

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
MEETING NOTICE & AGENDA - REGULAR BOARD OF DIRECTORS MEETING
9:00 a.m. Tuesday, May 22, 2012 at the Vado Office, 325 Holguin Road
Note: Minutes are in DRAFT form until approved & signed by the Board of Directors

- I. **Sign in, establish quorum, call meeting to order:** Sign in sheet and agenda are attached. Board members present were Chairman Roberto “Marty” Nieto, Vice-Chairman John Holguin, and Director Rosaura Pargas. Director Blanca Martinez arrived at 9:26 a.m. Secretary Santos Ruiz was absent. 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 Mr. Matt Dyer, Mr. Josh Smith, Ms. Mary Berry, Mr. Berry, Mr. Dave Bonner, and Ms. Beverly Singleman. With quorum established, the meeting was called to order by Mr. Nieto at 9:03 a.m. {:38}
- II. **Approval of agenda:** Mr. Holguin made a motion to approve the agenda, Ms. Pargas seconded, and it carried on a vote of 3-0. {1:20}
- III. **Approval of Minutes of 3/21/12 and 4/18/12:** The minutes of 3/21/12 (attached) could not be approved due to lack of a quorum from that meeting.

A motion was made by Mr. Holguin and seconded by Ms. Pargas to approve the minutes dated 4/18/12 (attached). The motion carried on a vote of 3-0. {2:52}

- IV. **Guest Presentations: Josh Smith, Miller Stratvert, P.A.:** Mr. Martin Lopez introduced Mr. Smith as the attorney recommended to the LRGPWWA by Ms. Singleman. Mr. Smith did not have a formal presentation, and the legal services agreements were later in the agenda under item VIII. A.
- 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:**
Ms. Beverly Singleman thanked everyone for the opportunity of working with LRGPWWA. {4:20}
- VI. **General Manager’s Reports:**
- A. **Management Report:** Manager’s Report was in the board packet (attached), and it was presented to the Board by Mr. Martin Lopez. {11:17}
- B. **Finance Report:** Ms. Jackson’s written report was in the board packet (attached) and she reviewed it with the Board. Ms. Jackson informed the Board that Desert Sands Office will be closed temporary and staff will be moved around to different offices.
1. **Resolution No. 2012-12 Approving FY-2013 Budget:** Mr. Martin Lopez and Ms. Jackson discussed the proposed budget with the board. Ms. Pargas made a motion to approve Resolution No. 2012-12, Mr. Holguin seconded, and the motion carried on a vote of 3-0. {17:50}
- C. **Projects Report:** Ms. Nichols written report was in the board packet (attached) and she discussed it with the Board.
1. **Inspector for La Mesa Well Project:**
After some discussion of the resume presented (attached), Mr. Holguin made a motion and Ms. Martinez seconded to wait and review more resumes before hiring an inspector for La Mesa well project. The motion carried on a vote of 4-0. {32:56}
- D. **Operations Report:**

Mike Lopez written report was in the board packet (attached) and he reviewed with the Board of Directors. {38:56}

VII. Unfinished Business:

A. Amendment to Employee Policy Handbook re: grievances against the GM – for adoption:

After a brief discussion Mr. Holguin made a motion to adopt the proposed amendment (attached) to the Employee Policy Handbook Section 5.01 “Violence in the workplace policy” regarding grievances against General Manager. Ms. Martinez seconded motion and it carried on a vote of 4-0. {42:58}

VIII. New Business:

A. Legal Services Agreements:

- 1. La Mesa Well Project**
- 2. Berino/Mesquite-Del Cerro Project**
- 3. General legal services**

Mr. Lopez discussed the calls he made to law firms seeking proposals for legal services agreements and noted that the only other attorney who expressed an interest also had a conflict of interest. Ms. Pargas made a motion to approve legal service agreements with Miller Stravert for the La Mesa Well Project, Berino/Mesquite –Del Cerro Project and General Legal Services. Ms. Martinez seconded the motion, and it carried on a vote of 4-0. {48:45}

B. Appointment of temporary Board Secretary: Mr. Lopez informed that board that Mr. Ruiz is in the hospital and is facing a lengthy recovery, and said he asked Ms. Martinez if she is willing to cover his duties as Secretary, and she agreed. Mr. Holguin made a motion and Ms. Pargas seconded to appoint Ms. Martinez as Acting Board Secretary, and the motion carried on a vote of 3-0. {50:54}

C. Joint Resolution FY2012-03 Approving Merger Plan with Butterfield Park MDWCA: Mr. Holguin made a motion to approve Joint Resolution 2012-03 approving merger plan with Butterfield Park MDWCA, and Ms. Martinez seconded. There was some discussion with the two Butterfield Park directors in attendance, and the Joint Resolution will be on their June agenda. The motion carried on a vote of 4-0. {1:17:00}

D. Motion to convene in closed session pursuant to NMSA 1978 Section 10-15-1 (H)(8) for discussion of the purchase, acquisition or disposal of real property or water rights – Roll Call Vote: Ms. Pargas made a motion to convene in close session at 10:23 a.m. pursuant to NMSA 1978 Section 10-15-1 (H)(8) for discussion of the purchase acquisition or disposal of real property or water rights, and Ms. Martinez seconded motion. Mr. Nieto took a roll call, and Ms. Martinez voted yes, Mr. Nieto voted yes, Ms. Pargas voted yes and Mr. Holguin voted yes. The motion carried on a vote of 4-0. {1:19:26}

E. Motion to resume the open meeting and statement by the Chair that affirming that the matters discussed in the closed meeting were limited to those stated in the motion to close: Mr. Holguin made a motion and Ms. Pargas seconded to resume the open meeting at 10:44 a.m., and Mr. Nieto stated that matters discussed in the close meeting were limited to those stated on the motion to close. The motion carried on a vote of 4-0. {1:20:24}

F. Action related to closed session discussion, if any: Ms. Martinez made a motion and Ms. Pargas seconded to approve directing the General Manager to perform the necessary research for the

possible acquisition to private water system and the disposal of two pieces of real property. The motion carried on a vote of 4-0. {1:21:45}

IX. Other discussion and agenda items for next meeting 6/20/12: The next meeting will be 6/20/12 at 9:00 a.m. at the Vado Office. Items for the agenda include the annual OMA Resolution and Legal Services Agreement for Authority/Brazito Sewer Project.

X. Adjourn: Ms. Pargas made a motion and Ms. Martinez seconded to adjourn the meeting. The motion carried on a vote of 4-0, and Mr. Nieto declared the meeting adjourned at 10:50 a.m.

Date Minutes Approved: _____

Directors Present:

Chairman Roberto M. Nieto

Vice- Chairman John Holguin

Absent
Secretary Santos Ruiz

Director Rosaura Pargas

Director Blanca Martinez, Acting Secretary

Lower Rio Grande Public Waterworks Authority Sign In Sheet

Date: 5/16/12 Time: 9am Place: Vado Office Meeting Type: Regular

Name, Title - Print Sign	Company or Agency Represented	Mailing Address	Telephone	Email
<u>Dave Bonner</u>	<u>Butterfield Water Assoc</u>	<u>6660 Fols Rd L.C. 88012</u>	<u>382-1992</u>	<u>dave@ Bonnerwboj.com</u>
<u>John Holguin</u> <u>Vice-Chairman,</u>	<u>LRGPWWA</u>	<u>615 Holguin Rd. Vado, NM 88072</u>	<u>635-9007</u>	<u>jholguin@g.com</u>
<u>Michael Lopez</u>	<u>LRGPWWA</u>	<u>P.O. Box 2646 Anthony NM 88021</u>	<u>635-3921</u>	<u>mike.lopez@ lrgaauthority.org.</u>
<u>Kathy Jackson</u> <u>Finance Manager</u>	<u>LRGPWWA</u>	<u>PO Box 2646 Anthony NM 88021</u>	<u>233-3947</u>	
<u>Connie Garcilazo</u> <u>Payroll Specialist</u>	<u>LRGPWWA</u>	<u>PO BOX 2646 Anthony NM 88021</u>	<u>882-5070</u>	<u>connie</u>
<u>Rosaura Parra</u> <u>Board member</u>	<u>DS</u>	<u>P.O. Box 3343 Anthony, N1</u>	<u>882-3126</u>	
<u>Karen Nichols</u>	<u>LRGPWWA</u>	<u>PO Box 2646 Anthony NM 8802</u>	<u>915 203 2057</u>	<u>karen.nichols@ lrgaauthority.org</u>
<u>MARTIN LOPEZ</u>	<u>LRGPWWA</u>	<u>PO Box 2426 Anthony, NM 88021</u>	<u>575 571-3628</u>	<u>martin.lopez@ lrgaauthority.org</u>
<u>Matt Dyer</u> <u>of Matt Dyer</u>	<u>PSC</u>	<u>115 N. Griggs Las Cruces, NM 88001</u>	<u>523-0915</u>	<u>mdyer@team-psc.com</u>
<u>Josh Smith</u>	<u>Miller Structural A/T</u>	<u>P.O. Box 1109 L.C. NM 88001</u>	<u>523-2481</u>	<u>jsmith@mstlaw.com</u>
<u>ROBERT SMITH</u> <u>BOARD DIRECTOR</u>	<u>ORBAN MDWA</u>	<u>PO BOX 172 ORBAN NM 88052</u>	<u>382 5982</u>	<u>SMITHR@ ZIDNET.COM</u>

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LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
MEETING NOTICE & AGENDA - SPECIAL BOARD OF DIRECTORS MEETING
9:00 a.m. Tuesday, May 22, 2012 at the Vado Office, 325 Holguin Road

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

- I. Sign in, establish quorum, call meeting to order
- II. Approval of agenda
- III. Approval of Minutes of 3/21/12 and 4/18/12
- IV. Guest Presentations: Josh Smith, Miller Stratvert, P.A.
- 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. Resolution No. 2012-12 Approving FY-2013 Budget
 - C. Projects Report
 - 1. Inspector for La Mesa Well Project
 - D. Operations Report
- VII. Unfinished Business:
 - A. Amendment to Employee Policy Handbook re: grievances against the GM – for adoption
- VIII. New Business:
 - A. Legal Services Agreements:
 - 1. La Mesa Well Project
 - 2. Berino/Mesquite-Del Cerro Project
 - 3. General legal services
 - B. Appointment of temporary Board Secretary
 - C. Motion to convene in closed session pursuant to NMSA 1978 Section 10-15-1 (H)(8) for discussion of the purchase, acquisition or disposal of real property or water rights – Roll Call Vote
 - D. Motion to resume the open meeting and statement by the Chair that affirming that the matters discussed in the closed meeting were limited to those stated in the motion to close.
 - E. Action related to closed session discussion, if any
 - F. Joint Resolution FY2012-03 Approving Merger Plan with Butterfield Park MDWCA
- IX. Other discussion and agenda items for next meeting 6/20/12
- 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 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 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 LRGPWWA si un resumen o otro tipo de forma accesible es necesario.

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

MINUTES - REGULAR BOARD OF DIRECTORS MEETING

9:00 a.m. Wednesday, 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

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

**LRG PWWA
Manager's Report
May 16, 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: “Rent” of an Authority office room for board in La Mesa has been offered at \$200 per month and additional \$50 if they want to use meeting room, will present for Board approval if Alto agrees
- Corrected property taxes (Kathi)
- Meetings/Trainings
 - Meeting with Senator Udall’s staff at Mesquite office on May 17th at 3:00 pm
 - Brazito-Authority Interconnect Project Pre-Con meeting on May 22nd at 9 at Brazito Office
 - Legislative Candidate Forum at 6 pm on May 23 at Mesquite Fire Station
 - NMFA Board meeting May 24th in Santa Fe: Surface Water Project
 - DAC to discuss Mesquite Recreation Center at 1:30 pm at County on June 6th
 - Colonias Board meeting June 7th in Las Cruces (selection of project) at 9 am
 - RD Mesquite Sewer progress meeting June 7th at Contractor Trailer next to Mesquite Park

- Final Inspection for La Mesa office June 11th at 11 am
- RD (Berino-Del Cerro/Mesquite LOC project) meeting June 12 at 1:30 pm, Mesquite office



lrgauthority.org

LOWER RIO GRANDE

Public Water Works Authority

Resolution # FY2012-12 for Fiscal Year 2013

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 Revised final budget that the Board of Directors officially approved on May 22, 2012.

Therefore, be it resolved, the Board of Directors adopts and passes a resolution to approve the final budget that the Board of Directors officially approved on May 22, 2012.

PASSED, APPROVED, AND ADOPTED: May 22, 2012.

Seal:

Roberto M. Nieto, Chairman

John Holguin, Vice-chairman

Santos Ruiz, Secretary

Rosaura Pargas, Director

Blanca Martinez – La Mesa (Acting Secretary)

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

Schedule 1

Name LowerRioGrandePublicWaterWorksAuthority

Address 325 Holguin Road
Vado, NM 88072

(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET	For the _____ Months Ended _____		
		BEG <u>07-01-2012</u>	CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
		END <u>06-30-2013</u> (3)	Actual Data		
			Current Quarter (4)	Year To Date (5)	
1. <u>Water Revenue</u>		2,030,452			2,030,452
2. <u>Sewer Revenue</u>		63,100			63,100
3. _____					0
4. _____					0
5. <u>Miscellaneous</u>		300			300
6. <u>Less: Allowances and Deductions</u>					0
7. <u>Total Operating Income</u> (Add lines 1 through 6)	0	2,093,852	0	0	2,093,852
<u>OPERATING EXPENSES</u>					
8. <u>Salaries, Labor</u>		814,397			814,397
9. <u>Accounting, Legal</u>		279,400			279,400
10. <u>Taxes, Insurance</u>		540,000			540,000
11. <u>Utilities</u>		365,255			365,255
12. <u>Supplies</u>		274,000			274,000
13. <u>Lab, Chemicals</u>		14,500			14,500
14. _____					0
15. <u>Interest</u>					0
16. <u>Depreciation</u>		525,000			525,000
17. <u>Total Operating Expense</u> (Add Lines 8 through 16)	0	2,812,552	0	0	2,812,552
18. <u>NET OPERATING INCOME (LOSS)</u> (Line 7 less 17)	0	-718,700	0	0	-718,700
<u>NONOPERATING INCOME</u>					
19. <u>Water</u>		190,000			190,000
20. <u>Sewer</u>		3,700			3,700
21. <u>Total Nonoperating Income</u> (Add 19 and 20)	0	193,700	0	0	193,700
22. <u>NET INCOME (LOSS)</u> (Add lines 18 and 21)	0	-525,000	0	0	-525,000
23. <u>Equity Beginning of Period</u>					0
24. _____					0
25. _____					0
26. <u>Equity End of Period</u> (Add lines 22 through 25)	0	-525,000	0	0	-525,000

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.

PROJECTED CASH FLOW

For the Year BEG. _____ END. _____
(same as schedule 1 column 3)

A. Line 22 from Schedule 1, Column 3 NET INCOME (LOSS) \$ -525,000

Add

B. Items in Operations not Requiring Cash:

1. Depreciation (line 16 schedule 1) 525,000

2. Others: _____

C. Cash Provided From:

1. Proceeds from Agency loan/grant

2. Proceeds from others

3. Increase (Decrease) in Accounts Payable, Accruals and other Current Liabilities

4. Decrease (Increase) in Accounts Receivable, Inventories and
 Other Current Assets (Exclude cash)

5. Other: _____

6. _____

D. Total all A, B and C Items \$0

E. Less: Cash Extended for:

1. All Construction, Equipment and New Capital Items (loan & grant funds)

2. Replacement and Additions to Existing Property, Plant and Equipment

3. Principal Payment Agency Loan

4. Principal Payment Other Loans

5. Other: _____

6. Total E 1 through 5 \$0

Add

F. Beginning Cash Balances \$250,224

G. Ending Cash Balances (Total of D Minus E 6 Plus F) \$ 250,224

Item G Cash Balances Composed of:

Construction Account \$

Revenue Account \$121,753

Debt Payment Account \$42,403

O&M Account \$11,704

Reserve Account \$74,364

Funded Depreciation Account

Others: _____

Total - Agrees with Item G \$ 250,224

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
PROJECTS REPORT - 5/16/12 BOARD OF DIRECTORS MEETING**

Authority Construction Projects:

LRG-11-01 - La Mesa Water System Improvements – Molzen Corbin – Bid Stage – RD - \$2,040,346: Contingent award to Burn Construction at March meeting, still pending RD concurrence.

LRG: 11-02.1 - Mesquite Wastewater Project – Gannett Fleming– BID Stage - \$7,262,081: Application is has been submitted to the CITF for the unfunded bid lots. Title policy is in preparation. Pre-construction Conference was 4/23/12, closing was 4/26/12, and contractor’s community meeting was last night.

LRG-11-02.2 - Authority/Brazito Sewer Project – Vencor – Planning Stage – CDBG/SAP: Meeting with engineer tomorrow and Mr. Deal at NMED-CPB the following morning to discuss uses for remaining funds.

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, still awaiting a response.

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 is 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 without reviewing because of issues with NMFA paying for their review. We have inquired how to proceed at NMFA and received no answers yet. EBID permit has been approved, and first draw of WTB funds is in preparation. Next teleconference with RD is 6/12/12. Expected completion date for the LOC notebook is well before the August deadline.

LRG-11-05 – Surface Water Treatment Plant – Design phase - \$750,000 WTB – Bohannon Huston is revising the proposed ESA to include the full design phase, NMED-CPB “does not have it on the list” to review this project. NMFA board meets to approve the funding allocated by the WTB on 5/24/12, readiness to proceed items are due by 9/4/12.

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 \$50,000: Grant Agreement has been executed, authorization to use funds has been received, ESA has been submitted to DFA for concurrence.

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 – 600,950 SRF Fund: \$595,000 was approved at 50% subsidized + 25% grant = 50% grant, 25% loan at 0% plus fees approved by NMFA Board 4/27/12. Readiness to Proceed items have been submitted and are under review.

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.

LRG MDWA Projects:

La Mesa Building (jointly funded by La Mesa & LGRMDWA) – Molzin Corbin – under construction - NMED - SAP08-3099, Colonias 09-3118: 13 pay requests have been submitted, 12 have been paid. Substantial completion certificate was issued 5/4/12 upon receipt of Certificate of Occupancy. CO #3 was approved 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 has been delivered and phone system is in. Final walk-thru is scheduled for June 11. Southwestern Wireless will be putting up an antenna on the water tank at that site to provide Internet service, we will have to trench over to the building from there.

Other projects:

Website: Board Minutes Page & Notices Page are up to date. Non-discrimination statement has 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, sent in scoring questionnaire on 5/14/12

RESUME

JOSEPH A. VOLPATO

MOLZEN CORBIN

1155 Commerce Drive, Suite F

Las Cruces, NM 88011

Ph: (575) 522-0049

Fax: (575) 522-7884

WORK EXPERIENCE

June 20, 2005

To Present: Molzen Corbin
Engineers/Architects/Planners

- Employment in the position of Draftsman and Civil Design Technician under the direction of the Project Manager, Project Engineer, or Resident Engineer (project supervisor) on a project assignment basis. Represents and assists Molzen Corbin in project design from the conceptual phase to construction, referring critical engineering decisions to the respective project supervisor. As well as assisting in various field surveying functions and experience in sanitary sewer evaluation studies, setting up flow meters and collecting data.

DESIGN EXPERIENCE AND SKILLS WITH THE FOLLOWING PROJECTS:

ABCWUA Sanitary Lift Station Improvements (FY05): Modernization improvements to twenty Albuquerque Bernalillo County Water Utility Authority wastewater lift and vacuum stations and improvements at the Metropolitan Detention Center (MDC) Wastewater Treatment Plant in Albuquerque, New Mexico.

Utility Base Mapping – City of Eunice, New Mexico: Accumulation of property / platting information as available from the City, County, Courthouse, etc. and the collection of existing utility (water and sewer) information and implementing with general utility locations verified by survey (tanks, wells, booster stations, manholes, valves, fire hydrants, etc.)

2007-2008 Cooperative Agreement Program – Village of Tijeras, New Mexico: Roadway surface and drainage improvements on various streets, demolition and replacement of an existing double barrel culvert crossing, as well as minor utility work as needed to accommodate the improvements.

2009 Spring Pavement Improvements – Village of Los Lunas, New Mexico:

Roadway surface and drainage improvements consisting of the reconstruction of various streets to include asphalt removal; subgrade prep; base course; new asphalt pavement; removal and installation of curb, gutter, and sidewalk; and miscellaneous storm drain improvements.

CN 1100030 I-25 / I-10 Interchange - NMDOT: Roadway geometry and drainage improvements including full interstate removal and redesign, bridge construction and modifications, retaining wall and noise wall construction and traffic/safety improvements.

Santa Teresa Water System Improvements, Well No. 3 – Dona Ana County: Water system improvements including a new well and storage tank, replacement of an existing domestic booster station and fire pump station to serve the Santa Teresa Industrial Park Area.

Anthony Water & Sanitation District Well 1 & 4 Water System Improvements – Phase II & III: Water system improvements including new wells 1 & 4, rehab to wells 3 & 6, reverse osmosis system, booster pumps, storage tank and transmission lines.

La Mesa Well No. 3 – Lower Rio Grande Water Works Authority: Water system improvements including a new water well and well building, a 150,000 gallon water storage tank and transmission lines for the water system.

Spaceport Vertical Launchpad Utilities: Extend 6” waterline with gate valves, air vacuum release valves, and fire hydrants from Spaceport Wastewater Treatment Plant to Vertical Launch Site and the installation of 4” sanitary sewer line connecting 5,000 gallon holding tank to Vertical Launch Facility.

EDUCATION:

ITT Technical Institute, Albuquerque New Mexico
Associates Degree in Drafting and Design Technology, 2005

Raton High School, Raton New Mexico, 2003

Lower Rio Grande PWWA

Operators Report

May 16, 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.
- 2 new services in the Berino district.
- 1 new services in the Desert Aire.
- 0 new services in La Union.
- 2 new services in the Mesquite district.
- Water Tank #4 was taken down and I had Mr. G install a fire hydrant for flushing.
- All is well in Butterfield Park.
- We assisted Vencor's surveyor's pot hole the water lines on Hwy 478.
- We have been assisting Reynolds Southwest with some pot holes on Hwy 478.

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, the quarterly report has been generated and sent to NMED on May 10, 2012.

Chlorine: No problems with Chlorine this month.

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

Law Office of Beverly Singleman

P.O. Box 471
Mesilla Park NM 88047

(575) 571-1455
bjsin@spinn.net

May 1, 2012

Dear Clients, Colleagues, and Friends:

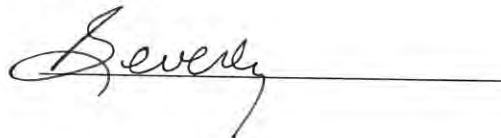
As you may already be aware, on April 20th I was appointed by the Governor to be a magistrate judge here in Dona Ana County. In order to assume that judicial position by June 1, 2012 I will be required before that date to shut down my law practice and office. I intend to work for all of you for whatever you may need done through Friday, May 25th, which will be my last day of work. I will then be sending out my last billings. I want to thank you all for many years of your trust as your legal advisor. I will miss you all. I leave my law practice with no regrets and look forward to seeing you in the future, not as my clients, but as my friends. I am ready to take a new direction and I welcome the challenges ahead as a magistrate judge.

After this week, should you need to get hold of me, please feel free to email me at my above address which will not change or call me on my cell phone as shown above. I will still be getting mail at my above post office box which you should continue using. For my mutual domestics, EBID, and the LRG Authority, when you look for a new attorney I would highly recommend you contact Joshua Smith whose business card I enclose. Josh worked with me for several years before my old law firm broke up and is well versed in water law and RUS issues and procedures.

Once you acquire a new attorney, please have them contact me if they need any of your old files. For those who have ongoing RUS projects in the pipeline, I will be glad to provide your new attorney with electronic copies of the documents to date for such projects—they just need to contact me. For each RUS project or any other loan/grant project in progress, your new attorney will need to provide the lender with a legal services contract. I will maintain all of my files in storage for six years from the date of closing the file, after which date they will be destroyed or you may pick them up.

If you have any questions, please let me know. I wish you all the best. It has been an amazing experience knowing you all.

Sincerely,






MILLER STRATVERT
LAW OFFICES

Stephen M. Williams
Seth V. Bingham
James B. Collins
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Lawrence R. White
Virginia Anderman
Thomas R. Mack

James J. Widland
Bradley D. Tepper
James R. Wood
Kirk R. Allen
H. Brook Laskey
Paula G. Maynes
M. Dylan O'Reilly
Jennifer D. Hall
Todd A. Schwarz

Robert H. Clark
Richard L. Alvidrez
Matthew S. Rappaport
Nate A. Cobb
Stephen B. Waller
Joshua L. Smith
William T. Denning
Tom Bunting
Erica R. Neff

Luke A. Salganek
Tomas J. Garcia
Erica B. Scott

Of Counsel
Ranne B. Miller
William K. Stratvert
Galen M. Buller
Robert A. Corchine

3800 E. Lohman Avenue, Suite B
Las Cruces, NM 88011

Mailing Address:
P.O. Box 1209
Las Cruces, NM 88004-1209

Telephone: (575) 523-2481
Facsimile: (575) 526-2215

May 15, 2012

Lower Rio Grande Public Water Works Authority
P.O. Box 2646
Anthony, NM 88021

Re: Engagement for Legal Services

Dear Board Members:

We are pleased to have the opportunity to be of service to you. We look forward to working with you and will do our best to provide quality legal services in a responsive, efficient manner.

Fundamental to a sound relationship is a clear understanding of the terms and conditions upon which we will be providing legal services. Accordingly, the purpose of this letter is to clarify and confirm these terms and conditions.

Scope of Services.

You asked us to represent you regarding general matters that may arise in the course of operation of the Lower Rio Grande Public Water Works Authority and advise the Authority Board on legal issues including, but not limited to USDA/RD projects, the Open Meetings Act, the New Mexico Procurement Code and general contract matters. This agreement does not include the undertaking of lawsuits or litigation either pending or that may arise in the future. Representation related to litigation will be addressed under a separate fee agreement.

While this letter is intended to deal with the specific legal services described above, these terms and conditions will also apply to any additional legal services that we may agree to provide that are outside the initial scope of our representation.

Staffing.

I will be the attorney primarily responsible for the representation, with the assistance of Lawrence R. White and others as appropriate from time to time. When questions or comments arise about our services, staffing, billings, or other aspects of our representation, please contact me. My direct telephone number is (575) 523-7552. It is important that you are satisfied with our services and responsiveness at all times.

A PROFESSIONAL ASSOCIATION

ALBUQUERQUE
(505) 842-1950

FARMINGTON
(505) 326-4521

LAS CRUCES
(575) 523-2481

SANTA FE
(505) 989-9614

We intend to provide quality legal services in an efficient, economical manner. This necessitates involving other firm attorneys with the requisite expertise, and paralegals, who are not attorneys but are experienced in the preparation of documents and the completion of various tasks.

Responsibilities.

In reliance upon information and guidance provided by you, we will provide legal counsel and assistance to you in accordance with this letter, keep you reasonably informed of progress and developments, and respond to your inquiries and requests.

To enable us to effectively to render these services, you agree to cooperate fully with us in all matters relating to the legal needs of the association, to fully and accurately disclose to us all facts that may be relevant to the matter or that we may otherwise request, and to keep us apprised of developments relating to the matter.

In addition, you will be responsible for advising us whether any document we have prepared or received and sent to you for your approval or review reflects the principal terms of your proposed agreement, or other expectations, as the case may be.

Either at the beginning or during the course of our representation, we may express our opinions or beliefs concerning the matter or various courses of action and the results that might be anticipated. Any such statement made by any attorney or employee of our firm is intended to be an expression of opinion only, based on information available to us at the time, and must not be construed by you as a promise or guarantee of any particular result. No guarantees are possible in matters such as this.

Fees, Disbursements, and Other Charges

Our fees will be based on the amount of time spent by attorneys and paralegals on your matter. Each lawyer and paralegal has an hourly billing rate based generally on his or her experience and any special expertise. The rate multiplied by the time spent on your behalf, measured in tenths of an hour, will be considered by the billing attorney as the basis for determining the fee.

The time for which you will be charged will include, but will not be limited to, telephone and office conferences with a client and counsel, witnesses, consultants, court personnel, and others; conferences among our personnel; factual investigation; legal research; responding to clients' requests to provide information to auditors in connection with reviews or audits of financial statements; drafting of letters, pleadings, briefs, and other documents; travel time; waiting time in court or elsewhere; and time in depositions and other discovery proceedings.

My billing rate under this agreement is \$150.00 per hour and Lawrence R. White's billing rate is \$200.00 per hour. Time devoted by paralegals is charged at billing rates of \$80.00 per

hour. These rates may be adjusted from time to time with appropriate notice to you and after discussing the necessity for any adjustment with you.

In addition to our fees, we will be entitled to payment of gross receipts taxes¹ and payment or reimbursement for disbursements and other charges incurred in performing services such as photocopying, messenger and delivery, air freight, computerized research, videotape recording, travel (including mileage, parking, airfare, lodging, meals, and ground transportation), long distance telephone, telecopying, word processing, court costs, and filing fees. To the extent we directly provide any of these services, we reserve the right to adjust the amount we charge, at any time or from time to time, as we deem appropriate in light of our direct costs, our estimated overhead allocable to the services, and outside competitive rates. Unless special arrangements are made, fees and expenses of others (such as experts, investigators, witnesses, consultants, and court reporters) and other large disbursements will not be paid by our firm and will be the responsibility of, and billed directly to, you.

Each month we will furnish you with a statement describing our services rendered and separately showing disbursements and other charges in a format and with such detail as you and we may agree. There often is an unavoidable delay in reporting disbursements and other charges, and therefore not all disbursements and charges may be billed at the same time as the related legal services.

Our billing statements are due and payable on receipt with the exception of projects funded by USDA/RD or similar agencies. It is understood that payment will be received upon completion of the funding process. A late charge of 1-1/2% per month will be imposed on fees and costs which are outstanding more than sixty days after the date set forth on the first billing statement for those fees and costs. A late charge of 1-1/2% per month will continue to be imposed each month thereafter on the unpaid balance of each billing statement until it is paid in full.

Although we may from time to time for your convenience furnish estimates of fees or charges that we anticipate will be incurred on your behalf, these estimates are subject to unforeseen circumstances and are by their nature inexact. We will not be bound by any estimates except as otherwise expressly set forth in the engagement letter or otherwise agreed to by us in writing.

Security for Fees and Charges

We will not require a retainer as security for the fees, disbursements and other charges incurred in connection with our representation. However, should it become necessary we reserve the right to request a retainer. This amount will be held in our general trust account and may be applied by us to any amount that has been billed and is not promptly paid. If at any time it appears that your deposit is not deemed by us to be adequate for anticipated future fees and charges, we have the right to request a further deposit. If the amount requested is not promptly paid, we will have the right to cease performing work and to withdraw from the representation.

¹ You may not be familiar with paying gross receipts taxes on legal fees. Unfortunately, New Mexico is one of the few states in the country that levies gross receipts taxes on professional services.

If all monthly billings are paid by you in full, your retainer will be returned to you at the conclusion of our representation.

You have the right to discharge Miller Stratvert P.A. or any of its attorneys at any time. Miller Stratvert P.A. may withdraw from representation of you at any time. Our withdrawal may be based, among other things, upon your failure to promptly pay or make satisfactory arrangements to pay our fees and costs. In the event of discharge or withdrawal, Miller Stratvert P.A. shall be entitled to reimbursement from you for all copying and related charges incurred by this law firm in connection with the transfer or delivery of copies of records and file documents to you or your successor legal counsel, and for fees for time expended in providing follow up or transition services to the successor counsel, or you at your request, or at the request of your successor counsel.

Arbitration

Any controversy, dispute, or claim arising out of or relating to our fees, charges, performance of legal services, obligations reflected in this letter, or other aspects of our representation shall be resolved through binding arbitration in Las Cruces, New Mexico in accordance with the rules then in effect of the American Arbitration Association, and judgment on the award rendered may be entered in any court having jurisdiction thereof. You acknowledge that by agreeing to arbitration, you are relinquishing your right to bring an action in court and to a jury trial.

If any controversy, dispute or claim arises between us concerning our fees, charges, performance of legal services, or other aspects of our representation, the prevailing party will be entitled to recover from the losing party all costs and expenses it incurs in bringing and prosecuting or defending any litigation or arbitration, including reasonable attorneys' fees and costs at trial and on appeal.

If this letter correctly reflects your understanding of the terms and conditions of our representation, please confirm your acceptance by signing the enclosed copy in the space provided below and return it to me. Upon your acceptance, these terms and conditions will apply retroactively to the date we first performed services on your behalf. If this letter is not signed and returned, you will be obligated to pay us the reasonable value of any services we may have performed on your behalf.

We are pleased to have this opportunity to be of service and to work with you.

Very truly yours,

Miller Stratvert P.A.

By: _____
Joshua L. Smith

I have read and understand the terms and conditions set forth in this letter (including the attached General Provisions) and agree to them.

By _____
President Lower Rio Grand PWWA

Print Name

Date: _____, 2012

JLS/jls

Enclosure: as stated

document in prolaw

GENERAL PROVISIONS

Except as modified by the accompanying engagement letter, the following provisions will apply to the relationship between Miller Stratvert, P.A. and our clients:

(1) The time for which a client will be charged will include, but will not be limited to, telephone and office conferences with a client and counsel, witnesses, consultants, court personnel, and others; conferences among our personnel; factual investigation; legal research; responding to clients' requests to provide information to auditors in connection with reviews or audits of financial statements; drafting of letters, pleadings, briefs, and other documents; travel time; waiting time in court or elsewhere; and time in depositions and other discovery proceedings.

(2) In addition to our fees, we will be entitled to payment or reimbursement for disbursements and other charges incurred in performing services such as photocopying, messenger and delivery, air freight, computerized research, videotape recording, travel (including mileage, parking, airfare, lodging, meals, and ground transportation), long distance telephone, telecopying, word processing, court costs, and filing fees. To the extent we directly provide any of these services, we reserve the right to adjust the amount we charge, at any time or from time to time, as we deem appropriate, in light of our direct costs, our estimated overhead allocable to the services, and outside competitive rates. Unless special arrangements are made, fees and expenses of others (such as experts, investigators, witnesses, consultants, and court reporters) and other large disbursements will not be paid by our firm and will be the responsibility of, and billed directly to, the client.

(3) Although we may from time to time for a client's convenience furnish estimates of fees or charges that we anticipate will be incurred on a client's behalf, these estimates are subject to unforeseen circumstances and are by their nature inexact. We will not be bound by any estimates except as otherwise expressly set forth in the engagement letter or otherwise agreed to by us in writing.

(4) Fees, disbursements, and other charges will be billed monthly and are payable upon presentation. We expect prompt payment. A late charge of 1.5% per month will be imposed on any billed amounts that remain unpaid for 30 days.

(5) A client shall have the right at any time to terminate our services and representation upon written notice to the firm. Such termination shall not, however, relieve the client of the obligation to pay for all services rendered and disbursements and other charges made or incurred on behalf of the client prior to the date of termination.

(6) We reserve the right to withdraw from our representation with the client's consent or for good cause. Good cause may include the client's failure to honor the terms of the engagement letter, the client's failure to pay amounts billed in a timely manner, the client's failure to cooperate or follow our advice on a material matter, or any fact or circumstance that would, in our view, impair an effective attorney-client relationship or would render our continuing representation unlawful or unethical. If we elect to do so, the client will take all steps necessary to free us of any obligation to perform further, including the execution of any documents (including forms for substitution of counsel) necessary to complete our withdrawal, and we will be entitled to be paid for all services rendered and disbursements and other charges made or incurred on behalf of the client prior to the date of withdrawal.

5. Policy Against Harassment

5.01 Violence in the workplace policy:

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

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

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

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

If the employee against whom the complaint is alleged is the General Manager, the complaint should be made to the Board Chairman, who shall take whatever initial emergency action should take place until the Board can meet. Immediately at the next regular Board meeting, or at a special or emergency meeting called if necessary, the Board of Directors shall appoint a five member committee of individuals with experience in human relations and/or mediation in the workplace who are not employees or Directors of the Authority. It is the responsibility of this committee after receiving the complaint to conduct an investigation of the incident(s) and, within fifteen days, prepare a written response to the Board with their recommendation or decision as to the reported incident(s). The response shall include a statement and acknowledgment of the basis of the employee(s) complaint; a description of the investigation conducted; and the committee's recommendation of any action needed to abate the prohibited behavior, if such behavior is found to have occurred. Three committee members shall constitute a quorum for purposes of reaching a recommendation. If there is a finding by the committee that the General Manager engaged in behavior prohibited by this policy, the Board will promptly meet and reach a decision as to the recommended action, which may include counseling or mediation; arrest and prosecution; and/or disciplinary action up to and including termination from Authority employment.

Revised April 20, 2012 (or whatever date it is approved)

**BUTTERFIELD PARK MUTUAL DOMESTIC
WATER CONSUMERS and MUTUAL SEWAGE
WORKS ASSOCIATION**

&

**LOWER RIO GRANDE PUBLIC WATER WORKS
AUTHORITY**

MERGER PLAN

Adopted June 12, 2012 by Butterfield Park MDWCA

Adopted May 22, 2012 by Lower Rio Grande PWWA

JOINT RESOLUTION NUMBER FY2012- #08
OF
BUTTERFIELD PARK MUTUAL DOMESTIC WATER CONSUMERS and
MUTUAL SEWAGE WORKS ASSOCIATION
AND
JOINT RESOLUTION NUMBER FY2012-03
OF
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

APPROVING THE MERGER PLAN

WHEREAS, a majority of a quorum of the membership of Butterfield Park Mutual Domestic Water Consumers and Mutual Sewage Works Association, on May 8, 2012, voted to approve the merger of their Association, including assets and liabilities, into the Lower Rio Grande Public Water Works Authority (“Authority”) as the successor entity;

WHEREAS, the Board of Directors of the Lower Rio Grande Public Water Works Authority adopted this Resolution approving and accepting the merger plan on May 22, 2012;

WHEREAS, the Board of Directors of the Butterfield Park Mutual Domestic Water Consumers and Mutual Sewage Works Association adopted this Resolution approving and accepting the merger plan on June 12, 2012;

WHEREAS, the Sanitary Projects Act, Section 3-29-20.1 NMSA 1978, in providing for the merger of two or more Associations, requires that the Board of Directors of each Association approve a Plan of Merger;

WHEREAS, NMSA 1978 73-26-1, the legislation creating the Lower Rio Grande Public Water Works Authority, requires that all functions, appropriations, money, records, equipment, and all personal property and real property, including water rights, easements, permits, and infrastructure, as well as all encumbrances, debts, and liabilities, pertaining to or owned by the merging entities shall be transferred to the Authority;

BE IT THEREFORE RESOLVED, that the following PLAN OF MERGER is hereby adopted as follows:

I. Names of Entities to Merge:

The Butterfield Park Mutual Domestic Water Consumers and Mutual Sewage Works Association, whose membership has approved a merger (herein after called the “Association”), located Doña Ana County, New Mexico.

The Lower Rio Grande Public Water Works Authority, whose board of directors has approved a merger, (herein after called the “Authority”) located in Dona Ana County, New Mexico.

II. Terms and Conditions of Merger:

Upon approval and acceptance by the Lower Rio Grande Public Water Works Authority, the merging Association will immediately commence the process of merger into the Authority.

Conditions include but are not limited to the following:

- A. Transition of Membership Accounts to the Authority.
 1. All members/customers of the merging association shall continue to receive service and are entitled to representation in the governance of the Authority.
 2. The Association will provide the Authority, the most current list of all customer/member accounts with all contact information, identifying the following:
 - a. Voting Members
 - b. Active users
 - c. Non-active users
 - d. Non-residential accounts – commercial, institutions, churches
 - e. A waiting list, if applicable
 - f. A list of any suspected illegal connections that are connected illegally to its system
 - g. A Delinquent Accounts list, to include, the amount due and time of arrears in increments of 30, 60, days and those over 120 days.
- B. Provide a list of current board members, positions/officers, term, and expiration of term.
 1. The Association shall provide an organizational chart and a list of employees. The Association and the Authority will develop a plan for joint use of staff, to facilitate the transfer and retention of employees transitioning from one public employer to another.
 2. A current list of employees will be provided by the Association.
 3. The Authority and Association will develop an employee transfer and retention plan. Employee transfer and retention shall be based on the need of the Authority for that position and the employee eligibility and qualification.
 4. All transferred employees shall become employees of the Authority and shall be subject to its Personnel Policies and Procedures.
- C. Upon the transfer of employment, the Association shall provide the Authority with employment records of each employee transferred. Time in service with the Association shall count as time in service with the Authority.
- D. Prior to the merger, Association will develop a plan for covering the on-going retirement pension of the one (1) former (retired) employee of the Association to whom the Association is so obligated.
- E. The Association's assets must be transferred or assigned including infrastructure and non-infrastructure items such as real property/buildings/land, office equipment, tools, vehicles, machinery will be listed as follows: Real property will be transferred by Warranty Deed, and all easements, rights-of-way, permits, and all other property by Quit Claim Deed

1. The Authority's Asset Management Plan shall be amended to include all of the Association's assets and infrastructure and their current condition, present value and replacement value.
 2. The Authority is responsible for integrating the Association's Asset Management Plan.
 3. Transfer of Real Property:
 - a. The Association shall initiate a title search and provide a current list of real property and a list of permits, licenses, easements, leases, and rights of way to the Authority.
 - b. The Authority shall assist the Association in developing the documents necessary for the transfers.
 4. Transfer of Office Equipment:
 - a. The Association shall provide a current list of office equipment to Authority.
 - b. The Authority shall assist the Association in developing the documents necessary for the transfer.
 5. Transfer of Tools/Vehicles/Machinery:
 - a. The Association shall provide a current list of tools/vehicles/machinery to Authority.
 - b. The Authority shall assist the Association in developing the documents necessary for the transfers.
 - c. The Association shall transfer its business records to the Authority
- F. The Association shall complete a financial plan prior to the merger to include an annual budget, reserves, rates, an income and equity statement, balance sheet, and a comprehensive list of liabilities and assets.
- G. Existing public/agency funding and debt issued in the name of the Association shall be transferred and assigned to the Authority in accordance agency/bank procedures.
- H. All bank account balances and monies of the Association shall be transferred and assigned to the Authority. However, monies in reserve funds dedicated to specific employee accounts that cannot be assumed by the Authority shall be retained until transferred out of the merging Association's control.
- I. The Association shall change the ownership of its individual water rights to the Authority according to the regulations of the Office of the State Engineer. The Forty (40 Yr.) Year Water Plan for the Authority and the East Mesa Water Consortium shall be modified accordingly.
- J. The interconnection of water lines and other infrastructure of the Association with the Authority shall be based on feasibility and the ability to protect public health.
- K. The Association, in partnership with the Authority, shall keep its members informed of the transition process.

III. Manner and Basis for Assuming Obligations

- A. Until the Authority assumes governance over the Association, the Association shall:
 - 1. Continue to govern under their existing Articles, Bylaws, Rules and Regulations, policies and procedures including budget, rates, fees, reserve funds;
 - 2. Manage personnel;
 - 3. Manage and operate all system infrastructures;
 - 4. Comply with applicable state and federal requirements; and
 - 5. Prepare for the merger of its Association into the Authority. The merger of each Association into the Authority shall include:
 - a. Develop and approve a Merger Plan;
 - b. Provide notification to its members, regulatory and funding agencies, and other affected parties;
 - c. Appoint one designated and one alternate board member to the Authority's Board of Director until elections are held; and
 - d. Existing Association Board Members who are not appointed to the Authority's Board shall constitute and serve the remainder of their terms as the Authority's Community Advisory Group.

- B. Once the Authority assumes governance over the Association, it shall:
 - 1. Assume management, operation, and maintenance of the business of the Association;
 - 2. Commence redistricting in order to provide all members with equal representation on the Authority Board of Directors.

The signatories hereto agree and acknowledge that this Plan of Merger was negotiated and developed jointly. **IN WITNESS WHEREOF**, the parties hereto have set their hands and seals by their duly authorized officers, agents or representatives, effective as of the date and year written below.

THE BOARD OF THE BUTTERFIELD PARK MUTUAL DOMESTIC WATER CONSUMERS' and MUTUAL SEWAGE WORKS ASSOCIATION

By:

Alree Sweat, President

Date

SEAL:

ATTEST:

Mary Berry, Secretary/Treasurer

Date

THE BOARD OF THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

By:

Roberto Nieto, Chairman

Date

SEAL:

ATTEST:

Acting Secretary

Date