salaries</b>		
401K 10% Company Contribution	0.00	0.00
Accrued Leave	3,064.74	8,735.83
Administrative Labor	20,292.13	60,066.44
Clerical Labor	12,719.24	38,678.55
Employee Benefits-401K Contrib	2,172.90	6,508.22
Federal Income Tax Withholding	0.00	0.08
HISC-Blue Medicare Rx.	48.20	179.80
Insurance-Dental	760.12	2,379.45
Insurance-Health	7,970.20	26,552.60
Insurance-Life,Disability	834.75	2,553.75
Insurance-Work Comp	0.00	3,350.00
Operations Labor	26,094.20	82,644.15
Payroll Taxes-Federal Unemploy	0.00	1,174.50
Payroll Taxes-Medicare	647.10	1,966.09
Payroll Taxes-Social Security	2,766.81	8,406.70
Payroll Taxes-State Unemploymen	0.00	0.00
Salaries - Other	74.40	74.40
<b>Total Salaries</b>	<b>77,444.79</b>	<b>243,270.56</b>
<b>Sewer</b>		
DAC Waste Water Flow Charge	3,744.96	10,667.88
Electricity-Sewer	1,984.72	3,949.85
Lab & Chemicals-Sewer	2,711.28	6,891.83
<b>Total Sewer</b>	<b>8,440.96</b>	<b>21,509.56</b>
<b>Supplies</b>		
Automobile Repairs & Maint.	3,525.42	8,701.99
Computer Maintenance	3,356.01	9,628.50
Fuel	6,227.31	19,600.46
Lab, Chemicals-Water		
Chemicals	1,564.00	4,088.79
Laboratory Fees	535.66	648.68
<b>Total Lab, Chemicals-Water</b>	<b>2,099.66</b>	<b>4,737.47</b>
Locates	682.25	682.25
Maint. & Repairs-Infrastructure	2,398.32	2,811.34
Maint. & Repairs-Office	5,850.63	6,286.95
Maintenance & Repairs-Other	0.00	1,021.20
Materials & Supplies	2,688.08	14,064.75
Office Supplies	546.26	2,912.86
Printing and Copying	747.46	2,317.95
Tool, Furniture	70.74	70.74
Uniforms-Employee	1,252.68	2,113.67
<b>Total Supplies</b>	<b>29,444.82</b>	<b>74,950.13</b>
<b>Taxes, Liability, Insurance</b>		
Cobra Fee	15.30	45.90
Government Penalties & Interest	0.00	136.15
Insurance-General Liability	0.00	13,177.00
Water Conservation Fee	1,413.32	5,082.88
<b>Total Taxes, Liability, Insurance</b>	<b>1,428.62</b>	<b>18,441.93</b>



12:00 PM  
10/09/14  
Accrual Basis

**LRGPWWA**  
**Profit & Loss**  
**September 2014**

	<u>Sep 14</u>	<u>Jul - Sep 14</u>
<b>Utilities</b>		
Cell Phone	1,514.57	3,781.63
Electricity-Lighting	585.02	1,784.20
Electricity-Offices	1,647.50	5,892.67
Electricity-Wells	10,461.09	60,929.53
Garbage Service	360.20	736.20
Natural Gas	126.91	378.85
Telephone	994.01	3,056.93
Wastewater	0.00	176.40
<b>Total Utilities</b>	<u>15,689.30</u>	<u>76,736.41</u>
<b>Total Expense</b>	<u>207,939.52</u>	<u>683,906.83</u>
<b>Net Ordinary Income</b>	<u>-891.23</u>	<u>40,964.36</u>
<b>Net Income</b>	<u><u>-891.23</u></u>	<u><u>40,964.36</u></u>

**LRGPWWA**  
**Balance Sheet**  
 As of September 30, 2014

	Sep 30, 14	Sep 30, 13
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Checking/Savings</b>		
Berino/Mesquite Water Project	-1,902,552.14	172.14
Citizens Bank CD	11,435.42	11,389.86
Citizens Bank LRGPWWA	204,307.71	60,030.72
LRGPWWA DEBT SERVICE PAYOFF	101,388.02	75,289.82
LRGPWWA La Mesa Water Project	0.00	3,291.82
LRGPWWA Mesquite Sewer Project	221.78	237.92
LRGPWWA Reserve Account	403,438.39	116,675.64
Organ Water and Sewer Project	102.01	102.01
<b>Total Checking/Savings</b>	<b>-1,181,658.81</b>	<b>267,189.93</b>
<b>Accounts Receivable</b>		
A/R-Contract Services	99.99	10,688.93
<b>Total Accounts Receivable</b>	<b>99.99</b>	<b>10,688.93</b>
<b>Other Current Assets</b>		
*Undeposited Funds	0.00	-8,100.00
<b>A/R</b>		
A/R-Water & Sewer Cycle 1	89,633.64	165,377.77
A/R Butterfield/Organ	8,887.86	10,659.06
<b>Total A/R</b>	<b>98,521.50</b>	<b>176,036.83</b>
<b>Construction In Progress</b>		
Alto de Las Flores Interconnect	0.00	1,290.75
Berino/Mesquite/DelCerro Water	3,957,516.17	1,196,963.83
Brazito Sewer Extension	152,337.54	152,337.54
Brazito Water Project	64,548.87	452,734.31
Brazito/Mesquite Interconnect	452,734.31	0.00
La Mesa Well Project	0.00	2,017,508.28
LRGPWWA PER	112,562.50	110,062.50
Mesquite Sewer Project	0.00	6,522,516.51
Organ Water & Sewer Improvement	3,090,049.93	2,678,835.85
Radio Read Meter Project	0.00	519,453.37
Surface Water Treatment Project	148,188.80	23,990.45
Vado Interchange Line Relocate	6,267.12	0.00
Valle Del Rio Water System Eval	8,297.15	0.00
<b>Total Construction In Progress</b>	<b>7,992,502.39</b>	<b>13,675,693.39</b>
Credit Card Charge Backs	743.45	286.82
Inventory Asset	522.69	549.57
LowerRio2-Loan Reserve Acct	44,303.40	44,303.40
Petty Cash	2,546.74	1,446.09
Prepaid Rent-Tank Site Lease	7,261.89	6,757.53
Reimbursable Expenses Paid	2,300.00	0.00
Undeposited Funds	200.00	200.00
<b>Total Other Current Assets</b>	<b>8,148,902.06</b>	<b>13,897,173.63</b>
<b>Total Current Assets</b>	<b>6,967,343.24</b>	<b>14,175,052.49</b>
<b>Fixed Assets</b>		
Accumulated Depreciation	-11,199,759.28	-10,440,221.94
<b>Building</b>		
La Mesa Office Building	544,269.51	544,269.51
Building - Other	1,179,071.85	1,179,071.85
<b>Total Building</b>	<b>1,723,341.36</b>	<b>1,723,341.36</b>
Furniture and Equipment	401,859.34	401,859.34
Land	354,685.49	354,685.49
Land Improvements	33,632.63	33,632.63
Machinery and Equipment	590,779.72	590,779.72
Vehicles	388,121.65	388,121.65
<b>Water &amp; Sewer System</b>		
Castillo Road Interconnect	765,842.22	765,842.22

**LRGPWWA**  
**Balance Sheet**  
 As of September 30, 2014

	Sep 30, 14	Sep 30, 13
Interconnects		
Alto de Las Flores Interconnect	71,963.43	64,991.02
<b>Total Interconnects</b>	<b>71,963.43</b>	<b>64,991.02</b>
La Mesa Well Project	2,161,640.81	0.00
Mesquite Waste Water Project	7,738,456.04	0.00
Radio Read Meters	601,504.28	0.00
Water & Sewer System - Other	22,001,313.58	22,001,313.58
<b>Total Water &amp; Sewer System</b>	<b>33,340,720.36</b>	<b>22,832,146.82</b>
<b>Total Fixed Assets</b>	<b>25,633,381.27</b>	<b>15,884,345.07</b>
Other Assets		
Water Rights	10,927,171.20	10,927,171.20
<b>Total Other Assets</b>	<b>10,927,171.20</b>	<b>10,927,171.20</b>
<b>TOTAL ASSETS</b>	<b>43,527,895.71</b>	<b>40,986,568.76</b>
<b>LIABILITIES &amp; EQUITY</b>		
Liabilities		
Current Liabilities		
Accounts Payable		
A/P Operating	263.10	12,186.65
<b>Total Accounts Payable</b>	<b>263.10</b>	<b>12,186.65</b>
Credit Cards		
Capital One	0.00	-191.17
Capital One-La Mesa	0.00	-2,500.25
Chevron/Texaco	0.00	41.00
<b>Total Credit Cards</b>	<b>0.00</b>	<b>-2,650.42</b>
Other Current Liabilities		
Customer Deposits		
Hydrant Meter Deposits	23,360.26	23,072.37
Renter Deposits	36,981.41	31,338.19
Customer Deposits - Other	-350.37	0.00
<b>Total Customer Deposits</b>	<b>59,991.30</b>	<b>54,410.56</b>
DAC Trash Coupons	-2,587.00	-3,142.00
Gross Receipts Tax	9,235.10	9,018.20
Payroll Liabilities		
Blue Cross Dental	181.05	-750.12
Blue Cross Health Payable	-48.00	-11,142.97
Disability Insurance (AFLAC)	-95.40	-95.40
Federal		
Income Tax Withholding	0.00	51.00
Medicare	0.00	40.14
Social Security	0.00	131.42
Unemployment	0.00	-50.85
<b>Total Federal</b>	<b>0.00</b>	<b>171.71</b>
Plan F BCBS NM	127.48	369.68
Retirement	0.00	-187.50
S125 Contributions	180.00	0.00
State		
Income Tax Withholding	1,382.79	2,190.75
<b>Total State</b>	<b>1,382.79</b>	<b>2,190.75</b>
<b>Total Payroll Liabilities</b>	<b>1,727.92</b>	<b>-9,443.85</b>
Unclaimed Funds	152.20	152.20
<b>Total Other Current Liabilities</b>	<b>68,519.52</b>	<b>50,995.11</b>
<b>Total Current Liabilities</b>	<b>68,782.62</b>	<b>60,531.34</b>

**LRGPWWA**  
**Balance Sheet**  
 As of September 30, 2014

	Sep 30, 14	Sep 30, 13
<b>Long Term Liabilities</b>		
<b>NMFA Loans</b>		
NMFA- DesertSands5	0.00	9,562.24
NMFA- LowerRio2 (Refinance)	727,316.71	748,378.68
NMFA- LowerRio3 (BerinoDelCerro)	394,422.00	415,819.00
NMFA-LowerRio4-Radio Read Meter	146,704.57	148,750.00
NMFA-LowerRio5 (Surface Water)	69,427.00	73,285.00
NMFA-LowerRio6 (Gravity Collect)	158,673.00	167,025.00
NMFA CIF (Brazito Main Lines)	55,242.00	58,150.00
<b>Total NMFA Loans</b>	<b>1,551,785.28</b>	<b>1,620,969.92</b>
<b>USDA Loans</b>		
USDA 91-07	71,135.32	72,628.99
USDA 91-09	0.00	36,467.87
USDA 91-12	0.00	4,622.06
USDA 91-14	205,840.84	209,721.99
USDA 91-15	166,016.56	168,910.82
USDA 91-02 (Butterfield Park)	207,077.93	211,085.47
USDA 91-02 * (Ber Mesq Del Cer)	2,297,547.17	0.00
USDA 91-04 (LaMesa Water Proj)	455,307.75	462,124.97
USDA 92-13 (Mesquite Sewer)	96,736.89	98,000.57
USDA 92-19 (Mesquite Sewer)	580,462.47	590,756.63
USDA 93-09 (Organ Water)	98,274.75	99,541.09
<b>Total USDA Loans</b>	<b>4,178,399.68</b>	<b>1,953,860.46</b>
<b>WSC 85-03 R</b>	<b>0.00</b>	<b>26,386.20</b>
<b>Total Long Term Liabilities</b>	<b>5,730,184.96</b>	<b>3,601,216.58</b>
<b>Total Liabilities</b>	<b>5,798,967.58</b>	<b>3,661,747.92</b>
<b>Equity</b>		
<b>Contributed Equity</b>		
Berino	5,297,573.57	5,297,573.57
Brazito Water	3,729,740.34	3,727,560.36
Butterfield Park	373,138.38	373,138.38
Desert Sands	3,772,684.62	3,771,443.30
La Mesa	2,302,722.02	2,305,222.27
LRG Mutual	2,955,146.36	2,955,146.36
Mesquite	6,217,476.14	6,288,929.68
Organ Water	2,522,670.26	2,522,527.73
Vado	617,278.68	617,278.68
Contributed Equity - Other	-2,793,376.82	-479,993.45
<b>Total Contributed Equity</b>	<b>24,995,053.55</b>	<b>27,378,826.88</b>
Opening Balance Equity	500.00	500.00
Unrestricted Net Assets	12,334,129.18	8,921,669.28
Net Income	399,245.40	1,023,824.68
<b>Total Equity</b>	<b>37,728,928.13</b>	<b>37,324,820.84</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>43,527,895.71</b>	<b>40,986,568.76</b>

**RESOLUTION NO. 2015-05**

**APPROVING PARTICIPATION IN THE PROGRAM OF THE  
SOUTH CENTRAL COUNCIL OF GOVERNMENTS, INC.  
FOR FISCAL YEAR 2014-2015**

WHEREAS, the LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY (herein-after known as the "Member"), desires to be a participating member in the program and policy development for the South Central Council of governments, Inc. (hereinafter known as "SCCOG"); and

WHEREAS, it is necessary and desirable that an agreement setting forth the services to be performed by the SCCOG for the Member be entered into, wherewith the SCCOG is agreeing to furnish the following:

- A. Implement the work program as established by the SCCOG Board of Directors for the 2014-2015 Fiscal Year.
- B. Provide the Member, when requested, with technical, grant program planning, economic development, strategic overall planning and management assistance.
- C. Address problems, issues and opportunities of a regional nature which go beyond single municipal or county jurisdictional boundaries and serve as a liaison and advocate for local governments within the region at the state and federal levels.
- D. Provide information dissemination about statewide regional and community initiatives to foster greater coordination and efficiency of the programs.

WHEREAS, it is necessary to set forth the sum to be paid by the Member to the SCCOG as annual dues, thereby placing the Member with voting powers on the SCCOG Board of Directors, with an agreement to furnish the following:

- A. To participate, through their designated representatives or alternate, in the SCCOG's policy development process by attending meetings, helping formulate the annual work program, reviewing the SCCOG Goals and Objectives, and the District Comprehensive Economic Development Strategy (CEDS).
- B. To pay to the SCCOG the sum of \$500.00 annual membership dues as payment of the aforementioned services for the period beginning July 1, 2014 and ending June 30, 2015.
- C. The Member hereby appoints Kathi Jackson, as their designated representative and Roberto Nieto as alternate.

NOW THEREFORE, BE IT RESOLVED THAT the Member and the SCCOG hereby mutually agree to the aforementioned provisions of this Resolution and Agreement.

DONE this 15th day of October, 2014 at Vado, New Mexico.

Attestation:

Member Government

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Santos Ruiz, Secretary

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Roberto Nieto, LRGPWWA Board Chairman

Attest :

South Central Council of Governments, Inc.

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Jay Armijo, Executive Director

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Chairwoman, Nora Barraza



[www.LRGauthority.org](http://www.LRGauthority.org)

# LOWER RIO GRANDE

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## Public Water Works Authority

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325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

### **Resolution Number FY2015-06**

#### **Authorizations for Special Appropriation Project #14-1619-STB**

**WHEREAS**, the Board of Directors of the Lower Rio Grande Public Water Works Authority in Doña Ana County of the State of New Mexico shall enter into a Grant Agreement with the State of New Mexico Environment Department; and

**WHEREAS**, the Agreement is identified as SAP #1619-STB Grant Agreement;

**NOW THEREFORE BE IT RESOLVED**, by the Board of Directors of the Lower Rio Grande Public Water Works Authority that:

Roberto Nieto, Board Chairman, is authorized to sign the SAP #14-1619 Grant Agreement for this project, and

Martin G. Lopez, General Manager and Karen Nichols, Projects Manager, or their successors are designated as OFFICIAL REPRESENTATIVES who are sign and request disbursement of grant funds and act as a single point of contact for all matters related to the grant agreement.

**PASSED, APPROVED AND ADOPTED** this 15<sup>th</sup> day of October, 2014

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Roberto Nieto, Board Chairman

**SEAL:**

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Santos Ruiz, Secretary



[www.LRGauthority.org](http://www.LRGauthority.org)

# LOWER RIO GRANDE

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## Public Water Works Authority

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325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

### **Resolution Number FY2015-07**

#### **Authorizations for Special Appropriation Project #14-1617-STB**

**WHEREAS**, the Board of Directors of the Lower Rio Grande Public Water Works Authority in Doña Ana County of the State of New Mexico shall enter into a Grant Agreement with the State of New Mexico Environment Department; and

**WHEREAS**, the Agreement is identified as SAP #1617-STB Grant Agreement;

**NOW THEREFORE BE IT RESOLVED**, by the Board of Directors of the Lower Rio Grande Public Water Works Authority that:

Roberto Nieto, Board Chairman, is authorized to sign the SAP #14-1617 Grant Agreement for this project, and

Martin G. Lopez, General Manager and Karen Nichols, Projects Manager, or their successors are designated as OFFICIAL REPRESENTATIVES who are sign and request disbursement of grant funds and act as a single point of contact for all matters related to the grant agreement.

**PASSED, APPROVED AND ADOPTED** this 15<sup>th</sup> day of October, 2014

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Roberto Nieto, Board Chairman

**SEAL:**

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Santos Ruiz, Secretary



[www.LRGauthority.org](http://www.LRGauthority.org)

# LOWER RIO GRANDE

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## Public Water Works Authority

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325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

### **Resolution Number FY2015-08**

#### **Authorizations for Special Appropriation Project #14-1616-STB**

**WHEREAS**, the Board of Directors of the Lower Rio Grande Public Water Works Authority in Doña Ana County of the State of New Mexico shall enter into a Grant Agreement with the State of New Mexico Environment Department; and

**WHEREAS**, the Agreement is identified as SAP #1616-STB Grant Agreement;

**NOW THEREFORE BE IT RESOLVED**, by the Board of Directors of the Lower Rio Grande Public Water Works Authority that:

Roberto Nieto, Board Chairman, is authorized to sign the SAP #14-1616 Grant Agreement for this project, and

Martin G. Lopez, General Manager and Karen Nichols, Projects Manager, or their successors are designated as OFFICIAL REPRESENTATIVES who are sign and request disbursement of grant funds and act as a single point of contact for all matters related to the grant agreement.

**PASSED, APPROVED AND ADOPTED** this 15<sup>th</sup> day of October, 2014

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Roberto Nieto, Board Chairman

**SEAL:**

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Santos Ruiz, Secretary



Position 5

UNITED STATES DEPARTMENT OF AGRICULTURE  
Rural Development

MINUTES OF SPECIAL MEMBERSHIP MEETING OF THE

Lower Rio Grande Public Water Works Authority  
(Name of Association Entity)

Dona Aña County, New Mexico

A Special Meeting of the members of the Lower Rio Grande Public Water Works Authority was held at

9:30 o'clock A.M., on

the 15<sup>th</sup> day of October 2014 pursuant to notice duly given the membership in accordance with the ~~By-Laws~~ New Mexico Open Meetings Act (NMSA 1978 73-26-1).

The Meeting was duly called to order by John Holguin, Vice-chairman, President who caused a count to be taken of the members present and there were Four (4) members present. Each member was required to sign a Attendance record, which is attached as "Exhibit A" and incorporated in these Minutes as a part hereof. Also present were the following persons:

Martin Lopez, General Manager  
Kathi Jackson, Finance Manager  
Joan Ferguson, Admin. Ass't.

Karen Nichols, Projects Manager  
Mike Lopez, Operations Manager  
Matt Dyer, Member

The President stated that the purpose of the Meeting was to consider the adoption of a Resolution to authorize the Board of Directors to take all appropriate action to

Construct a wastewater collection system in the unserved areas of Mesquite, NM and in the community,  
(State purpose: such as : "To construct, expand, rehabilitate, etc., a rural waterworks system,

of Brazito, NM  
waste disposal system, etc.")

to serve the members, and to do all things necessary to obtain financing for the project through the Rural Development. After discussion, the following Resolution was then

introduced by Furman Smith, seconded by Mike McMullen and unanimously carried:

RESOLUTION NO. FY2015-09 AUTHORIZING ~~BAORD~~ BOARD OF DIRECTORS

OF THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY, DONA ANA COUNTY, NEW MEXICO,

TO OBTAIN A LOAN FROM THE RURAL DEVELOPMENT AND TO

Construct a wastewater collection system in the unserved areas of Mesquite, NM and in the Brazito, NM community

(State purpose: such as, to “Construct a rural waterworks system, waste disposal system, etc.”)

BE IT RESOLVED by the members of the Lower Rio Grande Public Water Works Authority, Doña Ana County, New Mexico, that the Board of Directors be authorized and empowered in their discretion:

- 1) To Construct a wastewater collection system in the unserved areas of Mesquite, NM and in the Brazito, NM community

(Purpose)

to serve the members of the ~~Association~~ Authority in accordance with engineering plans and specifications prepared by Vencor Engineering, LLC

- 2) For the purpose of financing the construction of said wastewater collection system system, to make application for and in the name of the ~~Association~~ Authority to the Rural Development of the United States Department of Agriculture, hereinafter referred to as the “Government,” for financial assistance; to cause the execution and delivery of a promissory note or notes, or bonds, or other evidence of indebtedness, and a mortgage, or other appropriate security instrument, to secure any loan or loans made, or insured by the Government to comply with any requirements, terms, or conditions prescribed by Government or by Government regulations, and to execute contracts or enter into agreements and, without limitation, to take any and all other action as may be necessary, incidental, or appropriate to finance, construct, complete and equip the rural wastewater collection system for and on behalf of the ~~Association~~ Authority.

The President then ~~introduced~~ stated that the project engineer is Hector Vasquez of the

Engineering Firm of Vencor Engineering, LLC, PO Box 13485, Las Cruces NM 88013

(Name and Address)

~~who~~ and call on LRGPWWA General Manager Martin Lopez who discussed the proposed wastewater (water/sewer)

project, its cost, proposed wastewater service rates, and locations of lines.

(water/sewer)

There being no further project business to be transacted, the meeting continues with other business and upon Motion duly made, seconded, and unanimously carried, the meeting was adjourned.

(SEAL)

\_\_\_\_\_  
Santos Ruiz, Secretary

Form RD-NM 1942-4

ATTENDANCE RECORD OF SPECIAL MEMBERSHIP MEETING  
OF LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Held on October 15, 2014

***SEE ATTACHED COPY OF LRGPWWA SIGN-IN SHEET***

NAME OF MEMBER

ADDRESS

1. \_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

3. \_\_\_\_\_

\_\_\_\_\_

4. \_\_\_\_\_

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5. \_\_\_\_\_

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6. \_\_\_\_\_

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9. \_\_\_\_\_

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10. \_\_\_\_\_

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11. \_\_\_\_\_

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12. \_\_\_\_\_

\_\_\_\_\_

13. \_\_\_\_\_

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14. \_\_\_\_\_

\_\_\_\_\_

15. \_\_\_\_\_

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16. \_\_\_\_\_

\_\_\_\_\_

17. \_\_\_\_\_

\_\_\_\_\_

18. \_\_\_\_\_

\_\_\_\_\_

19. \_\_\_\_\_

\_\_\_\_\_

20. \_\_\_\_\_

\_\_\_\_\_

(Other pages may be added, if necessary)

Form RD-NM 1942-4

Lower Rio Grande Public Water Works Authority Resolution Number FY2015-010

Form RD 1942-8  
(Rev. 2-98)

Position 5  
UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT

FORM APPROVED  
OMB NO. 0575-0015

**RESOLUTION OF MEMBERS OR STOCKHOLDERS**

\_\_\_\_\_  
(Name of Association)

\_\_\_\_\_  
(Address, including Zip Code)

RESOLVED, that the Governing Board of this Association be and it hereby is authorized and empowered to take all action necessary or appropriate – Authority

1. To obtain for and on behalf of the Association through the United States Department of Agriculture (USDA) or any other Governmental agency: Authority

(a) A loan in a sum not to exceed \$ \_\_\_\_\_;

(b) A grant in a sum not to exceed \$ \_\_\_\_\_;

to be advanced by the lender or grantor in one or more advances at such time or times as may be agreed upon.

2. In case of a loan or grant or both –

(a) For the execution of such application or applications (including exhibits, amendments and/or supplements thereto) as may be required:

(b) For the execution and delivery to the lender or grantor of all such written instruments as may be required in regard to or as evidence of such loan or grant; and

(c) In its judgment to carry out the terms of this resolution.

3. And in case of a loan –

(a) To obligate this Association for the repayment of the loan at such rates of interest and on such other terms and conditions as the Governing Board shall deem proper; Authority

(b) To pledge, hypothecate, mortgage, convey, or assign property of this Association of any kind and in any amount now owned or hereafter acquired, as security for any or all obligations (past, present and/or future) of this Association to such lender; and Authority

(c) From time to time to pay, extend, or renew any such obligations.

**CERTIFICATION**

I, the undersigned, as \_\_\_\_\_ of the above named Association, hereby Authority  
(Secretary) (Acting Secretary)

Authority  
certify that said Association on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, had \_\_\_\_\_ (Number)

\_\_\_\_\_ ; that \_\_\_\_\_ of these (members) (stockholders) or (shares of voting stock outstanding)

constituted a quorum; that \_\_\_\_\_ said members or stockholders or shares of voting stock were present at a meeting

of the members or stockholders duly called and held on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_;

that the foregoing resolution was adopted at such meeting by the affirmative vote of \_\_\_\_\_ said members or stockholders or shares of voting stock; and that said resolution has not been rescinded or amended in any way.

Dated this day \_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Santos Ruiz  
Secretary of \_\_\_\_\_

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 1 hour 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.

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

Schedule 1

Name LowerRioGrandePublicWaterWorksAuthority

Address PO Box 2646  
Anthony, NM 88021

(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET BEG <u>07-01-2014</u> END <u>06-30-2015</u> (3)	For the <u>07-01-2014</u> Months Ended <u>09-30-2014</u>		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
			CURRENT YEAR		
			Actual Data		
			Current Quarter (4)	Year To Date (5)	
1. Water Revenue	1,956,922	1,962,958	616,458	616,458	1,346,500
2. Sewer Revenue	116,227	301,387	40,917	40,917	260,470
3. Interest	300	300	115	115	185
4. _____					0
5. Miscellaneous					0
6. Less: Allowances and Deductions					0
7. Total Operating Income (Add lines 1 through 6)	2,073,449	2,264,645	657,490	657,490	1,607,155
<u>OPERATING EXPENSES</u>					
8. Salaries, Labor	1,080,217	1,224,949	243,196	243,196	981,753
9. Accounting, Legal	143,283	95,925	19,914	19,914	76,011
10. Taxes, Insurance	249,117	93,500	18,442	18,442	75,058
11. Utilities	301,958	258,400	76,736	76,736	181,664
12. Supplies	373,814	437,500	74,950	74,950	362,550
13. Lab, Chem, Sewer	42,470	115,387	21,510	21,510	93,877
14. Debt Service	81,583	356,942	39,375	39,375	317,567
15. Interest					0
16. Depreciation	759,837	760,000	189,784	189,784	570,216
17. Total Operating Expense (Add Lines 8 through 16)	3,032,279	3,342,603	683,907	683,907	2,658,696
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	-958,830	-1,077,958	-26,417	-26,417	-1,051,541
<u>NONOPERATING INCOME</u>					
19. Water	195,496	312,958	66,017	66,017	246,941
20. Sewer	3,334	5,000	1,365	1,365	3,635
21. Total Nonoperating Income (Add 19 and 20)	198,830	317,958	67,382	67,382	250,576
22. NET INCOME (LOSS) (Add lines 18 and 21)	-760,000	-760,000	40,965	40,965	-800,965
23. Equity Beginning of Period					0
24. _____					0
25. _____					0
26. Equity End of Period (Add lines 22 through 25)	-760,000	-760,000	40,965	40,965	-800,965

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 and 0572-0137. 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.



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# **LOWER RIO GRANDE**

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## **Public Water Works Authority**

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### **Resolution FY2015-11 1<sup>st</sup> Quarter Budget Report for Fiscal Year 2015**

**Whereas**, in order to comply with Sections 6-6-1 and 6-6-2 NMSA 1978 and to apply for CDBG funding, the Board of Directors wishes to adopt and pass a resolution to approve the FY2015 1st Quarter Budget Report on October 15, 2014.

**Therefore**, be it resolved, the Board of Directors adopts and passes this resolution to approve the FY2015 1st Quarter Budget Report officially approve on October 15, 2014.

PASSED, APPROVED, AND ADOPTED: October 15, 2014.

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Roberto M. Nieto, Chairman

Seal:

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Santos Ruiz, Secretary